



**33RD ANNUAL REPORT  
2017-2018**



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**PHOTON CAPITAL ADVISORS LIMITED**

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| <b>Board of Directors</b>             |  |
| <b>Whole-time Director</b>            | Mr. Tejaswy Nandury  |
| <b>Independent Directors</b>          | Mr. J. Narasimha Rao   |
|                                       | Mr. V R Shankara   |
| <b>Non-Executive Directors</b>        | Mrs. Suchitra Nandury  |
|                                       | Mrs. Sobha Rani Nandury  |
| <b>Chief Financial Officer</b>        | Mr. Sreedhar Babu Kanuri   |
| <b>Company Secretary</b>              | Ms. Neha Agarwal   |
| <b>Auditors</b>                       | M/S M. ANANDAM & CO.,<br>7A.SURYA TOWERS,<br>S.P ROAD, SECUNDRABAD-500 003<br>TEL: 91-40-27812377, 27812034, 27813222<br>Email: <a href="mailto:ranga@anandam.in">ranga@anandam.in</a>   |
| <b>Bankers</b>                        | Kotak Mahindra Bank Ltd, Banjara Hills,<br>Hyderabad.<br><br>Syndicate Bank , Banjara Hills, Hyderabad.  |
| <b>Registered Office</b>              | Plot No.90-A, Road No.9,<br>Jubilee Hills, Hyderabad - 500 033,<br>Telangana.<br>Phone No. +91 9951339995<br>Website : <a href="http://www.pcalindia.com">www.pcalindia.com</a><br>Email ID : <a href="mailto:info@pcalindia.com">info@pcalindia.com</a>                             |
| <b>Registrar &amp; Transfer Agent</b> | Karvy Computershare Private Limited<br>Karvy Selenium Tower B, Plot No 31&32,<br>Gachibowli, Financial District,<br>Nanakramguda, Serilingampally<br>Hyderabad-500 032,<br>Ph: 040-6716 1606/1602/1776<br>Email Id: <a href="mailto:einward.ris@karvy.com">einward.ris@karvy.com</a> |



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### NOTICE

Notice is hereby given that the 33<sup>rd</sup> Annual General Meeting of the company will be held on Thursday, the 27<sup>th</sup> September, 2018 at 11:00 a.m. at Plot No. 90-A, Road No.9, Jubilee Hills, Hyderabad – 500 033, Telangana, to transact the following business :

#### **ORDINARY BUSINESS :**

1. To consider and adopt the audited financial statements of the company for the financial year ended 31<sup>st</sup> March, 2018 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in the place of Mrs. Nandury Sobharani having director identification number (00567002) who retires by rotation and being eligible offers herself for re-appointment.
3. To fix the remuneration of statutory auditors for the F.Y. 2018-19.

#### **SPECIAL BUSINESS :**

4. To consider and if thought fit to pass the following resolution with or without modification(s) the resolution as a special resolution :

RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV and Regulation 17 & 17(1A) of SEBI (LODR) Regulations, 2015 there to, Mr. J. Narasimha Rao (DIN: 00024260), whose tenure expires on 31.03.2019, be and is hereby re-appointed as an Independent Director of the Company to hold office for further period of 5 (Five) consecutive years up to 31.03.2024 and that he shall not be liable to retire by rotation.

5. To consider and if thought fit to pass the following resolution with or without modification(s) the resolution as a special resolution :

RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV and Regulation 17 of SEBI (LODR) Regulations, 2015 there to, Mr. V R Shankara (DIN: 00041705), whose tenure expires on 31.03.2019, be and is hereby re-appointed as an Independent Director of the Company to hold office for further period of 5 (Five) consecutive years up to 31.03.2024 and that he shall not be liable to retire by rotation.

6. To consider and if thought fit to pass the following resolution with or without modification(s) the resolution as an ordinary resolution :

RESOLVED THAT pursuant to Section 196, 197, and other applicable provisions if any of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013 and approval of the members be and is hereby accorded for the re-appointment of Mr. Tejaswy Nandury (DIN- 00041571), as Whole Time Director of the Company for a further period of 5 years w.e.f. 25.03.2018 with remuneration, perquisites, benefits and allowances as under :

- A. Salary :** There is no basic and incentive salary. There are only benefits by way of perquisites and allowances.
- B. Perquisites and allowances:** perquisites and allowances will be restricted to an amount of Rs. 9,00,000/- per annum or actuals whichever is less.

Subject to the above limit, the whole time director will be allowed the following.

- i) Housing including Gas, Electricity, Water and Furnishings (Non- Interchangeable) :
  - a) Expenditure incurred by the company on hiring accommodation as per the Income Tax Act 1962 and rules made thereunder.
  - b) Expenditure incurred by the company on Gas, Electricity, Water and Furnishings will be evaluated as per the Income Tax Act 1962 and rules made thereunder.
- ii) Medical benefits for self and family :

Reimbursement of expenses actually incurred for self and his family members.
- iii) Leave Travel Concession :

Leave travel concession for self and family once in a year in accordance with the rules of the company.
- iv) Personal accident insurance :

Actual premium not to exceed Rs. 20,000/- per annum.



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v) Fees of Clubs :

Subject to a maximum of 2 clubs. No admission fee or life membership fee is paid by the company.

vi) Car :

Use of car for Company business is provided.

vii) Telephone & Cell Phone :

Phone facility at residence will be provided.

viii) Others :

Reimbursement of actual entertainment expenses, actual travelling and hotel expenses for the company's business and/or allowances as per the Company's rules.

7. To consider and if thought fit to pass the following resolution with or without modification(s) the resolution as a Special resolution :

RESOLVED THAT pursuant to the provisions of Section 186 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification thereof for the time being in force and as may be enacted from time to time) and subject to such other approvals, consents, sanctions and permissions as may be necessary and all other provisions of applicable laws, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to give loans or give any guarantee or provide security in connection with a loan or acquire by way of subscription, purchase or otherwise, the securities of any body corporate upto an aggregate amount not exceeding Rs. 10.00 crore, which is in excess of 60% of the paid up share capital, free reserves and securities premium account or 100% of its free reserves and securities premium account of the Company, whichever is more.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to finalize the terms and conditions of the such investments, loans, guarantees and securities that will be given or provided in connection with the loans and other credit facilities availed or to be availed by any person or body corporates from Banks, financial institutions or others, which they may deem fit in the best interests of the company.

// By Order of the Board //  
for **PHOTON CAPITAL ADVISORS LIMITED**

Place: Hyderabad  
Date: 13.08.2018

**Sd/-**  
**TEJASWY NANDURY**  
WHOLE TIME DIRECTOR  
(DIN: 00041571)



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### NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING MAY APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
3. The instrument appointing the proxy should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting. A Proxy form for the AGM is enclosed. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified true copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
5. The Register of Contracts or arrangements in which Directors are interested, maintained under section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. The Register of members and transfer Books of the Company will be closed from 21<sup>st</sup> September 2018 to 27<sup>th</sup> September 2018 (both days inclusive).
7. The members are requested to -
  - a) Intimate to the Registrars and Transfer Agents of the Company / Depository Participants changes, if any, in their registered addresses at an early date.
  - b) Quote Ledger Folio/Client ID in all the correspondence.
  - c) Bring the copy of the Annual Report and attendance slip with them to the Annual General Meeting.
8. Members desiring any information as regards accounts are requested to write to the Company at least seven days before the date of the meeting to enable the management to keep the information ready at the meeting.
9. All documents referred to in the notice of AGM and statutory registers are open for inspection at the Registered Office of the Company during office hours on all working days except public holidays up to the date of the Annual General meeting.
10. The Company pursuant to Section 108 of Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and as amended from time to time, is extending e-voting facility for its members to enable them to cast their vote electronically instead of participating and voting physically in the Annual General meeting. The Company has appointed Mr. Darga Mabu Basha, Practising Company Secretary who in the opinion of the Board is a duly qualified person, as Scrutinizer who will collate the electronic voting process in a fair and transparent manner.
11. During the voting period, e-voting facility will be available at the link <http://evoting.karvy.com>
12. The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail IDs with the Company / their respective Depository Participants, along with physical copy of the AGM Notice and Annual Report of 2018. Those members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for e-voting along with process, manner and instructions by e-mail. Members may also note that the Annual Report of 2018 is available on the Company's website, [www.pcalindia.com](http://www.pcalindia.com).
13. Members are requested to note that the e-voting will open on 23<sup>rd</sup> September, 2018 and shall remain open for 4 days i.e. up to 26<sup>th</sup> September, 2018. E-voting shall not be allowed beyond 5 p.m. on 26<sup>th</sup> September, 2018.
14. The procedure and instructions for e-voting are as follows :
  - i. Open your web browser during the voting period and navigate to <https://evoting.karvy.com>
  - ii. Enter the login credentials (i.e., User-ID & password) provided to you as mentioned at point no. 12 supra.
  - iii. Please contact Ms. Neha Agarwal, Compliance officer of the Company on 9951339995, for any further clarifications.
  - iv. After entering these details appropriately, click on "LOGIN".
  - v. Members holding shares in Demat /Physical form will now reach Password Change menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. Kindly note that this password can be used by the Demat holders for voting for resolution of any other Company on which they are eligible to vote, provided that Company opts for e-voting



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through Karvy Computershare Private Limited e-voting platform. System will prompt you to change your password and update any contact details like mobile number, email ID etc., on 1st login. You may also enter the Secret Question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- vi. You need to login again with the new credentials.
- vii. On successful login, system will prompt to select the 'Event' i.e., 'Company Name'.
- viii. If you are holding shares in Demat form and had logged on to "<https://evoting.karvy.com>" and casted your vote earlier for any company, then your existing login id and password are to be used.
- ix. On the voting page, you will see Resolution Description and against the same the option 'FOR/AGAINST/ABSTAIN' for voting. Enter the number of shares (which represents number of votes) under 'FOR/AGAINST/ABSTAIN' or alternatively you may partially enter any number in 'FOR' and partially in 'AGAINST', but the total number in 'FOR/AGAINST' taken together should not exceed your total shareholding. If the shareholder do not want to cast, select 'ABSTAIN'
- x. After selecting the resolution, if 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.
- xi. Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xii. Corporate/ Institutional Members (corporate/FIs/FILs/Trust/ Mutual Funds/ Banks, etc.,) are required to send scan (PDF format) of the relevant Board resolution to the Scrutinizer through e-mail to [info@pcalindia.com](mailto:info@pcalindia.com) with a copy to [evoting@karvy.com](mailto:evoting@karvy.com). The file scanned image of the Board Resolution should be in the naming format "Corporate Name\_ Event no."
- xiii. Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- xiv. The members who have cast their vote by remote-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their vote again.



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### EXPLANATORY STATEMENT :

#### **STATEMENT AS REQUIRED UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013.**

##### **Item No. 4 :**

Mr. J. Narasimha Rao (DIN- 00024260) was earlier appointed as an Independent Director of the Company under sec 149 of the Companies Act, 2013 read with Regulation-17 of SEBI (LODR) Regulation 2015 and his tenure is going to expire on 31.03.2019. Being eligible, the re-appointment for a further period of 5 years may be considered by the Company. The declaration from Mr. J. Narasimha Rao stating that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act has been enclosed.

The Board of Directors of your Company, after reviewing the declaration submitted by the above Independent Director, is of the opinion that the said Director meet the criteria of Independence as per Section 149(6) of the Companies Act, 2013 and the rules made thereunder and also meet with the requirements of Regulation-17 of SEBI (LODR) Regulation 2015 for being Independent Director on the Board of the Company and is also independent of the management.

In view of the same, it is proposed to re-appoint Mr. J. Narasimha Rao as an Independent Director under Section 149 of the Act and Regulation-17 and 17(1A) of SEBI (LODR) Regulation 2015 to hold office for further 5 (five) consecutive years i.e. up to 31.03.2024 and shall not be liable to retire by rotation during the said period.

Brief resume of Mr. J. Narasimha Rao, nature of his expertise in specific functional areas and names of companies in which he hold directorships and memberships / chairmanships of Board Committees and shareholding as stipulated under Regulation-17 of SEBI (LODR) Regulation 2015, is provided hereunder.

Brief Profile of Mr. J. Narasimha Rao :

Mr. J. Narasimha Rao is a commerce and law graduate, member of the Institute of Internal Auditors Inc., U.S.A. and fellow member of Institute of Chartered Accountants of India. He is in practice since 1970.

He is not a director of any other public company and also not a member/chairman of any board committees of other public companies.

None of the Directors, Key Managerial Personnel or their relatives have concern or interest in the above said resolution.

##### **Item No. 5 :**

Mr. V. R. Shankara was earlier appointed as an Independent Director of the Company under sec 149 of the Companies Act, 2013 read with Regulation-17 of SEBI (LODR) Regulation 2015 and his tenure is going to expire on 31.03.2019. Being eligible, the re-appointment for a further period of 5 years may be considered by the Company. The declaration from Mr. V. R. Shankara stating that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act has been enclosed.

The Board of Directors of your Company, after reviewing the declaration submitted by the above Independent Director, is of the opinion that the said Director meet the criteria of Independence as per Section 149(6) of the Companies Act, 2013 and the rules made thereunder and also meet with the requirements of Regulation-17 of SEBI (LODR) Regulation 2015 for being Independent Director on the Board of the Company and are also independent of the management.

In view of the same, it is proposed to re-appoint Mr. V. R. Shankara as an Independent Director under Section 149 of the Act and Regulation-17 of SEBI (LODR) Regulation 2015 to hold office for further 5 (five) consecutive years i.e. up to 31.03.2024 and shall not be liable to retire by rotation during the said period.

Brief resume of Mr. V. R. Shankara, nature of his expertise in specific functional areas and names of companies in which he hold directorships and memberships / chairmanships of Board Committees and shareholding as stipulated under Regulation-17 of SEBI (LODR) Regulation 2015, are provided hereunder.

Brief Profile of Mr. V. R. Shankara :

Mr. V. R. Shankara is a postgraduate in commerce and has an experience of over 32 years in administration. He started his career in 1977 in corporate sector and held several senior management positions.

He is not a director of any other public company and also not a member/chairman of any board committees of other public companies

None of the Directors, Key Managerial Personnel or their relatives have concern or interest in the above said resolution

##### **Item No. 6 :**

Mr. Tejaswy Nandury is a Whole Time Director and one of the Promoters of the Company. He has an excellent knowledge on the Industry of the company and their operations.

His current term of appointment as a Whole Time Director of the company has expired on 24.03.2018. In view of his experience on various aspects relating to the Company's affairs and long business exposure, the Board of Directors at its



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## **PHOTON CAPITAL ADVISORS LIMITED**

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meeting held on 14.02.2018 considered that for smooth and efficient running of the administrative affairs of the company, the services of Mr. Tejaswy Nandury should be available for a further period of five years with effect from 25.03.2018.

Accordingly, in terms of the provisions of the Companies Act, 2013 and the articles of association of the Company, the Board of Directors have re-appointed him as a Whole Time Director of the Company for a further period of 5 years with effect from 25.03.2018.

The Board recommends the resolution set forth the notice for the approval of the members.

None of the directors or Key managerial personal are interested in the above resolution except Mr. Tejaswy Nandury and his relatives.

### **Item No. 7 :**

It is to inform that the company is having surplus funds and a proposal has been made to invest the funds as and when needed in to shares of group companies, based on the business potentialities and opportunities, which will be in the best interest of the Company.

As per section 186 of the Companies Act, 2013, prior approval of the members by means of special resolution is required if the aggregate value of loan, guarantees and securities given or provided and to be given or to be provided by a Company along with the investment made or to be made, exceeds 60% of the paid up share capital, free reserves and security premium account of the company or 100% of free reserves and security premium account of the company, whichever is more.

The aggregate value of the investment from the Company may exceed the limits stated above.

The Board recommends the special resolution set forth the notice for the approval of the members.

None of the directors or Key managerial personal are interested in the above resolution except Mr. Tejaswy Nandury and Mrs. Suchitra Nandury and their relatives.

// By Order of the Board //  
for **PHOTON CAPITAL ADVISORS LIMITED**

Place: Hyderabad  
Date: 13.08.2018

Sd/-  
**TEJASWY NANDURY**  
WHOLE TIME DIRECTOR  
(DIN: 00041571)



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## PHOTON CAPITAL ADVISORS LIMITED

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### DIRECTORS' REPORT

To,

The Members of  
PHOTON CAPITAL ADVISORS LIMITED

Your Directors are pleased to present the 33<sup>rd</sup> Annual Report together with audited financial statements of the Company for the financial year ended 31<sup>st</sup> March, 2018.

#### **FINANCIAL RESULTS**

(Amount in Rupees)

| PARTICULARS                            | 2017-18       | 2016-17     |
|--|---------------|-------------|
| Revenue from operations                | 1,28,86,217   | 3,04,00,845 |
| Other Income                           | 84,945        | 24,13,738   |
| Total Revenue                          | 1,29,71,162   | 3,28,14,583 |
| Total Expenses                         | 2,63,45,397   | 42,73,782   |
| Profit/(loss) before tax               | (1,33,74,235) | 2,85,40,801 |
| Provision for tax (Incl. deferred Tax) | 98,66,744     | 20,29,176   |
| Profit/(loss) after tax                | (2,32,40,979) | 2,65,11,625 |
| Profit for the Period                  | (2,32,40,979) | 2,65,11,625 |

#### **REVIEW OF OPERATIONS :**

During the financial year under review, the company has made a revenue of Rs. 1,28,86,217/- from operations and Rs. 84,945/- from other Income aggregating to Rs. 1,29,71,162 and posted a net loss of Rs. (2,32,40,979)/- as per the audited financials for the financial year 2017-18.

There has been a dramatic reduction of breadth in the stock market this year. While the index continues to scale new highs, a lot of stocks outside the index have fallen substantially. Even within the index, heavy rotation has taken place leading to very few stocks rising in a secular trend. As the interest rate environment tightens, the stock market has been trying to digest increases in rates and extreme portfolio churn in institutional portfolios has capped any significant rallies in most stocks. The other factor which has been weighing heavily on equity markets has been the high valuations.

#### **SUBSIDIARIES :**

During the year under review, Soven Management Associates Private Limited ceased to be the Subsidiary Company with effect from 10.03.2018.

#### **MANAGEMENT DISCUSSION AND ANALYSIS :**

##### **Industry structure and developments:**

Except some regulatory changes made by the RBI, there have been no substantial changes in the NBFC industry as a whole.

##### **Opportunities and threats :**

The rising interest rate environment is resulting in realignment of portfolios. As the market grapples with who the winners and losers will be in this environment, extreme portfolio churning has stopped the secular rise of most stocks. Combined with very high valuation across most sectors in the market, the stock market remains in a risky zone.

##### **Segment-wise or product-wise performance:**

Since the Company does not operate in multiple sectors/segments, the segment wise performances of the financials are not applicable.

##### **Outlook:**

The near term outlook remains cloudy because of various measures that the government has taken to improve overall functioning of the economy. However, in the long term, given favourable demographics and under penetration of various sectors, the investment outlook remains very bright. Excessive valuations in public markets are also a matter of concern.

##### **Risks and concerns:**

Your Company has continued to minimize risks from external factors and has constantly preferred and adopted methods and systems in its economic activities with low element of risk. In the current and future years, your company will further strengthen and bolster its efforts to minimize or negate all risk factors. However, external factors of foreign currencies and impact of global slowdown, currency corrections of other large growing economies do cause concern to all enterprises and your company does consider this as a concern. Nevertheless, such factors will be dealt with caution and adequate foresight.



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### **Internal financial control systems and their adequacy :**

The Company has an Internal Control System commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is defined in the Internal Audit Charter. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

### **Material developments in Human Resources / Industrial Relations front, including number of people employed:**

No major changes in employees recruitment during the financial year under review. The company has not made significant development in human resources.

### **DIVIDEND :**

As the company has incurred losses during the financial year 2017-18, your board of directors do not recommend any dividend.

### **TRANSFER TO RESERVES :**

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

### **BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) :**

During the financial year under review, there is no change in constitution of Board of Directors of Company.

As per the provisions of section 152 of the Companies Act, 2013, Mrs. Nandury Sobharani, who retires by rotation at the ensuing Annual General Meeting and being eligible offer herself for re-appointment. The board recommends her re-appointment.

As per the provisions of section 196, 197 and other applicable provisions if any of the Companies Act, 2013 read with Schedule V of the Companies Act, 2013, Mr. Tejaswy Nandury, whose term as Whole Time Director of the company expired on 24.03.2018 was re-appointed by the board of directors in the meeting held on 14.02.2018 subject to the approval of the members. The board recommends his re-appointment.

As per the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule IV of the Companies Act, 2013, Mr. J. Narasimha Rao, whose term as an Independent Director of the company is expiring on 31.03.2019 and being eligible offer himself for re-appointment. The board recommends his re-appointment.

As per the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder read with Schedule IV of the Companies Act, 2013, Mr. V R Shankara, whose term as an Independent Director of the company is expiring on 31.03.2019 and being eligible offer himself for re-appointment. The board recommends his re-appointment.

During the period under review, Mr. Darga Mabu Basha, resigned from the position of the Company Secretary of the company w.e.f 01.08.2017.

During the period under review, Ms. Neha Agarwal was appointed as the Company Secretary and Compliance officer of the company w.e.f. 01.02.2018.

### **BOARD MEETINGS :**

Six (06) meetings of the Board of Directors were held during the financial year and the details are given in paragraph 2 (d) of Corporate Governance report attached to this Annual Report.

### **COMPLIANCE OF SECRETARIAL STANDARDS :**

During the period under review, company has complied with all the applicable secretarial standards, notified under sec 118 (10) of the Companies Act, 2013.

### **EXTRACT OF ANNUAL RETURN :**

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return in form MGT-9 is enclosed as **Annexure I**. The copy of extract of annual return is available at [www.pcalindia.com](http://www.pcalindia.com).

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :**

The company has not granted any loans or given any guarantees or made any investments covered under the provisions of Section 186 of the Companies Act, 2013.



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### **RELATED PARTY TRANSACTIONS :**

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and regulation 23 of SEBI (LODR) Regulations, 2015, during the financial year were in the ordinary course of business and on an arm's length pricing basis. There were no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards has been made in the notes to the financial statements. The details of related party transactions for the Financial Year 2017-18 is enclosed as **Annexure-II**.

### **CORPORATE SOCIAL RESPONSIBILITY :**

In terms of Section 135 of the companies Act, 2013, every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any of the three immediately preceding financial years shall constitute CSR Committee and formulate a Corporate Social Responsibility (CSR) Policy. Since, the Company does not fall under the said criteria during any of the three immediately preceding financial years, the provisions of Sec 135 of the Companies Act, 2013, Schedule VII and the rules made thereunder are not applicable to the Company.

Accordingly, a report on CSR activities as per rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 is not applicable.

### **CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO :**

The required information as per section 134(3) (m) of the Companies Act 2013, is provided hereunder :

#### **CONSERVATION OF ENERGY :**

The Company has been continuously making efforts to reduce energy consumption. The management is striving to achieve cost reduction by economical usage of energy and to bring a general awareness about energy conservation among employees.

- (i) The steps taken or impact on conservation of energy :  
The company does not fall in those list of industries which consumes high energy resources, However the company making efforts to reduce the energy consumption.
- (ii) The steps taken by the company for utilizing alternate source of energy:  
Not applicable
- (iii) The capital investment on energy conservation equipment:  
No capital investment made as the company is consuming very less energy.

#### **TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUT GO:**

There was no technology absorption and no foreign exchange earnings or outgo, during the year under review. Hence, the information as required under Section 134(3)(m) of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014 is to be regarded as Nil.

The Company has not entered into any technology transfer agreement.

#### **PARTICULARS OF EMPLOYEES:**

The Company has not employed any individual whose remuneration exceeds the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **STATUTORY AUDITORS:**

M/s. M. Anandam & Co, Chartered Accountants, Hyderabad, have been appointed as statutory auditors of Company for a period of five years in the AGM held for the F.Y. 2016-17. Accordingly, they will continue as auditors of the company till the conclusion of the annual general meeting to be held in the year 2021. The Board has recommended the remuneration of auditors for the FY 2018-19 to the members at the ensuing annual general meeting.

#### **INTERNAL AUDITORS:**

Pursuant to section 138 of the Companies Act, 2013, the Board in its meeting held on 14.11.2017 has appointed M/s. Bashetty & Joshi, Chartered Accountants, Hyderabad, as Internal Auditors of the company for the financial year 2017-18.

#### **SECRETARIAL AUDITOR:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. SGP & Associates, Company Secretaries, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company and the Report on the Secretarial Audit for the financial year 2017-18 is enclosed herewith as **Annexure III**.



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## PHOTON CAPITAL ADVISORS LIMITED

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### **DETAILS FRAUDS REPORTED BY AUDITORS U/S 143:**

The auditors have not reported any frauds pursuant to sec. 143 (12) of the Companies Act, 2013. Hence, the information to be provided pursuant to Section 134 (3) (ca) of the Companies Act, 2013, may be treated as **NIL**.

### **CORPORATE GOVERNANCE:**

As a listed company, necessary measures have been taken to comply with the listing obligatory Disclosure Requirements (LODR Regulations) with the BSE Ltd, Mumbai. A report on Corporate Governance, along with a certificate of compliance from the Auditors, forms part of this Report as **Annexure- IV**.

### **STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:**

Pursuant to Section 134 (3) (d) of the Companies Act, 2013, a statement shall be made on declaration given by Independent Directors under Sec. 149 (6) of the companies Act, 2013 in the Board report.

The Board has received declarations from the Independent Directors, as required under Sec 149 (7) of the Companies Act, 2013 stating the fulfilment of criteria mentioned in the Sub Section (6) of Sec. 149 of the Companies Act, 2013 and the rules made thereunder and recorded the same in the board meeting held on 29.05.2018.

### **NOMINATION AND REMUNERATION POLICY CRITERIA FOR SELECTION AND REMUNERATION OF DIRECTORS, KMP AND EMPLOYEES:**

The Nomination and Remuneration Committee of the Board, comprises two Independent Non-Executive Directors namely Mr. Narasimha Rao Joga, Mr. V. R. Shankara and one Non-Independent Non-Executive Director, namely Mrs. Suchitra Nandury.

The key features of the Nomination and Remuneration Policy as framed by the Nomination and Remuneration Committee of the company are set out below:

#### **Selection criteria for Directors:**

The Company shall consider the following aspects while appointing a person as a Director on the Board of the Company:

**Skills and Experience:** The candidate shall have appropriate skills and experience in one or more fields of finance, law, management, sales, marketing, administration, public administrative services, research, corporate governance, technical operations or any other discipline related to the Company's business.

**Age Limit:** The candidate should have completed the age of twenty one (21) years and should not have attained the age of seventy (70) years for appointment as Managing Director or Whole Time Director.

**Conflict of Interest:** The candidate should not hold Directorship in any competitor company and should not have any conflict of interest with the Company.

**Directorship:** The number of companies in which the candidate holds Directorship should not exceed the number prescribed under the Act.

**Independence:** The candidate proposed to be appointed as an Independent Director should not have any direct or indirect material pecuniary relationship with the Company and must satisfy the requirements imposed under the Act.

The policy provides that while appointing a Director to the Board, due consideration will be given to approvals of the Board and/or shareholders of the Company in accordance with the Act.

#### **Remuneration for Directors, KMP and other Employees:**

The policy provides that the remuneration of Directors, KMP and other employees shall be based on the following key principles:

- **Pay for performance:** Remuneration of Executive Directors, KMP and other employees is a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goal. The remuneration of Non-Executive Directors shall be decided by the Board based on the profits of the Company and industry benchmarks.
- **Balanced rewards to create sustainable value:** The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors and employees of the Company and encourage behaviour that is aligned to sustainable value creation.
- **Competitive compensation:** Total target compensation and benefits are comparable to peer companies in the industry and commensurate to the qualifications and experience of the concerned individual.
- **Business Ethics:** Strong governance processes and stringent risk management policies are adhered to in order to safeguard our stakeholders' interest.

The Nomination and Remuneration Policy may be accessed on the Company's website at the link: <http://www.pcalindia.com>



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## PHOTON CAPITAL ADVISORS LIMITED

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### **REPLIES TO THE QUALIFICATIONS OF THE AUDITORS UNDER 134 (3) (f):**

Since no qualifications have been reported in the Audit report, the Board of Directors need not give any replies in the Annual report.

### **MATERIAL CHANGES AND COMMITMENTS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There were no material changes from the end of the financial year till the date of this report, affecting the financial position of the Company.

### **DETAILS OF DEPOSITS UNDER CHAPTER V:**

The company has not accepted deposits from the members/public falling within the meaning of Section 73 and/or Sec. 76 of the Companies Act, 2013 and the companies (Acceptance of Deposits) Rule, 2014. Accordingly, furnishing of the details of deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013 does not arise.

### **FORMAL ANNUAL EVALUATION MADE BY THE BOARD OF ITS OWN PERFORMANCE AND OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:**

Keeping in view the various provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 in regard to dealing with powers, duties and functions of the Board of Directors of the Company, your Company has adopted criteria for evaluating the performance of its Board, Committees and other Directors including Independent Directors applicable from the financial year 2017-18. The said criteria contemplates evaluation of Directors based on their performance as directors apart from their specific role as independent, non-executive and executive directors as mentioned below:

- Executive Directors, being evaluated as Directors as mentioned above, will also be evaluated on the basis of targets / criteria given to executive Directors by the board from time to time as well as per their terms of appointment.
- Independent Directors, being evaluated as a Director, will also be evaluated on meeting their obligations connected with their independence criteria as well as adherence with the requirements of professional conduct, roles, functions and duties specifically applicable to Independent Directors as contained in Schedule IV to the Companies Act, 2013.

The criteria also specifies that the Board would evaluate each committee's performance based on the mandate on which the committee has been constituted and the contributions made by each member of the said committee in effective discharge of the responsibilities of the said committee. The Board of Directors of your company has made annual evaluation of its performance, its committees and directors for the financial year 2017-18 based on afore stated criteria.

### **DISCLOSURES :**

#### **Audit Committee:**

The Audit Committee comprises three members namely J. Narasimha Rao (Chairman & Independent Director), Mr. V. R. Shankara (Independent Director) and Mrs. Suchitra Nandury (Non Independent Director). All the recommendations made by the Audit Committee were taken on note by the Board.

#### **Vigil Mechanism:**

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the SEBI (LODR) Regulations, 2015, includes Vigilance and Ethics officer, Senior executive of the Company. Protected disclosures can be made by a whistle blower through an e-mail, or telephone or a letter to the officer or to the Chairman of the Audit Committee. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: <http://www.pcalindia.com>.

### **DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18, are as under:

| Sl No | Name of Director/KMP and Designation     | Remuneration of Director/KMP for financial year 2017-18 | % increase in Remuneration in the Financial Year 2017-18 | Ratio of remuneration of each Director to median remuneration of employees |
|-------|--|---|--|--|
| 1.    | Mr. Tejaswy Nandury, Whole Time Director | Nil   | Nil  | Nil  |
| 2.    | Mr. Narasimha Rao Joga, Director         | Nil   | Nil  | Nil  |



## PHOTON CAPITAL ADVISORS LIMITED

| Sl No | Name of Director/KMP and Designation         | Remuneration of Director/KMP for financial year 2017-18 | % increase in Remuneration in the Financial Year 2017-18 | Ratio of remuneration of each Director to median remuneration of employees |
|-------|--|---|--|--|
| 3.    | Mr. V. R. Shankara, Director                 | Nil   | Nil  | Nil  |
| 4.    | Mrs. Sobha Rani Nandury, Director            | Nil   | Nil  | Nil  |
| 5.    | Mrs. Suchitra Nandury, Director              | Nil   | Nil  | Nil  |
| 6.    | Mr. Darga Mabu Basha Company Secretary       | 60,000  | Nil  | 0.77   |
| 7.    | Ms. Neha Agarwal, Company Secretary          | 30,000  | Nil  | 0.77   |
| 8.    | Mr. K Sreedhar Babu, Chief Financial Officer | 10,89,000   | 20   | 4.66   |

- (ii) The median monthly remuneration of employees of the Company during the financial year was Rs. 19,480/-
- (iii) In the financial year, there was an increase of 41.16% in the median monthly remuneration of employees;
- (iv) There were 5 (Five) permanent employees on the rolls of Company as on March 31, 2018;
- (v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2017-18 was 24.61% whereas the increase in the managerial remuneration for the same financial year was 16.69 % and it is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

### **GENERAL:**

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

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of Employee stock option Scheme
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- Whole-time Directors of the Company did not receive any remuneration or commission from any of its subsidiaries.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

Your Directors further state that during the financial year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Act, 2013).

### **DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Sec 134(3) (c) of the Companies Act, 2013 the Board of Directors of your Company hereby certifies and confirms that:

- In the preparation of the standalone and consolidated Annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- The Directors have selected such accounting policies and applied them consistently and made judgements 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 financial year;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the Annual financial statements on a going concern basis.
- The directors, has laid down internal financial control to be followed by the company and that such internal financial controls are adequate and operating effectively;
- 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.



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**PHOTON CAPITAL ADVISORS LIMITED**

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**ACKNOWLEDGEMENTS:**

Your Directors gratefully acknowledge the support and co-operation extended by all the shareholders, customers, bankers, mutual funds, share brokers to your company during the financial year and look forward to their continued support.

Your Directors also place on record their appreciation of the dedication and commitment displayed by the employees of the company.

*//On behalf of the Board//*

For **PHOTON CAPITAL ADVISORS LIMITED**

**Sd/-**

**V R SHANKARA**  
DIRECTOR  
(DIN:00041705)

**Sd/-**

**TEJASWY NANDURY**  
WHOLE-TIME DIRECTOR  
(DIN: 00041571)

Place: Hyderabad  
Date : 13.08.2018



## PHOTON CAPITAL ADVISORS LIMITED

ANNEXURE 'I' TO THE BOARD'S REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended 31.03.2018

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

### I. Registration and other details :

|      |   |   |
|------|---|---|
| i.   | CIN:-   | L65910TG1983PLC004368   |
| ii   | Registration Date   | 31 <sup>st</sup> December 1983  |
| iii  | Name of the Company   | PHOTON CAPITAL ADVISORS LIMITED   |
| iv)  | Category / Sub-Category of the Company                                    | Company having Share Capital  |
| v)   | Address of the Registered office and contact details                      | Plot. No.90-A, Road No.9, Jubilee Hills, Hyderabad -500 033, Telangana.<br>Tel No : +91 995133995<br>E-mail ID: <a href="mailto:info@pcalindia.com">info@pcalindia.com</a> ,<br>Website: <a href="http://www.pcalindia.com">www.pcalindia.com</a>                     |
| vi)  | Whether listed company Yes / No   | Yes   |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | Karvy Computershare Pvt. Ltd. Karvy Selenium Tower B, Plot No. 31 & 32 Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad-500 032.<br>Ph: 040-6716 1606 1602/1776<br>Email Id: <a href="mailto:einward.ris@karvy.com">einward.ris@karvy.com</a> |

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

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

| S.No. | Name and Description of main products / services           | NIC Code of the Product/ service | % to total turnover of the company |
|-------|--|----------------------------------|------------------------------------|
| 1.    | Activities auxiliary to financial service activities n.e.c | 66190                            | 100                                |

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

| S.No. | Name And Address Of The Company | CIN / GLN | Holding / Subsidiary / Associate | % of shares held | Applicable Section |
|-------|---------------------------------|-----------|----------------------------------|------------------|--------------------|
| --    | --                              | --        | --                               | --               | --                 |

### 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 |                          |
| <b>A. Promoter</b>       |   |          |        |                   |   |          |        |                   |                          |
| <b>1. Indian</b>         |   |          |        |                   |   |          |        |                   |                          |
| a. Individual/ HUF       | 984958  | 0        | 984958 | 65.07             | 984958                                    | 0        | 984958 | 65.07             | 0                        |
| b. Cent. Govt.           | 0   | 0        | 0      | 0                 | 0   | 0        | 0      | 0                 | 0                        |
| c. State Govt.           | 0   | 0        | 0      | 0                 | 0   | 0        | 0      | 0                 | 0                        |
| d. Bodies Corp.          | 148631  | 0        | 148631 | 9.82              | 148631                                    | 0        | 148631 | 9.82              | 0                        |



## PHOTON CAPITAL ADVISORS LIMITED

| 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 |                          |
| e. Bank/ FI  | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| f. Any Other   | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| <b>Sub-Total- A-(1)</b>  | 1133589   | -        | 1133589 | 74.89             | 1133589                                   | -        | 1133589 | 74.89             | 0                        |
| <b>2. Foreign</b>  |   |          |         |                   |   |          |         |                   |                          |
| a. NRI-Ind/HUF   | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| b. Other Ind.  | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| c. Body Corp.  | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| d. Bank/ FI  | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| e. Any   | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| <b>Sub Total- A (2)</b>  | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| <b>Total SH of Promoter (1+2)</b>  | 1133589   | -        | 1133589 | 74.89             | 1133589                                   | -        | 1133589 | 74.89             | 0                        |
| <b>B. Public Share holding</b>   |   |          |         |                   |   |          |         |                   |                          |
| <b>1. Institution</b>  |   |          |         |                   |   |          |         |                   |                          |
| a. Mutual Funds  | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| b. Bank/ FI  | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| c. Cent. Govt.   | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| . State Govt.  | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| e. Venture Capital   | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| f. Insurance Co.   | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| g. FIs   | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| h. Foreign Venture Capital Fund  | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| i. Other   | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| <b>Sub-Total-B (1)</b>   | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| <b>2. Non- Institution</b>   |   |          |         |                   |   |          |         |                   |                          |
| a. Body Corp.  | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| India  | 2202  | 4031     | 6233    | 0.41              | 1721                                      | 4031     | 5752    | 0.38              | (0.03)                   |
| Overseas   | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| b. Individual  | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| i. Individual share holders holding nominal share capital up to Rs. 1 lakh       | 42693   | 330987   | 373680  | 24.69             | 44954                                     | 329399   | 374353  | 24.73             | 0.04                     |
| ii. Individualshare holders holding nominal share capital in excess of Rs 1 lakh | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| c. Other   | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| NRI  | 192   | -        | 192     | 0.01              | 0   | 0        | 0       | 0                 | (0.01)                   |
| <b>Sub-Total-B (2)</b>   | 45087   | 335018   | 380105  | 25.11             | 46675                                     | 333430   | 380105  | 25.11             | -                        |
| <b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>                              | 45087   | 335018   | 380105  | 25.11             | 46675                                     | 333430   | 380105  | 25.11             | 0                        |
| <b>Shares held by Custodian or GDRs &amp; ADRs</b>                               | 0   | 0        | 0       | 0                 | 0   | 0        | 0       | 0                 | 0                        |
| <b>Grand Total (A+B+C)</b>   | 1178676   | 335018   | 1513694 | 100               | 1180264                                   | 333430   | 1513694 | 100               |                          |



## PHOTON CAPITAL ADVISORS LIMITED

### (ii) Shareholding of Promoters :

| S.No. | Shareholder's Name                  | Shares held at the beginning of the year |                                  |  | Shares held 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.    | Mr. TEJASWY NANDURY                 | 499440                                   | 32.99                            | 0  | 499440                             | 32.99                            | 0  | 0  |
| 2.    | Mrs. SOBHA RANI NANDURY             | 467416                                   | 30.88                            | 0  | 467416                             | 30.88                            | 0  | 0  |
| 3.    | SOVEN MANAGEMENT ASSOCIATES PVT LTD | 51144                                    | 3.38                             | 0  | 51144                              | 3.38                             | 0  | 0  |
| 4.    | NANDURY FINANCE AND INVESTMENTS LLP | 47880                                    | 3.16                             | 0  | 47880                              | 3.16                             | 0  | 0  |
| 5.    | ALCHEMIST HR SERVICES PVT LTD       | 40320                                    | 2.66                             | 0  | 40320                              | 2.66                             | 0  | 0  |
| 6.    | VENNELA NANDURY                     | 18102                                    | 1.20                             | 0  | 18102                              | 1.20                             | 0  | 0  |
| 7.    | HIFCO CONSUMER CREDIT LLP           | 9287                                     | 0.61                             | 0  | 9287                               | 0.61                             | 0  | 0  |
|       | <b>Total</b>                        | <b>1133589</b>                           | <b>74.89</b>                     | <b>0</b>   | <b>1133589</b>                     | <b>74.89</b>                     | <b>0</b>   | <b>0</b>                                 |

### (iii) Change in Promoters' Shareholding (please specify, if there is no change): NIL

| Shareholders Name | At the beginning of the year |                                  | Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) |               |        | Cumulative shareholding during at the end of the year |                                  |
|-------------------|------------------------------|----------------------------------|--|---------------|--------|---|----------------------------------|
|                   | No. of Shares                | % of total shares of the company | Date   | No. of shares | Nature | No. of Shares   | % of total shares of the company |
|                   |                              |                                  |  |               |        |   |                                  |

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



## PHOTON CAPITAL ADVISORS LIMITED

| Shareholders Name                       | At the beginning of the year |                                  | Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc) |               |          | Cumulative shareholding during at the end of the year |                                  |
|---|------------------------------|----------------------------------|--|---------------|----------|---|----------------------------------|
|   | No. of Shares                | % of total shares of the company | Date   | No. of shares | Nature   | No. of Shares   | % of total shares of the company |
| SANJAYKUMAR SARAWAGI                    | 4524                         | 0.28                             | -  | -             | -        | 4524  | 0.28                             |
| PRATIK RAJENDRA GANDHI                  | 2927                         | 0.19                             | Acquired during the FY   | 72            | Purchase | 2999  | 0.20                             |
| POLISETTY SRI HARI PRASADA RAO          | 2708                         | 0.18                             | -  | -             | -        | 2708  | 0.18                             |
| CH B S SUBRAHMANYAM & CH RATNA MANIKYAM | 2492                         | 0.16                             | -  | -             | -        | 2492  | 0.16                             |
| G VIJAYALAKSHMI                         | 2080                         | 0.14                             | -  | -             | -        | 2080  | 0.14                             |
| G RAMALINGA RAJU                        | 2000                         | 0.13                             | -  | -             | -        | 2000  | 0.13                             |
| ASHIT R SHAH HUF RAJESH                 | -                            | -                                | -  | -             | -        | 1991  | 0.13                             |
| JASHVANTLAL MODI                        | -                            | -                                | -  | -             | -        | 1934  | 0.13                             |
| VAISHALI RAJESHBHAI MODI                | -                            | -                                | -  | -             | -        | 1841  | 0.12                             |
| RUDRA INFIN PVT LTD                     | 1200                         | 0.08                             | -  | -             | -        | 1200  | 0.08                             |

(v) Shareholding of Directors and Key Managerial Personnel :

| Shareholders Name       | At the beginning of the year |                                  | Date wise Increase / Decrease in shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.) |               |        | Cumulative shareholding during at the end of the year |                                  |
|-------------------------|------------------------------|----------------------------------|---|---------------|--------|---|----------------------------------|
|                         | No. of Shares                | % of total shares of the company | Date  | No. of shares | Nature | No. of Shares   | % of total shares of the company |
| Mr. TEJASWY NANDURY     | 499440                       | 32.99                            | -   | -             | -      | 499440  | 32.99                            |
| Mrs. SOBHA RANI NANDURY | 467416                       | 30.88                            | -   | -             | -      | 467416  | 30.88                            |
| Mr. J.NARASIMHA RAO     | 1                            | -                                | -   | -             | -      | 1   | -                                |
| Mr. V. R. SANKARA       | 80                           | -                                | -   | -             | -      | 80  | -                                |
| Mrs. SUCHITRA NANDURY   | -                            | -                                | -   | -             | -      | -   | -                                |
| Mr. K. SREEDHAR BABU    | 135                          | -                                | -   | -             | -      | 135   | -                                |
| Ms. NEHA AGARWARL       | -                            | -                                | -   | -             | -      | -   | -                                |



## PHOTON CAPITAL ADVISORS LIMITED

### V INDEBTEDNESS

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

|  | Secured Loans<br>excluding<br>Deposits | Unsecured<br>Loans | Deposits | Total<br>Indebtedness |
|--|--|--------------------|----------|-----------------------|
| <b>Indebtedness at the beginning of the financial year : NIL</b> |  |                    |          |                       |
| 1. Principal Amount  | -                                      | -                  | -        | -                     |
| 2. Interest due but not paid                                     | -                                      | -                  | -        | -                     |
| 3. Interest accrued but not due                                  | -                                      | -                  | -        | -                     |
| <b>Total (1+2+3)</b>   | -                                      | -                  | -        | -                     |
| <b>Change in Indebtedness during the financial year :</b>        |  |                    |          |                       |
| Addition   | -                                      | -                  | -        | -                     |
| Reduction  | -                                      | -                  | -        | -                     |
| <b>Net Change</b>  | -                                      | -                  | -        | -                     |
| <b>Indebtedness at the end of the financial year :</b>           |  |                    |          |                       |
| 1. Principal Amount  | -                                      | -                  | -        | -                     |
| 2. Interest due but not paid                                     | -                                      | -                  | -        | -                     |
| 3. Interest accrued but not due                                  | -                                      | -                  | -        | -                     |
| <b>Total (1+2+3)</b>   | -                                      | -                  | -        | -                     |

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

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

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

B. Remuneration to other directors: NIL

| S.No. | Particulars of Remuneration                     | Name of Directors |   |   |   | Total Amount |
|-------|---|-------------------|---|---|---|--------------|
| 1     | <b>Independent Directors</b>                    | -                 | - | - | - | -            |
|       | a. Fee for attending board / committee meetings | -                 | - | - | - | -            |
|       | b. Commission                                   | -                 | - | - | - | -            |
|       | c. Others, please specify                       | -                 | - | - | - | -            |
|       | <b>Total (1)</b>                                | -                 | - | - | - | -            |



## PHOTON CAPITAL ADVISORS LIMITED

| S.No. | Particulars of Remuneration                     | Name of Directors |   | Total Amount |   |
|-------|---|-------------------|---|--------------|---|
| 2     | <b>Other Non-Executive Directors</b>            | -                 | - | -            | - |
|       | a. Fee for attending board / committee meetings | -                 | - | -            | - |
|       | b. Commission                                   | -                 | - | -            | - |
|       | c. Others, please specify                       | -                 | - | -            | - |
|       | <b>Total-(2)</b>                                | -                 | - | -            | - |
|       | <b>Total-B (1+2)</b>                            | -                 | - | -            | - |
|       | Total Managerial Remuneration                   | -                 | - | -            | - |
|       | Overall Ceiling as per the Act                  | -                 | - | -            | - |

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/MTD

| S.No. | Particulars of Remuneration  | Key Managerial Personnel |        |           | Total Amount |
|-------|--|--------------------------|--------|-----------|--------------|
|       |  | CEO                      | CS     | CFO       |              |
| 1     | Gross salary   | -                        | 30,000 | 10,89,000 | 11,19,000    |
|       | d. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | -                        | -      | -         | -            |
|       | e. Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -                        | -      | -         | -            |
|       | f. Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | -                        | -      | -         | -            |
| 2     | Stock Option   | -                        | -      | -         | -            |
| 3     | Sweat Equity   | -                        | -      | -         | -            |
| 4     | Commission as % of profit  | -                        | -      | -         | -            |
|       | - Others, specify...   | -                        | -      | -         | -            |
| 5     | Others, please specify   | -                        | -      | -         | -            |
|       | <b>Total-(A)</b>   | -                        | 30,000 | 10,89,000 | 11,19,000    |

### 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) |
|-------------------------------------|------------------------------|-------------------|---|-------------------------------|------------------------------------|
| <b>A.COMPANY</b>                    |                              |                   |   |                               |                                    |
| Penalty                             | -                            | -                 | -   | -                             | -                                  |
| Punishment                          | -                            | -                 | -   | -                             | -                                  |
| Compounding                         | -                            | -                 | -   | -                             | -                                  |
| <b>B. Directors</b>                 |                              |                   |   |                               |                                    |
| Penalty                             | -                            | -                 | -   | -                             | -                                  |
| Punishment                          | -                            | -                 | -   | -                             | -                                  |
| Compounding                         | -                            | -                 | -   | -                             | -                                  |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                               |                                    |
| Penalty                             | -                            | -                 | -   | -                             | -                                  |



## PHOTON CAPITAL ADVISORS LIMITED

| 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) |
|-------------|------------------------------|-------------------|---|-------------------------------|------------------------------------|
| Punishment  | -                            | -                 | -   | -                             | -                                  |
| Compounding | -                            | -                 | -   | -                             | -                                  |

for and on behalf of the Board

Place: Hyderabad  
Date : 13.08.2018

Sd/-  
**V R SHANKARA**  
DIRECTOR  
(DIN:00041705)

Sd/-  
**TEJASWY NANDURY**  
WHOLE-TIME DIRECTOR  
(DIN: 00041571)

### ANNEXURE II

#### FORM NO. AOC-2

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

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

- Details of contracts or arrangements or transactions not at arm's length basis : Not applicable
- Details of contracts or arrangements or transactions at arm's length basis :

| Sl. No. | Name of the related party & Nature of relationship | Nature of contract / arrangements / transactions | Duration of the contracts / arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any : | Date(s) of approval by the Board, if any : | Amount paid as advances, if any : In Rs. |
|---------|--|--|---|--|--|--|
| 1.      | Mrs. Sobha Rani Nandury & Director of the Company. | Rent   | Rent Agreement-From April 2014 - March 2020.            |  | 30.05.2017                                 | 75,000/-                                 |

for and on behalf of the Board

Place: Hyderabad  
Date : 13.08.2018

Sd/-  
**V R SHANKARA**  
DIRECTOR  
(DIN:00041705)

Sd/-  
**TEJASWY NANDURY**  
WHOLE-TIME DIRECTOR  
(DIN: 00041571)



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**PHOTON CAPITAL ADVISORS LIMITED**

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ANNEXURE III

Form No. MR-3

**Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2018**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To,  
The Members,  
Photon Capital Advisors Limited,  
Hyderabad.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Photon Capital Advisors Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018 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:

1. We have examined the books, papers, Minute books, forms, returns filed and other records maintained by the company for the financial year ended on 31<sup>st</sup> March 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 rules made there under;
  - (iii) The Depositories Act, 1996 and the Regulation and Bye Laws framed there under;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - (v) Labour Laws
  - (vi) The following Regulations and Guidelines Prescribed under the securities and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
    - (a) The Securities exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 2011
    - (b) The Securities Exchange Board of India (Prohibition of insider Trading) Regulations 2015;
2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are applicable to the Company under the financial year under report:-
  - (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (b) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (d) 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;
  - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (f) The Securities and Exchange Board of India (Buy back of securities) Regulations, 2013;
3. We have also examined compliance with the applicable regulations of SEBI (LODR) regulations, 2015.

We hereby report that during the period under review the Company has complied with the provisions of the Companies Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

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



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**PHOTON CAPITAL ADVISORS LIMITED**

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We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

A. Rules and regulations of Reserve Bank of India in respect of Non-Banking Financial Company.

We further report that:

Adequate notices were given to all directors to convene and conduct 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.

All the decisions of the Board are carried through unanimously and recorded the same in the minutes. We further report that there are adequate systems and Processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **SGP& Associates**  
**Company Secretaries**

Sd/-  
Darga Mabu Basha  
Partner  
C P No: 19091

Place : Hyderabad  
Date : 13.08.2018



## PHOTON CAPITAL ADVISORS LIMITED

### ANNEXURE -IV

#### CORPORATE GOVERNANCE REPORT

In accordance with clause C of schedule V of SEBI (LODR) Regulations, 2015, the report containing the details of corporate governance systems and processes at Photon capital advisors Limited is as follows:

**1. Company's Philosophy on Code of Governance:**

Your Company believes in conducting its affairs with the highest level of integrity, with proper authorizations, professionalism, accountability and transparency. The business operations of your Company are conducted not to benefit any particular interest group but for the benefit of all stakeholders. All matters of strategy and significant developments and other matters which are required for consent of Board are being placed before the Board. The Audit and share transfer and Grievance Committees regularly meet to consider aspects relevant to each committee whereas the Remuneration Committee meets based on need.

**2. Board of Directors:**

**a. Composition of the Board:**

The Board of Directors consists of Five (05) Directors and the composition and category of Directors is as follows:

| Sl. No. | Name & Category of the Directors   | No. of Directorships held in other Board of Directors                           | No. of Memberships / Chairmanships held in Committees of other companies |
|---------|--|---|--|
| 1.      | <b>Mr. Tejaswy Nandury</b> Promoter - Executive Director (DIN- 00041571) | Holding Directorship in 01 private Company and 2 LLPs                           | NIL  |
| 2.      | <b>Mr. V. R. Shankara</b> Independent - Non-Executive (DIN- 00041705)    | Not Holding any Directorship/designated partnership in private Company and LLPs | NIL  |
| 3.      | <b>Mr. J. Narasimha Rao</b> Independent - Non-Executive (DIN- 00024260)  | Holding Directorship in 01 private Company                                      | NIL  |
| 4.      | <b>Mrs. Sobha Rani Nandury</b> Promoter – Non-Executive (DIN- 00567002)  | Holding Directorship in 01 private Company and 2 LLPs                           | NIL  |
| 5.      | <b>Mrs. Suchitra Nandury</b> Promoter – Non-Executive (DIN-00568167)     | Holding Designated partnership in 01 LLPs                                       | NIL  |

The composition of the Board is in conformity with regulation 17 of SEBI (LODR) Regulations, 2015.

**b. Details of Directors being appointed and reappointed at the ensuing Annual General Meeting:**

1) Mrs. Nandury Sobharani, being the retiring director retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. A brief resume of the Director being re-appointed is as follows:

Mrs. Nandury Sobharani holds a degree in History and Economics from Andhra University, served in the Boards of different companies and brings with her years of experience in strategic and operational oversight.

2) Mr. V. R. Shankara, Independent Director, whose term is expiring on 31.03.2019 being eligible offers himself for re-appointment for a further term of 5 years till 31st March, 2024. A brief resume of the Director being re-appointed is as follows:

Mr. V. R. Shankara is a postgraduate in commerce and has an experience of over 34 years in administration. He started his career in 1977 in corporate sector and held several senior management positions.

3) Mr. J. Narasimha Rao, Independent Director, whose term is expiring on 31.03.2019 being eligible, offers himself for re-appointment for a further term of 5 years till 31st March, 2024. A brief resume of the Director being re-appointed is as follows:



## PHOTON CAPITAL ADVISORS LIMITED

Mr. J. Narasimha Rao is a commerce and law graduate, member of the Institute of Internal Auditors Inc., U.S.A. and fellow member of Institute of Chartered Accountants of India. He is in practice since 1970.

- 4) Mr. Tejaswy Nandury, Whole Time director whose term has expired on 24.03.2018 was appointed by the board of directors in the meeting held on 14.02.2018, subject to the ratification of the members and is being re-appointed for a further term of 5 years till 24th March, 2023. A brief resume of the Director being re-appointed is as follows:

Mr. Tejaswy Nandury serves has been Whole-Time Director of Photon Capital Advisors Ltd. (Formerly Hifco Marvel Limited) since March 25, 2008. He has over 10 years of experience in Private Equity and Public Markets Investing. He joined Photon Capital Advisors on November 3, 2003. Mr. Nandury holds B.A in Economics from Stanford University, USA and started his career as a management consultant at McNess Co.

- c. Non-Executive Directors' compensation and disclosures:

No fees/compensation is being paid to the Non-Executive Directors of the Company.

- d. Board meetings:

During the financial year 2017-18, the Board of Directors met Four (04) times on the following dates:

1. 30th May, 2017,
2. 05th July, 2017,
3. 03rd August, 2017,
4. 10th August, 2017,
5. 14th November, 2017 and
6. 14th February, 2018

The attendance of Directors at these Board meetings and at the previous Annual General meeting was as under:

| Sl. No. | Name of the Directors  | No. of Board Meetings held during the period April 2017 -March 2018 | No. of Meetings attended by the Director | Whether present at the previous AGM (29.09.2017) |
|---------|------------------------|---|--|--|
| 1.      | Mr. Tejaswy Nandury    | 6   | 6  | Yes  |
| 2.      | Mr. V. R. Shankara     | 6   | 6  | No   |
| 3.      | Mr. J. Narasimha Rao   | 6   | 4  | Yes  |
| 4.      | Mrs. Sobharani Nandury | 6   | 6  | Yes  |
| 5.      | Mrs. Suchitra Nandury  | 6   | 6  | Yes  |

- e. Inter-se relationships between directors & Number of shares and convertible instruments held:

| Sl. No. | Name of the Directors   | Inter-se relationship with other Directors                                   | No of shares held by non-executive Directors |
|---------|-------------------------|--|--|
| 1.      | Mr. Tejaswy Nandury     | Son of Mrs. Sobha Rani Nandury and Spouse of Mrs Suchitra Nandury.           | -  |
| 2.      | Mr. V. R. Shankara      | No   | 80   |
| 3.      | Mr. J. Narasimha Rao    | No   | 1  |
| 4.      | Mrs. Sobha Rani Nandury | Mother of Mr. Tejaswy Nandury and Mother-in-Law of Mrs. Suchitra Nandury     | 4,67,416                                     |
| 5.      | Mrs. Suchitra Nandury   | Spouse of Mr. Tejaswy Nandury and Daughter-in-law of Mrs. Sobha Rani Nandury | -  |

- f. Familiarization program for Independent Directors:

During the financial year under review, no new Independent Directors have been appointed. However, the company has framed a policy for training and familiarization programme for newly appointed Independent Directors. Further at the time of appointment of Independent Director, the company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities. The format of letter of appointment is available on our website: [www.pcalindia.com](http://www.pcalindia.com).



## PHOTON CAPITAL ADVISORS LIMITED

### 3. Audit Committee:

The Audit Committee was constituted by the Board of Directors. The terms of reference of this committee cover the matters specified in the Part C of Schedule II of SEBI (LODR) Regulations, 2015 and section 177 of the Companies Act, 2013.

#### a. Composition, Name of Members and Chairman:

The Audit committee was reconstituted as per the Companies Act, 2013 and now the Committee consists of the following Independent and Non-Executive Directors:

1. Mr. J. Narasimha Rao : Chairman
2. Mr. V. R. Shankara : Member
3. Mrs. Suchitra Nandury : Member

The Audit Committee invites the Statutory Auditors or their representatives, to be present at its meeting.

During the year under review, the total number of meetings held was Four (04) on the following dates:

1. 30<sup>th</sup> May, 2017,
2. 10<sup>th</sup> August, 2017,
3. 14<sup>th</sup> November 2017 and
4. 14<sup>th</sup> February, 2018

#### b. Meetings and attendance during the year:

| Name of the Member    | No. of Meetings held | Attendance |
|-----------------------|----------------------|------------|
| Mr. J. Narasimha Rao  | 4                    | 3          |
| Mr. V. R. Shankara    | 4                    | 4          |
| Mrs. Suchitra Nandury | 4                    | 4          |

Necessary Quorum was present for all the meetings.

Mr. J. Narasimha Rao Chairman of the Audit Committee

### 4. Nomination and Remuneration Committee:

#### a. Brief description of terms of reference:

The terms of reference of Nomination and Remuneration Committee cover all the matters specified for the Nomination and Remuneration Committee under Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015

#### b. Composition, Name of members and Chairperson:

The Nomination and Remuneration Committee comprises of Three (03) Directors as detailed below:

1. Mr. J. Narasimha Rao Independent Director
2. Mr. V.R. Shankara Independent Director
3. Mrs. Suchitra Nandury Non-Executive Director

The committee elected Mr. J. Narasimha Rao, an Independent director, as the Chairman of the Committee.

#### c. Meetings and attendance during the year:

During the financial year under review, the total number of meetings held was Two (02) on the following dates:

1. 10th August, 2017 and
2. 14th February 2018.

#### d. Meetings and attendance during the financial year:

| Name of the Member    | No. of Meetings held | Attendance |
|-----------------------|----------------------|------------|
| Mr. J. Narasimha Rao  | 2                    | 1          |
| Mr. V. R. Shankara    | 2                    | 2          |
| Mrs. Suchitra Nandury | 2                    | 2          |



## PHOTON CAPITAL ADVISORS LIMITED

**e. Performance evaluation criteria for independent directors**

During the financial year, the Nomination and remuneration Committee under the guidance of the Board formulated the criteria and framework for the performance evaluation of every director on the Board, including the executive and Independent Director and identified on-going training and education programmes to ensure that the Non-executive directors are provided with adequate information regarding the business, industry, and their legal responsibilities and duties.

**5. Remuneration of Directors:**

No remuneration paid during the year under review.

**6. Share Transfer and Investors Grievance Committee:**

Share Transfer and Investors Grievance Committees were formed by the Board of Directors in terms of regulation 19 of SEBI (LODR) Regulations, 2015.

**a. Name of non-executive director heading the committee:**

Mr. J. Narasimha Rao is the Chairman of the share transfer and Investors Grievance Committee.

**b. Name and designation of Compliance officer:**

Ms. Neha Agarwal, Compliance officer

**c. Composition of Share Transfer and Investors Grievance Committees:**

The share transfer and Investors Grievance Committee consist of the following Independent and Non-Executive Directors:

1. Mr. J. Narasimha Rao - Independent Director
2. Mr. V. R. Shankara - Independent Director
3. Mrs. Suchitra Nandury - Non - Executive Director

Mr. J. Narasimha Rao is the Chairman of the Share Transfer and Investors Grievance Committees.

The committee look into the matters relating to the shareholder's complaints, grievances, various requests in the nature of transfer, transmission, etc., and also overseeing the performance of the Registrar & Transfer agents to improve the quality of investor services.

**d. Number of shareholder complaints received, solved and pending:**

The status of shareholder complaints received during the reporting period under review and number of complaints solved and pending are detailed as below:

| Sl. No. | Nature of complaint                        | No. of complaints received | No. of complaints solved | No. of complaints pending |
|---------|--|----------------------------|--------------------------|---------------------------|
| 1       | Non-receipt of Share certificate           | 04                         | 04                       | Nil                       |
| 2       | Non-receipt of duplicate Share certificate | Nil                        | Nil                      | Nil                       |
| 3       | Non-receipt of Annual Reports              | Nil                        | Nil                      | Nil                       |
| 4       | Non-receipt of D/Ws                        | Nil                        | Nil                      | Nil                       |
| 5       | Non-receipt of refund order                | Nil                        | Nil                      | Nil                       |
| 6       | SEBI                                       | 01                         | 01                       | Nil                       |
|         | Total                                      | 05                         | 05                       | Nil                       |

**7. General Body Meetings:**

**a. Annual General Meetings:**

The details of last 3 Annual General Meetings held were as under:

| Date       | Time       | Venue   |
|------------|------------|---|
| 29.09.2017 | 11.00 A.M. | Plot No.90-A, Road No.9, Jubilee Hills, Hyderabad-500 033, Telangana. |
| 30.09.2016 | 11.00 A.M. | Plot No.90-A, Road No.9, Jubilee Hills, Hyderabad-500 033, Telangana. |
| 30.09.2015 | 11.00 A.M. | Plot No.90-A, Road No.9, Jubilee Hills, Hyderabad-500 033, Telangana. |



## PHOTON CAPITAL ADVISORS LIMITED

- b. **Extra-Ordinary General Meetings** : No Extra-Ordinary General Meeting of the Members was held during the financial year 2017 - 18.
- c. **Postal Ballot** : No Postal Ballot was conducted during the financial year 2017 - 18.
- d. **Special Resolutions** : No special resolutions were passed at the Three (03) previous Annual General Meetings held on 30.09.2015, 30.09.2016 and 29.09.2017.

8. **Means of Communication:**

- a. The Quarterly financial results are published in one English newspaper and in one regional newspaper i.e., Hans India and Andhra Prabha.
- b. No Information is released to the press at the time of declaration of financial results except the publication of results in the newspapers.
- c. The Management Discussion and Analysis (MD & A) is a part of the Annual Report.
- d. No presentations made to institutional investors or to the analysts.
- e. The Company has disclosed the means of communication at its website at [www.pcalindia.com](http://www.pcalindia.com)

9. **General Shareholder Information:**

a. **Annual General Meeting:**

Date : 27.09.2018  
Time : 11.00 a.m.  
Venue : Plot No.90-A, Road No.9, Jubilee Hills,  
Hyderabad, Telangana- 500 033.

b. **Financial Calendar:**

The financial year covers the period from 1st April to 31st March:

**Financial Reporting for 2018-2019 (tentative):**

|   |                                  |
|---|----------------------------------|
| The First Quarter financial results - 30.06.2018  | Held on 13.08.2018               |
| The Second Quarter financial results - 30.09.2018 | Between 15.10.2018 to 14.11.2018 |
| The Third Quarter financial results - 31.12.2018  | Between 15.01.2019 to 14.02.2019 |
| The Last Quarter financial results - 31.03.2019   | Between 15.04.2019 to 30.05.2019 |

c. **Dividend payment Date:**

Not applicable as the Board has not recommended any dividend for the financial year.

d. **Stock exchange (s) and Listing fee:**

Shares of the Company are listed on BSE Limited [BSE] and the Company has paid Annual Listing Fees for the financial year 2017-18 to the BSE Limited [BSE]

e. **Stock code:**

Company's Stock Code in BSE : 509084

f. **Market price data- high, low during each month in FY 2017-18:**

Market Price Data : High / Low during each month of F.Y. 2017 - 2018 on the BSE

| Month     | High (Rs.) | Low (Rs.) | Close (Rs.) | Volume (Nos.) |
|-----------|------------|-----------|-------------|---------------|
| Apr, 2017 | 18.81      | 18.81     | 18.81       | 5.00          |
| May, 2017 | 18.85      | 18.85     | 18.85       | 160.00        |
| Jun, 2017 | 18.85      | 18.85     | 18.85       | 100.00        |
| Jul, 2017 | 18.85      | 18.85     | 18.85       | 4.00          |
| Aug, 2017 | 18.85      | 18.85     | 18.85       | 10.00         |
| Sep, 2017 | 18.85      | 18.85     | 18.85       | 171.00        |
| Oct, 2017 | 25.00      | 25.00     | 25.00       | 34.00         |
| Nov, 2017 | 32.20      | 32.20     | 32.20       | 30.00         |
| Dec, 2017 | 32.20      | 32.20     | 32.20       | 122.00        |



## PHOTON CAPITAL ADVISORS LIMITED

| Month     | High (Rs.) | Low (Rs.) | Close (Rs.) | Volume (Nos.) |
|-----------|------------|-----------|-------------|---------------|
| Jan, 2018 | 44.10      | 44.10     | 44.10       | 500.00        |
| Feb, 2018 | 44.10      | 44.10     | 44.10       | 44.00         |
| Mar, 2018 | 44.10      | 44.10     | 44.10       | 225.00        |

- g. **Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index etc.:**  
Since the company is not in active trade list, comparing the performance with broad based indices not appropriate.
- h. **In case the securities are suspended from trading, the director's report shall explain the reason thereof:**  
The shares of the company have not been suspended during the period under review.
- i. **Registrar to an Issue and Share Transfer Agents:**  
Karvy Computershare Private Limited  
Karvy Selenium Tower B, Plot No 31 & 32  
Gachibowli, Financial District,  
Nanakramguda, Serilingampally  
Hyderabad-500 032  
Ph: 040-6716 1606/1602/1776  
Email Id: [einward.ris@karvy.com](mailto:einward.ris@karvy.com).
- j. **Share transfer System:**  
The Board has delegated share transfer formalities to the Registrars and Transfer Agents:  
Karvy Computershare Private Limited  
Karvy Selenium Tower B, Plot No 31 & 32  
Gachibowli, Financial District, Nanakramguda, Serilingampally  
Hyderabad-500 032, Ph: 040-6716 1606/1602  
Email Id: [einward.ris@karvy.com](mailto:einward.ris@karvy.com).  
All communications regarding Share Transfers, Transmissions, Change in Address and any other correspondence etc., may be addressed to the Registrars & Transfer Agents.  
The company has constituted shareholders/investors Grievance Committee, which meets as and when required. Physical transfers are affected within the statutory period of 15 days. The Board has designated Ms. Neha Agarwal as the Compliance Officer. Hence, in case of any grievances, the shareholders are free to approach the share transfer committee for due redressal of their grievances.
- k. **Distribution of Shareholding 31.03.2017**

| Shares Amount  | Number of Shares   |               | Share holders |              |
|----------------|--------------------|---------------|---------------|--------------|
|                | Number of accounts | % to accounts | In Rs.        | % of Capital |
| (1)            | (2)                | (3)           | (4)           | (5)          |
| 1 - 5000       | 6573               | 99.47         | 3445090       | 22.76        |
| 5001 - 10000   | 17                 | 0.26          | 110610        | 0.73         |
| 10001 - 20000  | 6                  | 0.09          | 100020        | 0.66         |
| 20001 - 30000  | 4                  | 0.06          | 102790        | 0.68         |
| 30001 - 40000  | 0                  | 0             | 0             | 0            |
| 40001 - 50000  | 1                  | 0.02          | 42540         | 0.28         |
| 50001 - 100000 | 1                  | 0.02          | 92870         | 0.61         |
| 100001 - Above | 6                  | 0.09          | 11243020      | 74.28        |
| Total          | 6,608              | 100.00        | 15136940      | 100.00       |



## PHOTON CAPITAL ADVISORS LIMITED

b) Categories of Shareholders as on 31st March, 2018

| Sl. No. | Description                | Cases       | Shares         | % Equity      |
|---------|----------------------------|-------------|----------------|---------------|
| 1       | HUF                        | 6           | 2472           | 0.16          |
| 2       | BODIES CORPORATES          | 32          | 5752           | 0.38          |
| 3       | PROMOTERS BODIES CORPORATE | 4           | 148631         | 9.82          |
| 4       | PROMOTER INDIVIDUALS       | 3           | 984958         | 65.07         |
| 5       | RESIDENT INDIVIDUALS       | 6563        | 371881         | 24.57         |
|         | <b>TOTAL</b>               | <b>6608</b> | <b>1513694</b> | <b>100.00</b> |

**i. Dematerialization of shares and liquidity:**

| Sl.No. | Description  | No. of Holders | Shares         | % to Equity   |
|--------|--------------|----------------|----------------|---------------|
| 1      | PHYSICAL     | 6175           | 3,33,430       | 22.03         |
| 2      | NSDL         | 297            | 79,404         | 5.25          |
| 3      | CDSL         | 136            | 11,00,860      | 72.73         |
|        | <b>TOTAL</b> | <b>6608</b>    | <b>1513694</b> | <b>100.00</b> |

77.98% of Company's paid-up equity share capital has been dematerialized up to March 31, 2018. Trading in equity shares of the Company is permitted only in de-materialized form.

The Company has established connectivity with CDSL and NSDL and the shareholders are requested to avail this facility and dematerialise their shares by sending their physical share certificates to the Share Transfer Agents or the Company through their Depository Participants.

**m. Outstanding Global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:**

The Company has not issued any GDR or ADR or other convertible instruments, hence there is no impact on equity of the Company.

**n. Commodity price risk or foreign exchange risk and hedging activities.**

As the Company does not trade in commodity markets and not involved in foreign exchange transactions, there is no commodity price risk or foreign exchange risk to the company's operations. The Company also not carried on the hedging activities.

**o. Plant locations:**

The Company is not in the manufacturing sector and does not have any plant locations other than registered office.

**p. Address for Correspondence:**

Shareholders may correspond with the Company for the redressal of their grievances, if any at the registered office of the Company situate at:

Plot No. 90-A,  
Road No. 9, Jubilee Hills,  
Hyderabad-500 033.  
Telangana.  
Ph. No: +91-9951339995  
Email Id: info@pcalindia.com

**10. Other Disclosures:**

- There is no materially significant related party transaction that may have potential conflict with the interests of listed entity at large.
- Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during last Three (03) years 2015-16, 2016-17 & 2017-18 respectively : NIL
- The Company has adopted Whistle Blower policy and the Company affirmed that no personnel have been denied access to the audit committee.
- The Company has complied with all mandatory requirements of chapter IV of SEBI (LODR) Regulations, 2015 and it has not adopted non-mandatory requirements of SEBI (LODR) Regulations, 2015.



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**PHOTON CAPITAL ADVISORS LIMITED**

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- e. The policy for determining material subsidiaries is not applicable, as the Company does not have any material subsidiary as at 31.03.2018.
  - f. The policy on dealing with related party transactions is placed on the website of the company i.e. www.pcalindia.com
  - g. The Company does not undertake purchase or sale in Commodity markets and hence no disclosure on commodity price risks and commodity hedging activities is required.
11. The compliance with the corporate governance provisions as specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of Schedule V of SEBI (LODR) Regulations, 2015 are not applicable to the Company. However, we have disclosed all the compliances as required under corporate governance section in the Annual report.
  12. The compliance with the corporate governance provisions as specified in Part E of Schedule II is not applicable to the Company. However the Company has complied with the following compliances under Part E of Schedule II.
    - a. The Company has moved towards a regime of financial statements with unmodified audit opinion.
    - b. The Company has appointed separate persons to the post of chairperson and chief executive officer.
    - c. The Internal auditor reports directly to the audit committee.
  13. The disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 are not applicable to the Company. However, the Company has disclosed all compliances in the section on corporate governance of the annual report.
  14. Declaration signed by the chief executive officer stating that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management, is enclosed as **Annexure- A**.
  15. Compliance certificate from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance is enclosed as **Annexure-B**.
  16. **Disclosures with respect to Demat suspense account/ unclaimed suspense account:**  
There are no Demat suspense account (s) and no unclaimed suspense account.

// By Order of the Board//  
for **PHOTON CAPITAL ADVISORS LIMITED**

Place: Hyderabad  
Date: 13.08.2018

|  |  |
|--|--|
| Sd/-<br><b>V R SHANKARA</b><br>DIRECTOR<br>(DIN: 00041705) | Sd/-<br><b>TEJASWY NANDURY</b><br>WHOLE TIME DIRECTOR<br>(DIN: 00041571) |
|--|--|

**ANNEXURE-A**

**DECLARATION BY CEO OF THE COMPANY ON CODE OF CONDUCT**

As per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Stock exchanges the Board shall lay down a code of conduct for all Board Members and senior management of the Company. The code of conduct shall be posted on the website of the company and all the Board Members and senior management personnel shall affirm compliance with the code on annual basis. The Annual report of the Company shall contain a declaration to this effect signed by CEO of the Company.

In regard to the compliance of the above I hereby declare that:

1. Code of conduct prepared for the Board Members and senior management of the company was approved by the Board of Directors and the same was adopted by the Company.
2. Code of conduct adopted by the Company was circulated to the members of the Board and senior management of the company and also posted in the website of the company.
3. All the members of the Board and senior management of the company have complied with all the provisions of the code of conduct.

For **PHOTON CAPITAL ADVISORS LIMITED**

Sd/-  
**TEJASWY NANDURY**  
WHOLE TIME DIRECTOR  
(DIN: 00041571)

Place: Hyderabad  
Date: 13.08.2018



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**PHOTON CAPITAL ADVISORS LIMITED**

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**ANNEXURE B****CEO / CFO CERTIFICATION**

To,  
The Board of Directors  
Photon Capital Advisors Limited

We, Mr. Tejaswy Nandury, Chief Executive Officer and Whole Time Director and Mr. K. Sreedhar Babu, Chief Financial Officer of Photon Capital Advisors Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed financial statements and all the notes on annual accounts the Company and the Board report.
2. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
3. 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.
4. There are no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
5. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable efficiency in the design or operation of such internal controls.
6. We have indicated to the Auditors and the Audit Committee:
  - (i) That there are no significant changes in internal control over financial reporting during the year;
  - (ii) That there are no significant changes in accounting policies during the year; and
  - (iii) That there are no instances of significant fraud of which we have become aware.

for **PHOTON CAPITAL ADVISORS LIMITED**

Place: Hyderabad  
Date: 13.08.2018

**Sd/-**  
**K SREEDHAR BABU**  
CHIEF FINANCIAL OFFICER

**Sd/-**  
**TEJASWY NANDURY**  
WHOLE TIME DIRECTOR  
DIN : 00041571



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**PHOTON CAPITAL ADVISORS LIMITED**

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**Annexure C****AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE AS PER PARA E  
SCHEDULE V OF SEBI (LODR) REGULATIONS, 2015.**

To,  
The Members of,  
**Photon Capital Advisors Limited.**

We have examined the compliance of conditions of Corporate Governance by Photon Capital Advisors Limited, for the financial year ended on 31st March 2018, as stipulated in SEBI (LODR) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. 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 based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (LODR) Regulations, 2015.

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

Place : Hyderabad  
Date : 13.08.2018

For **SGP& Associates**  
**Company Secretaries**

**Sd/-**  
**Darga Mabu Basha**  
Partner  
CP No. 19091



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## PHOTON CAPITAL ADVISORS LIMITED

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### INDEPENDENT AUDITORS' REPORT

To the Members of  
Photon Capital Advisors Limited, Hyderabad

#### **Report on the Indian Accounting Standards (Ind AS) Financial Statements**

We have audited the accompanying Ind AS financial statements of Photon Capital Advisors Limited, ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement, Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **Management's Responsibility for the 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 and presentation of these 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

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

#### **Auditors' Responsibility**

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

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

We conducted our audit 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 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 Ind AS financial statements.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Emphasis of Matter**

Reference is invited to note No. 2(a)(i) to the financial statements, the Company has surrendered NBFC License to the Reserve Bank of India on 17th July, 2017. Pending approval from Reserve Bank of India, the Company has adopted Indian Accounting Standards (Ind AS) for the financial year ended 31st March, 2018.

#### **Other Matter**

The comparative financial information of the Company for the year ended 31st March, 2017 and the transition date opening balance sheet as at 1st April, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements for the years ended 31st March, 2017 and 31st March, 2016 prepared in accordance with the Companies (Accounting Standards) Rules, 2006 (as amended) which were audited by the predecessor auditor who expressed an unmodified opinion vide reports dated 30th May, 2017 and 30th May, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition date to Ind AS have been audited by us. Our opinion is not modified in respect of this matter.



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## PHOTON CAPITAL ADVISORS LIMITED

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### 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 books of account.
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the board of directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as director in terms of section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company does not have any pending litigations on its financial position in its Ind AS financial statements
    - ii) The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii) There has been no delay in transferring amounts, which were 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 of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For M. Anandam & Co.,  
Chartered Accountants  
(Firm's Registration No. 000125S)

Sd/-  
M.R. Vikram  
Partner  
Membership No.021012

Place: Hyderabad  
Date: May 29, 2018

### Annexure A to the Auditors' Report

(Referred to in paragraph 1 (f) under "Report on Other Legal and Regulatory Requirements" section 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 **Photon Capital Advisors Limited**, ("the Company") as of 31st March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.



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## PHOTON CAPITAL ADVISORS LIMITED

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### 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 ICAI 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 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 Ind AS 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 Ind AS 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 Ind AS 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 31st March 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 M. Anandam & Co.,  
Chartered Accountants  
(Firm's Registration No. 000125S)

Sd/-  
M.R. Vikram  
Partner  
Membership No.021012

Place: Hyderabad  
Date: May 29,2018



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## PHOTON CAPITAL ADVISORS LIMITED

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### Annexure B to the Auditors' Report

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the fixed assets have been physically verified by the management in a periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its business. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not hold any immovable properties. Accordingly the provisions of paragraph 3 (1) (c) of the Order is not applicable to the Company.
- (ii) The Company does not have inventories and accordingly the provisions of para paragraph 3 (ii) of the Order is not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3 (iii) (a) to (c) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has made investments which is in compliance with Section 186 of the Act. The Company has not granted loans, not provided guarantees and securities.
- (v) According to the information and explanations given to us, the Company has not accepted deposits within the meaning of Sections 73 to 76 of the Act and the rules framed thereunder.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, value added tax, goods and service tax, wealth tax, service tax, customs duty, excise duty, cess and any other statutory dues as applicable with the appropriate authorities and there were no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- (b) According to the information and explanations, there are no Dues payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, value added tax, goods and service tax, wealth tax, service tax, customs duty, excise duty which have not been deposited on account of any disputes.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were obtained.
- (x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.
- (xi) In our opinion and according to the information and explanations given to us the Company has not paid/provided managerial remuneration Accordingly, paragraph 3 (xi) of the Order is not applicable
- (xii) The Company is not a Nidhi Company Accordingly paragraph (xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable Indian accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year Accordingly paragraph (xiv) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.
- (xvi) The company is registered under section 45-IA of the Reserve Bank of India Act 1934. The Company has surrendered NBFC License to the Reserve Bank of India and the same is Pending for approval.

**For M. Anandam & Co.,**  
Chartered Accountants  
(Firm's Registration No. 000125S)

**Sd/-**  
**M.R. Vikram**  
Partner  
Membership No.021012

Place: Hyderabad  
Date: May 29,2018



## PHOTON CAPITAL ADVISORS LIMITED

### Balance Sheet as at 31st March, 2018

*Rupees in lakhs unless otherwise stated*

| Particulars  | Note No | As at 31st March 2018 | As at 31st March 2017 | As at 1st April 2016 |
|--|---------|-----------------------|-----------------------|----------------------|
| <b>ASSETS</b>  |         |                       |                       |                      |
| <b>(1) Non - Current Assets</b>                                  |         |                       |                       |                      |
| (a) Property, Plant and Equipment                                | 3       | 2.18                  | 4.33                  | 7.86                 |
| (b) Financial Assets   |         |                       |                       |                      |
| (i) Investments  | 4.1     | 580.12                | 50.00                 | 50.00                |
| (ii) Other Financial Assets                                      | 4.2     | 1.15                  | 0.83                  | 0.78                 |
| (c) Deferred Tax Assets  | 5       | 388.68                | 469.73                | 431.21               |
| (d) Other Non-current Assets                                     | 6       | 0.11                  | -                     | 0.06                 |
| <b>(2) Current Assets</b>  |         |                       |                       |                      |
| (a) Financial Assets   |         |                       |                       |                      |
| (i) Investments  | 7.1     | 129.11                | 908.87                | 742.04               |
| (ii) Cash and Cash Equivalents                                   | 7.2     | 9.28                  | 8.85                  | 3.78                 |
| (iii) Other Financial Assets                                     | 7.3     | -                     | 1.24                  | -                    |
| (b) Current Tax Assets (Net)                                     | 8       | 2.30                  | -                     | 3.58                 |
| (c) Other Current Assets   | 9       | 0.55                  | 0.99                  | -                    |
| <b>Total Assets</b>  |         | <b>1,113.47</b>       | <b>1,444.85</b>       | <b>1,240.89</b>      |
| <b>EQUITY AND LIABILITIES</b>                                    |         |                       |                       |                      |
| <b>EQUITY</b>  |         |                       |                       |                      |
| (a) Equity Share Capital   | 10      | 151.37                | 151.37                | 151.37               |
| (b) Other Equity   | 11      | 957.06                | 1,233.88              | 1,085.02             |
| <b>LIABILITIES</b>   |         |                       |                       |                      |
| <b>(1) Non-Current Liabilities</b>                               |         |                       |                       |                      |
| (a) Provisions   | 12      | -                     | 1.05                  | 0.72                 |
| <b>(2) Current Liabilities</b>                                   |         |                       |                       |                      |
| (a) Financial Liabilities  |         |                       |                       |                      |
| (i) Other Financial Liabilities                                  | 13      | 4.80                  | 3.43                  | 3.62                 |
| (b) Other Current Liabilities                                    | 14      | 0.24                  | 0.13                  | 0.16                 |
| (c) Provisions   |         | -                     | -                     | -                    |
| (d) Current Tax Liabilities (net)                                | 15      | -                     | 54.99                 | -                    |
| <b>Total Equity and Liabilities</b>                              |         | <b>1,113.47</b>       | <b>1,444.85</b>       | <b>1,240.89</b>      |
| Summary of significant accounting policies and notes to accounts |         | 2                     |                       |                      |

The accompanying Notes are an integral part of these Financial Statements.

for and on behalf of the Board

For **M. Anandam & Co.,**  
Chartered Accountants  
(Firm Regn.No.000125S)

**Sd/-**  
**M R Vikram**  
Partner  
Membership No:021012

**Sd/-**  
**Tejaswy Nandury**  
Whole time Director  
DIN : 00041571

**Sd/-**  
**Sreedhar Babu K**  
Chief Financial Officer

**Sd/-**  
**V. R. Shankara**  
Director/Director  
DIN : 00041705

**Sd/-**  
**Neha Agarwal**  
Company Secretary  
(ACS No:53325)

Hyderabad  
Dated : 29-05-2018



## PHOTON CAPITAL ADVISORS LIMITED

### Statement of Profit and Loss for the year ended 31st March, 2018

*Rupees in lakhs unless otherwise stated*

|      | Particulars   | Note No | Year ended 31st March, 2018 | Year ended 31st March, 2017 |
|------|---|---------|-----------------------------|-----------------------------|
| I    | Revenue from Operations   | 16      | 128.86                      | 304.01                      |
| II   | Other Income  | 17      | 0.85                        | 24.14                       |
| III  | <b>Total Income (I+II)</b>  |         | <b>129.71</b>               | <b>328.15</b>               |
| IV   | <b>Expenses</b>   |         |                             |                             |
|      | Loss from Investment Activities                                     | 18      | 0.43                        | 2.51                        |
|      | Employee Benefits Expense   | 19      | 21.12                       | 19.39                       |
|      | Finance Cost  | 20      | 0.05                        | 0.06                        |
|      | Depreciation and Amortization Expense                               | 3       | 2.14                        | 3.53                        |
|      | Other Expenses  | 21      | 239.71                      | 17.26                       |
|      | <b>Total Expenses (IV)</b>  |         | <b>263.45</b>               | <b>42.74</b>                |
| V    | <b>Profit Before Tax ( III- IV )</b>                                |         | <b>(133.74)</b>             | <b>285.41</b>               |
| VI   | Tax Expense :   |         |                             |                             |
|      | (1) Current tax (including earlier years)                           | 22      | 17.93                       | 4.34                        |
|      | (2) Deferred Tax  | 5       | 80.73                       | 15.95                       |
| VII  | <b>Profit/(loss) for the Year ( V -VI)</b>                          |         | <b>(232.41)</b>             | <b>265.12</b>               |
| VIII | Other Comprehensive Income  |         |                             |                             |
|      | Items that will not be reclassified to statement of profit and loss |         |                             |                             |
|      | a) Remeasurement of defined employee benefit plans (net of tax)     |         | 0.90                        | (0.62)                      |
|      | b) Fair Value of Investments  |         | (45.31)                     | (115.64)                    |
|      | <b>Sub-total (A+B)</b>  |         | <b>(44.41)</b>              | <b>(116.26)</b>             |
| IX   | Total Comprehensive Income for the Year (VII + VIII)                |         | (276.82)                    | 148.85                      |
| X    | Earnings per equity share (Face Value of Rs. 10/- each)             |         |                             |                             |
|      | Basic & Diluted   | 23      | (15.35)                     | 17.51                       |

The accompanying Notes are an integral part of these Financial Statements.

for and on behalf of the Board

For **M. Anandam & Co.,**  
Chartered Accountants  
(Firm Regn.No.000125S)

**Sd/-**  
**M R Vikram**  
Partner  
Membership No:021012

**Sd/-**  
**Tejaswy Nandury**  
Whole time Director  
DIN : 00041571

**Sd/-**  
**Sreedhar Babu K**  
Chief Financial Officer

**Sd/-**  
**V. R. Shankara**  
Director/Director  
DIN : 00041705

**Sd/-**  
**Neha Agarwal**  
Company Secretary  
(ACS No:53325)

Hyderabad  
Dated : 29-05-2018



## PHOTON CAPITAL ADVISORS LIMITED

### Statement of Cash Flow for the year ended 31st March, 2018

*Rupees in lakhs unless otherwise stated*

| Particulars   | 31 March 2018 | 31 March 2017 |
|---|---------------|---------------|
| <b>A Cash flows from operating activities</b>               |               |               |
| Profit before tax   | (133.74)      | 285.41        |
| Adjustments for :   |               |               |
| Depreciation and Amortization Expense                       | 2.14          | 3.53          |
| Finance Costs   | 0.05          | 0.06          |
| Interest on Fixed Deposits                                  | (0.18)        | (0.31)        |
| Excess provision no longer required written back            | -             | (18.90)       |
| Share of Loss from Partner ship Firm                        | 219.88        | -             |
| Dividend Received   | (0.67)        | (3.40)        |
| Profit/loss on sale of Investment (net)                     | (128.86)      | (301.50)      |
|   | 92.37         | (320.53)      |
| <b>Operating Profit before Working Capital Changes</b>      | (41.38)       | (35.12)       |
| Adjustments for:  |               |               |
| (Increase) / Decrease in Current Assets                     | 0.39          | (0.83)        |
| (Increase) / Decrease in Loans and Advances                 | 0.42          | 0.00          |
| Increase / (Decrease) in Current Liabilities and Provisions | 4.90          | (0.76)        |
|   | 5.71          | (1.59)        |
| <b>Cash Generated from Operations</b>                       | (35.67)       | (36.71)       |
| Direct Taxes Paid   | (73.56)       | -             |
| Net Cash generated from/(used in) Operating Activities      | (109.23)      | (36.71)       |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES</b>                |               |               |
| Purchase of Investment                                      | (2,149.64)    | (6,327.86)    |
| Proceeds from sale of investments                           | 2,258.44      | 6,365.79      |
| Interest received on fixed deposits                         | 0.18          | 0.26          |
| Dividends received  | 0.67          | 3.59          |
| Net Cash from Investing Activities                          | 109.65        | 41.79         |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES</b>                |               |               |
| Net Cash generated from Financing Activities                | -             | -             |
| Net increase in Cash and Cash Equivalents                   | 0.43          | 5.07          |
| Cash and Cash Equivalents at the beginning of the year      | 8.85          | 3.78          |
| Cash and Cash Equivalents at the end of the year            | 9.28          | 8.85          |

#### Notes

##### 1 Components of cash and cash equivalents

| Particulars   | 31 March 2018 | 31 March 2018 |
|---|---------------|---------------|
| Balances with banks   |               |               |
| - Current accounts  | 9.25          | 8.66          |
| Cash in Hand  | 0.03          | 0.19          |
| Cash and cash equivalents considered in the cash flow statement | 9.28          | 8.85          |

2 Cash flow statement has been prepared under 'Indirect method' as set out in Indian Accounting Standard - 7 specified under Section 133 of the Companies Act, 2013.

3 The accompanying Notes form an integral part of the Financial Statements.

For **M. Anandam & Co.,**  
Chartered Accountants  
(Firm Regn.No.000125S)

Sd/-  
**M R Vikram,**  
Partner  
Membership No:021012  
Hyderabad  
Dated : 29-05-2018

for and on behalf of the Board

Sd/-  
**Tejaswy Nandury**  
Whole time Director  
DIN : 00041571

Sd/-  
**Sreedhar Babu K**  
Chief Financial Officer

Sd/-  
**V. R. Shankara**  
Director/Director  
DIN : 00041705

Sd/-  
**Neha Agarwal**  
Company Secretary  
(ACS No:53325)



## PHOTON CAPITAL ADVISORS LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

Rupees in lakhs unless otherwise stated

#### Equity share capital

| Particulars                     | Note | As at 31st March, 2016 |
|---------------------------------|------|------------------------|
| As at 01 April 2016             | 10   | 151.37                 |
| Changes in equity share capital |      | -                      |
| As at 31 March 2017             |      | 151.37                 |
| Changes in equity share capital |      | -                      |
| As at 31 March 2018             |      | 151.37                 |

#### b. Other equity

| As at 01 April 2016                                  | Reserves and surplus |                 |                   |                 |                   | Total    |
|--|----------------------|-----------------|-------------------|-----------------|-------------------|----------|
|  | Note No              | Capital Reserve | Statutory Reserve | General reserve | Retained earnings |          |
| Balance as at 1 April 2016                           | 11                   | 2.56            | 322.45            | 754.64          | 5.38              | 1085.02  |
| Profit for the year                                  |                      | -               | -                 | -               | 264.50            | 265.12   |
| Other comprehensive income / ( loss ) ( net of tax ) |                      | -               | -                 | -               | (115.64)          | (116.26) |
| Balance as at 31 March 2017                          |                      | 2.56            | 322.45            | 754.64          | 154.23            | 1233.8   |
| Profit for the year                                  |                      | -               | -                 | -               | (231.51)          | (232.41) |
| Other comprehensive income / ( loss ) ( net of tax ) |                      | -               | -                 | -               | (45.31)           | (44.41)  |
| Balance as at 31 March 2018                          |                      | 2.56            | 322.45            | 754.64          | (122.59)          | 957.05   |

The accompanying Notes are an integral part of these Financial Statements.

for and on behalf of the Board

For **M. Anandam & Co.,**  
Chartered Accountants  
(Firm Regn.No.000125S)

**Sd/-**  
**M R Vikram**  
Partner  
Membership No:021012

**Sd/-**  
**Tejaswy Nandury**  
Whole time Director  
DIN : 00041571

**Sd/-**  
**Sreedhar Babu K**  
Chief Financial Officer

**Sd/-**  
**V. R. Shankara**  
DirectorDirector  
DIN : 00041705

**Sd/-**  
**Neha Agarwal**  
Company Secretary  
(ACS No:53325)

Hyderabad  
Dated : 29-05-2018



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## PHOTON CAPITAL ADVISORS LIMITED

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Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

### 1. Background

Photon Capital Advisors Limited (the "Company") is a public limited company having its registered office situated at Plot No.90-A, Road No-9, Jubilee Hills, Hyderabad, Telangana – 524 410, India. The Company was incorporated on 31st December, 1983 under the provisions of the Companies Act applicable in India. The Company is engaged in the business of investment and financial services.

### 2. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### a. Basis of Preparation

(i) The Company has surrendered NBFC License to the Reserve Bank of India on 17th July, 2017. Pending approval from Reserve Bank of India, the Company has adopted Indian Accounting Standards (Ind AS) for the financial year ended 31st March, 2018.

#### (ii) Compliance with Ind AS

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Amendment Rules, 2016 and Companies (Indian Accounting Standards) Amendment Rules, 2017, the relevant provisions of the Companies Act, 2013 ('the Act') and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The financial statements for the year ended March 31, 2018 are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Accordingly, the Company has prepared an Opening Ind AS Balance Sheet as at April 1, 2016 and comparative figures for the year ended March 31, 2017 also in compliance with Ind AS. An explanation of how the transition to Ind AS has effected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 34.

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles, which are duly approved and authorised for issue by the Board of Directors of the Company.

#### (iii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:-

- Certain financial assets and liabilities that are measured at fair value;
- Employee defined benefit plans - plan assets measured at fair value less present value of defined benefit obligation.

### 2.4 Use of estimates

The preparation of financial statements requires the management of the company to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the financial statements.

### 2.5 Property, Plant and Equipment

#### Tangible Assets

Property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

#### Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognized as at 1 April 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

#### Derecognition

An item of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of assets.

#### Depreciation methods, estimated useful lives

Depreciation is calculated using the straight-line basis at the rates arrived at based on the useful lives prescribed in Schedule II of the Companies Act, 2013. The company follows the policy of charging depreciation on pro-rata basis on the assets acquired or disposed off during the year. Leasehold assets are amortised over the period of lease. Gains or losses on disposal are determined by comparing proceeds with carrying amount. Individual assets costing less than Rs. 5,000 are depreciated in full in the year of purchase.



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## PHOTON CAPITAL ADVISORS LIMITED

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Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

### 2.6 Leases

- (i) Assets acquired under lease where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalized at the inception of lease at lower of the fair value and present value of minimum lease payments.
- (ii) Assets acquired under lease where the significant portion of risks and rewards of ownership are retained by the lesser are classified as operating lease. Lease rentals are charged to profit and loss account on accrual basis.

### 2.7 Impairment of tangible assets

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

### 2.8 Investments

#### i) Classification

The Company classifies its financial assets in the following measurement category:

- measured subsequently at fair value For assets measured at fair value, gains and losses are recorded in other comprehensive income.

#### ii) Measurement

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

#### Debt instruments :

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

- (i) Long term investments are carried at cost. Diminution in the value of investments, other than temporary, is provided for
- (ii) Current investments are carried at fair value
- (iii) Unlisted and not-actively traded investments are stated at their fair value

### 2.9 Revenue recognition

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. The following specific recognition criteria must also be met before revenue is recognized:

#### Income from services

Revenues from maintenance contracts are recognized pro-rata over the period of the contract as and when services are rendered. The company collects Goods & Services Tax on behalf of the government and, therefore, it is not an economic benefit flowing to the company. Hence, it is excluded from revenue.

#### Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

#### On sale of investments:

Revenue from sale of investments is recognised in the year of sale net of expenses.



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## PHOTON CAPITAL ADVISORS LIMITED

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Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

### Dividends

Dividend income is recognized when the company's right to receive dividend is established by the reporting date.

### 2.10 Foreign currency transactions

The transactions in foreign currency are accounted at the exchange rate prevailing on the date of transaction. Foreign currency monetary assets and monetary liabilities at the balance sheet date are translated at the rate of exchange prevailing on that date. The exchange difference arising from foreign currency transactions and premium on forward contracts are amortized as expenses or income over the life of the contract.

### 2.11 Retirement and other employee benefits

#### Short-term employee benefits

"The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include salaries, social security contributions and short term compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service. The cost of such compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

#### Defined contribution plans

Company's contributions paid/payable during the year are recognized in the Profit and Loss Account.

#### Defined benefit plans

For defined benefit plans in the form of gratuity, the cost of providing benefits is determined using 'the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost." Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

### 2.12 Taxes on Income

#### Income tax

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

#### Deferred tax

Deferred tax liabilities are provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax liabilities are generally recognised in full.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the Balance Sheet date. Tax relating to items recognised directly in equity/ other comprehensive income is recognised in respective head and not in the Statement of Profit & Loss.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

### 2.14 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period.



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## PHOTON CAPITAL ADVISORS LIMITED

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Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

### 2.15 Provisions

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

### 2.16 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

### 2.17 Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### 2.18 Dividend Distribution

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

### 2.19 Rounding off amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

### 2.20 Standards issued but not yet effective

The standards issued, but not yet effective up to the date of issuance of the Company's financial statements are disclosed below.

#### Ind AS 115, Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that revenue should be recognised when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and 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 Company will adopt the standard on April 1, 2018 and the effect on adoption of Ind AS 115 is expected to be insignificant.

#### Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing 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. This amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.



## PHOTON CAPITAL ADVISORS LIMITED

Notes to financial statements for the year ended 31st March, 2018

### 3 PROPERTY, PLANT & EQUIPMENT

Rupees in lakhs unless otherwise stated

#### 3 (a) Property, plant and equipment

| Particulars            | Gross carrying amount |           |             |                     | Accumulated depreciation |              |              |                     | Net carrying amount |
|------------------------|-----------------------|-----------|-------------|---------------------|--------------------------|--------------|--------------|---------------------|---------------------|
|                        | As at 1 April 2017    | Additions | Declaration | As at 31 March 2018 | As at 1 April 2017       | For the Year | On disposals | As at 31 March 2018 | As at 31 March 2018 |
| Furniture and fixtures | 3.66                  | -         | -           | 3.66                | 1.59                     | 1.15         | -            | 2.73                | 0.92                |
| Electrical Equipment   | 3.24                  | -         | -           | 3.24                | 1.78                     | 0.96         | -            | 2.74                | 0.50                |
| Office Equipment       | 0.70                  | -         | -           | 0.70                | 0.10                     | 0.02         | -            | 0.12                | 0.58                |
| Computer Equipment     | 0.26                  | -         | -           | 0.26                | 0.07                     | 0.01         | -            | 0.08                | 0.18                |
| <b>TOTAL</b>           | <b>7.86</b>           | <b>-</b>  | <b>-</b>    | <b>7.86</b>         | <b>3.53</b>              | <b>2.14</b>  | <b>-</b>     | <b>5.67</b>         | <b>2.18</b>         |

#### 3 (b) Property, plant and equipment

| Particulars            | Gross carrying amount          |           |             |                     | Accumulated depreciation |              |              |                     | Net carrying amount |
|------------------------|--------------------------------|-----------|-------------|---------------------|--------------------------|--------------|--------------|---------------------|---------------------|
|                        | Demand cost as at 1 April 2006 | Additions | Declaration | As at 31 March 2018 | As at 1 April 2017       | For the Year | On disposals | As at 31 March 2017 | As at 31 March 2017 |
| Furniture and fixtures | 3.66                           | -         | -           | 3.66                | -                        | 1.59         | -            | 1.59                | 2.07                |
| Electrical Equipment   | 3.24                           | -         | -           | 3.24                | -                        | 1.78         | -            | 1.78                | 1.46                |
| Office Equipment       | 0.70                           | -         | -           | 0.70                | -                        | 0.10         | -            | 0.10                | 0.61                |
| Computer Equipment     | 0.26                           | -         | -           | 0.26                | -                        | 0.07         | -            | 0.07                | 0.19                |
| <b>TOTAL</b>           | <b>7.86</b>                    | <b>-</b>  | <b>-</b>    | <b>7.86</b>         | <b>-</b>                 | <b>3.53</b>  | <b>-</b>     | <b>3.53</b>         | <b>4.33</b>         |

3(c) Property, plant and equipment - Details of gross block and accumulated depreciation as per IGAAP as at April 1, 2016 is as follows:

| Particulars            | Gross carrying amount | Accumulated depreciation | Net carrying amount |
|------------------------|-----------------------|--------------------------|---------------------|
| Furniture and Fixtures | 11.11                 | 7.45                     | 3.66                |
| Electrical Equipment   | 9.88                  | 6.64                     | 3.24                |
| Office Equipment       | 11.90                 | 11.20                    | 0.70                |
| Computer Equipment     | 7.40                  | 7.14                     | 0.26                |
| <b>TOTAL</b>           | <b>40.29</b>          | <b>32.43</b>             | <b>7.86</b>         |



## PHOTON CAPITAL ADVISORS LIMITED

Notes to financial statements for the year ended 31st March, 2018

### 4.1 INVESTMENTS - NON CURRENT

Rupees in lakhs unless otherwise stated

| Sr.No. | Particulars  | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|--------|--|------------------------|------------------------|------------------------|
| A      | Investment in Equity Instruments-At Amortised Cost   |                        |                        |                        |
| 1      | Investment in Subsidiary Company (Unquoted- fully paid up)<br>Soven Management Associates Pvt Ltd<br>(31st March,2017, 50,000 shares of Rs.100/- each)<br>(1st April,2016, 50,000 shares of Rs.100/- each) | -                      | 50.00                  | 50.00                  |
| B      | Investment in Partnership firm<br>Calypso Growth Investments   | 580.12                 | -                      | -                      |
|        | <b>Total</b>   | <b>580.12</b>          | <b>50.00</b>           | <b>50.00</b>           |
|        | <b>Aggregate amount of Unquoted Investments</b>  | <b>580.12</b>          | <b>50.00</b>           | <b>50.00</b>           |

The company has made investment of Rs.8,00,00,000 in Calypso Growth Investments (partnership firm).The details are given below:

| Particulars                     | As at 31st March, 2017 | As at 31st March, 2016 |
|---------------------------------|------------------------|------------------------|
| Mr. Tejaswy Nandury             | 1.31%                  | 49.20                  |
| Hifco Consumer Credit LLP       | 10.74%                 | 403.94                 |
| Mrs. Sobharani Nandury          | 67.64%                 | 2,542.92               |
| Photon Capital Advisors Limited | 15.43%                 | 580.12                 |
| Mrs. Suchitra Nandury           | 4.88%                  | 183.32                 |
| <b>Total</b>                    | <b>100.00%</b>         | <b>3,759.51</b>        |

### 4.2 OTHER FINANCIAL ASSETS (NON-CURRENT)

| Sr.No. | Particulars                    | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|--------|--------------------------------|------------------------|------------------------|------------------------|
| 1      | Gratuity (Excess Contribution) | 0.43                   | -                      | -                      |
| 2      | Rental Deposits                | 0.72                   | 0.83                   | 0.78                   |
|        | <b>Total</b>                   | <b>1.15</b>            | <b>0.83</b>            | <b>0.78</b>            |

### 5 Deferred Tax Assets

| Sr.No. | Particulars   | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|--------|---|------------------------|------------------------|------------------------|
| 1      | Deferred Tax Assets<br>(Arising on account of timing difference)  |                        |                        |                        |
|        | (a) Depreciation Loss / Investment Allowance  | 1.86                   | 5.02                   | 4.91                   |
|        | (b) Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis | (0.17)                 | 0.62                   | 6.52                   |
|        | (c) Carry forward of business loss  | 332.76                 | 409.01                 | 419.78                 |
|        | (d) Carry forward of unabsorbed depreciation  | -                      | 0.85                   | -                      |
|        | (e) Unused tax credits  | 54.23                  | 54.23                  | -                      |
|        | <b>Total</b>  | <b>388.68</b>          | <b>469.73</b>          | <b>431.21</b>          |



## PHOTON CAPITAL ADVISORS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

### Reconciliation of Deferred Tax Assets :

| Particulars   | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|---|------------------------|------------------------|------------------------|
| Opening Balance - Deferred Tax Asset                          | 469.73                 | 431.21                 | 402.26                 |
| Tax Income/(Expense) recognised in Profit or Loss             | (79.93)                | 38.28                  | 28.95                  |
| Tax Income/(Expense) recognised in Other Comprehensive Income | (1.12)                 | 0.24                   | -                      |
| <b>Deferred Tax Assets / (Liabilities)</b>                    | <b>388.68</b>          | <b>469.73</b>          | <b>431.21</b>          |

### Movements in DTA:

| Particulars                                | On account of Depreciation Loss & Employee Benefits | Others - Unused Tax Credits | On account of Business loss & unabsorbed depreciation |
|--|---|-----------------------------|---|
| At 1st April, 2016<br>(Charged)/Credited:  | -   | -                           | -   |
| to Profit or Loss                          | (6.03)  | 54.23                       | (9.92)  |
| to Other Comprehensive Income              | 0.24  | -                           | -   |
| At 31st March, 2017<br>(Charged)/Credited: | (5.79)  | 54.23                       | -   |
| to Profit or Loss                          | (2.83)  | -                           | (76.25)   |
| to Other Comprehensive Income              | (1.12)  | -                           | (0.85)  |
| <b>At 31st March, 2018</b>                 | <b>(9.74)</b>                                       | <b>54.23</b>                | <b>(77.10)</b>  |

### 6. OTHER NON-CURRENT ASSETS

| Particulars                 | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|-----------------------------|------------------------|------------------------|------------------------|
| Prepaid Expenses-Lease Rent | 0.11                   | -                      | 0.06                   |
| <b>Total</b>                | <b>0.11</b>            | <b>-</b>               | <b>0.06</b>            |

### 7.1 INVESTMENTS-CURRENT

| Sr.No. | Particulars   | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|--------|---|------------------------|------------------------|------------------------|
| (a)    | Investment in Equity Instruments (Quoted-fully paid up)<br>Carried at Fair value through Other Comprehensive Income |                        |                        |                        |
| 1      | Peeti securities Limited  | 0.28                   | 0.26                   | 0.29                   |
| 2      | Liquid Benchmark ETS  | 0.07                   | 92.79                  | 0.02                   |
| 3      | Aban Offshore Limited   | -                      | -                      | 13.78                  |
| 4      | Action Construction Equipment Ltd   | -                      | -                      | 96.42                  |
| 5      | Cyient Limited  | -                      | -                      | 5.06                   |
| 6      | Nilkamal Ltd  | -                      | -                      | 45.53                  |
| 7      | Nucleus Software Exp  | -                      | -                      | 2.65                   |
| 8      | Shemaroo Entertainment Ltd  | -                      | -                      | 28.53                  |
| 9      | Sintex Industries Limited   | -                      | -                      | 11.84                  |
| 10     | SKS Microfinance Ltd  | -                      | -                      | 53.13                  |
| 11     | Suzlon Energy Limited   | -                      | -                      | 67.15                  |
| 12     | Transport Corporation of India  | -                      | -                      | 4.06                   |
|        | <b>Total</b>  | <b>0.35</b>            | <b>93.05</b>           | <b>328.45</b>          |



## PHOTON CAPITAL ADVISORS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

### INVESTMENTS-CURRENT

| Sr.No. | Particulars  | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|--------|--|------------------------|------------------------|------------------------|
| (b)    | <b>Investment in Mutual Fund</b>   |                        |                        |                        |
|        | Carried at Fair value through Other Comprehensive Income   |                        |                        |                        |
| 1      | Birla Sunlife Cash plus Collection a/c<br>(5.219 Units NAV of ` Rs.243.314/-each as at 1st April, 2016)  | -                      | -                      | 0.01                   |
| 2      | Birla Sunlife Top 100 Fund Growth<br>(324590.706 Units NAV of Rs.40.8962/-each as at 1st April, 2016)  | -                      | -                      | 132.75                 |
| 3      | Birla Sunlife Midcap Fund Growth<br>(6788.610 Units NAV of Rs 276.70/- each as at 31st March, 2017)<br>(79923.958 Units NAV of Rs.206.2600/- each as at 1st April, 2016) | -                      | 18.78                  | 164.85                 |
| 4      | ICICI Prudential Mid Cap Fund<br>(177806.495 Units NAV of Rs.65.23/- each as at 1st April, 2016)   | -                      | -                      | 115.98                 |
| 5      | Kotak Select Focus Fund (R) (G)-3978300/77<br>(80067.425 Units NAV of Rs.28.742/- each as at 31st March, 2017)   | -                      | 23.01                  | -                      |
| 6      | Franklin India Smaller Companies Fund (G)-20584471<br>(51551.045 Units NAV of Rs. 51.669/- each as at 31st March , 2017)   | -                      | 26.64                  | -                      |
| 7      | ICICI Prudentia Top 100 Fund (R) (G)-5999337/48<br>(30644.632 Units NAV of Rs.292.49/- each as at 31st March, 2017)  | -                      | 89.63                  | -                      |
| 8      | ICICI Prudential Mid Cap Fund-5999337/48<br>(120310.283 Units NAV of Rs.86.83/- each as at 31st March, 2017)   | -                      | 104.47                 | -                      |
| 9      | HDFC Midcap Opportunities Fund (G) -11061596/76<br>(140861.628 Units NAV of Rs.49.797/- each as at 31st March, 2017)   | -                      | 70.14                  | -                      |
| 10     | Reliance Small Cap Fund Regular Plan (G)-401160888<br>(221735.853 Units NAV of Rs. 41.2828/- each as at 31st March, 2017)  | -                      | 91.54                  | -                      |
| 11     | SBI Magnum Midcap Fund (R) (G) -16278187<br>(232929.920 Units NAV of Rs.73.9814/- each as at 31st March, 2017)   | -                      | 172.32                 | -                      |
| 12     | Sundaram Select Mid Cap Fund -SBBNAD907871<br>(43103.029 Units NAV of Rs. 444.6475/- each as at 31st March, 2017)  | -                      | 191.66                 | -                      |
| 13     | "Sundaram S.M.I.L.E Fund (R)(G)- SBBNAD907871"<br>(31427.931 Units NAV of Rs.87.8840/- each as at 31st March, 2017)  | -                      | 27.62                  | -                      |
| 14     | Franklin India Savings Plus Fund Retail Plan (G)-2<br>(57953.308Units NAV of 31.7925 each)   | 18.42                  | -                      | -                      |
| 15     | Kotak Treasury Advantage Fund (G)- 3978300/77<br>(12038.885 Units NAV of 27.7936 each)   | 3.35                   | -                      | -                      |



## PHOTON CAPITAL ADVISORS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

### INVESTMENTS-CURRENT

| Sr.No. | Particulars   | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|--------|---|------------------------|------------------------|------------------------|
| 16     | SBI Ultra Short Term Debt Fund - ( Regular) (G) -16278187 (4772.376 Units NAV of 2241.905 each) | 106.99                 | -                      | -                      |
|        | <b>Total</b>  | <b>128.76</b>          | <b>815.82</b>          | <b>413.59</b>          |
|        | <b>Total Current Investments</b>  | <b>129.11</b>          | <b>908.87</b>          | <b>742.04</b>          |
|        | Market Value of Quoted Investments  | 0.35                   | 93.05                  | 328.45                 |
|        | Aggregate amount of Quoted Investments  | 0.11                   | 92.83                  | 295.46                 |
|        | Aggregate Market Value of Unquoted Investments  | 128.76                 | 815.82                 | 413.59                 |
|        | Aggregate amount of Unquoted Investments  | 126.72                 | 768.44                 | 302.25                 |
|        | Investments Carried at Fair Value through Other Comprehensive Income                            | 129.11                 | 908.87                 | 742.04                 |

### 7.2 CASH & CASH EQUIVALENTS

| Sr.No. | Particulars         | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|--------|---------------------|------------------------|------------------------|------------------------|
| 1      | Balances with Banks |                        |                        |                        |
|        | -Current Accounts   | 9.25                   | 8.66                   | 3.73                   |
| 2      | Cash on Hand        | 0.02                   | 0.19                   | 0.05                   |
|        | <b>Total</b>        | <b>9.28</b>            | <b>8.85</b>            | <b>3.78</b>            |

### 7.3 OTHER FINANCIAL ASSETS

| Sr.No. | Particulars                           | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|--------|---------------------------------------|------------------------|------------------------|------------------------|
| 1      | Salary Advance                        | -                      | 0.04                   | -                      |
| 2      | Advance recoverable from stock broker | -                      | 1.20                   | -                      |
|        | <b>Total</b>                          | <b>-</b>               | <b>1.24</b>            | <b>-</b>               |

### 8 CURRENT TAX ASSETS

| Sr.No. | Particulars        | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|--------|--------------------|------------------------|------------------------|------------------------|
| 1      | Opening Balance    | (54.99)                | -                      | 3.57                   |
| 2      | Advance Income Tax | 73.57                  | -                      | 0.01                   |
| 3      | Less: Provision    | (16.29)                | -                      | -                      |
|        | <b>Total</b>       | <b>2.30</b>            | <b>-</b>               | <b>3.58</b>            |

### 9 OTHER CURRENT ASSETS

| Sr.No. | Particulars                               | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|--------|---|------------------------|------------------------|------------------------|
| 1      | Advances other than Capital Advances      |                        |                        |                        |
|        | Other Advances                            |                        |                        |                        |
|        | (i) Prepaid Expenses                      | 0.46                   | 0.59                   | 1.01                   |
|        | (ii) Advances recoverable in cash or kind | 0.08                   | 0.08                   | 0.07                   |
| 2      | Others                                    |                        |                        |                        |
|        | (a) Accrued Dividend                      | -                      | 0.31                   | 0.50                   |
|        | (b) Interest Accrued on Investments       | 0.00318                | 0.01                   | -                      |
|        | <b>Total</b>                              | <b>0.55</b>            | <b>0.99</b>            | <b>1.58</b>            |



## PHOTON CAPITAL ADVISORS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

### 10 EQUITY SHARE CAPITAL

| Sr.No. | Particulars  | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|--------|--|------------------------|------------------------|------------------------|
| 1      | Authorized Share Capital<br>40,00,000 Equity shares of Rs 10/- each<br>(As at 31st March, 2017, 40,00,000 Equity Shares of Rs.10/- each)<br>(As at 1st April, 2016, 40,00,000 Equity Shares of Rs.10/- each)   | 400.00                 | 400.00                 | 400.00                 |
|        | <b>Total</b>   | <b>400.00</b>          | <b>400.00</b>          | <b>400.00</b>          |
| 2      | Issued, Subscribed & Fully Paid Up Capital<br>15,13,694 equity shares of Rs.10/- each fully paid up<br>(As at 31st March, 2017, 15,13,694 Equity Shares of Rs.10/- each fully paid up)<br>(As at 1st April, 2016, 15,13,694 Equity Shares of Rs.10/- each fully paid up) | 151.37                 | 151.37                 | 151.37                 |
|        | <b>Total</b>   | <b>151.37</b>          | <b>151.37</b>          | <b>151.37</b>          |

Details of the shareholders holding more than 5% shares are set out below :

| Particulars               | As at 31st March, 2018 |              | As at 31st March, 2017 |              | As at 31st March, 2016 |              |
|---------------------------|------------------------|--------------|------------------------|--------------|------------------------|--------------|
|                           | No. of Shares          | % of holding | No. of Shares          | % of holding | No. of Shares          | % of holding |
| a) Mrs. Sobharani Nandury | 467,416                | 30.88        | 467,416                | 30.88        | 467,416                | 30.88        |
| b) Mr. Tejaswy Nandury    | 499,440                | 32.99        | 499,440                | 32.99        | 499,440                | 32.99        |

- C. The company has one class of equity shares having a par value of Rs.10 each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### 11 OTHER EQUITY

| Sr.No. | Particulars                | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|--------|----------------------------|------------------------|------------------------|------------------------|
|        | Reserves and surplus       |                        |                        |                        |
| 1      | Capital Reserve            | 2.56                   | 2.56                   | 2.56                   |
| 2      | General Reserve            | 754.64                 | 754.64                 | 754.64                 |
| 3      | Statutory Reserve          | 322.45                 | 322.45                 | 322.45                 |
| 4      | Retained earnings          | (77.28)                | 271.11                 | (157.86)               |
| 5      | Other Comprehensive Income | (45.31)                | (116.88)               | 163.23                 |
|        | <b>Total</b>               | <b>957.06</b>          | <b>1,233.88</b>        | <b>1,085.02</b>        |

#### 1. Capital Reserve

| Particulars              | As at 31st March, 2018 | As at 31st March, 2017 |
|--------------------------|------------------------|------------------------|
| Opening Balance          | 2.56                   | 2.56                   |
| Movement during the year | -                      | -                      |
| <b>Closing Balance</b>   | <b>2.56</b>            | <b>2.56</b>            |



## PHOTON CAPITAL ADVISORS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

### 2. General Reserve

| Particulars              | As at 31st March, 2018 | As at 31st March, 2017 |
|--------------------------|------------------------|------------------------|
| Opening Balance          | 754.64                 | 754.64                 |
| Movement during the year | -                      | -                      |
| <b>Closing Balance</b>   | <b>754.64</b>          | <b>754.64</b>          |

### 3. Statutory Reserve

| Particulars              | As at 31st March, 2018 | As at 31st March, 2017 |
|--------------------------|------------------------|------------------------|
| Opening Balance          | 322.45                 | 322.45                 |
| Movement during the year | -                      | -                      |
| <b>Closing Balance</b>   | <b>322.45</b>          | <b>322.45</b>          |

### 4. Retained earnings

| Particulars  | As at 31st March, 2018 | As at 31st March, 2017 |
|--|------------------------|------------------------|
| Opening Balance  | 153.61                 | 5.38                   |
| Profit for the year  | (232.41)               | 148.85                 |
| "Items of other comprehensive income recognised directly in retained earnings"<br>Remeasurements of Defined Benefit Plans" | 0.90                   | (0.62)                 |
| <b>Closing Balance</b>   | <b>(77.90)</b>         | <b>153.61</b>          |

### 5. Other Comprehensive Income

| Particulars               | As at 31st March, 2018 | As at 31st March, 2017 |
|---------------------------|------------------------|------------------------|
| Fair Value of Investments | (45.31)                | (115.64)               |
| <b>Closing Balance</b>    | <b>(45.31)</b>         | <b>(115.64)</b>        |

#### Nature and purpose of other reserves

- (1) Capital Reserve is used to record forfeited shares. The reserve is utilised in accordance with the provisions of the Act.
- (2) General Reserve is used to for strengthening the financial position and meeting future contingencies and losses.
- (3) Statutory Reserve is created pursuant to Reserve Bank of India (Amendment) Act, 1997. The reserve is utilised in accordance with the provisions of the Act.

### 12 PROVISIONS (NON - CURRENT)

| Sr.No. | Particulars            | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|--------|------------------------|------------------------|------------------------|------------------------|
|        | Employee Benefits      |                        |                        |                        |
|        | Provision for Gratuity | -                      | 1.05                   | 0.72                   |
|        | <b>Total</b>           | <b>-</b>               | <b>1.05</b>            | <b>0.72</b>            |

### 13 OTHER FINANCIAL LIABILITIES (CURRENT)

| Sr.No. | Particulars                    | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|--------|--------------------------------|------------------------|------------------------|------------------------|
| 1      | Expenses Payable               | 4.70                   | 3.28                   | 3.52                   |
| 2      | Provision for Gratuity         | -                      | 0.07                   | 0.03                   |
| 3      | Provision for Leave Encashment | 0.10                   | 0.08                   | 0.08                   |
|        | <b>Total</b>                   | <b>4.80</b>            | <b>3.43</b>            | <b>3.62</b>            |



## PHOTON CAPITAL ADVISORS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

### 14 OTHER CURRENT LIABILITIES

| Sr.No. | Particulars            | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|--------|------------------------|------------------------|------------------------|------------------------|
| 1      | Statutory Dues Payable | 0.24                   | 0.13                   | 0.16                   |
|        | <b>Total</b>           | <b>0.24</b>            | <b>0.13</b>            | <b>0.16</b>            |

### 15 CURRENT TAX LIABILITIES (NET)

| Sr.No. | Particulars       | As at 31st March, 2018 | As at 31st March, 2017 | As at 31st March, 2016 |
|--------|-------------------|------------------------|------------------------|------------------------|
| 1      | Provision for Tax | -                      | 58.57                  |                        |
| 2      | Less: Advance Tax | -                      | (3.58)                 |                        |
|        | <b>Total</b>      | <b>-</b>               | <b>54.99</b>           | <b>-</b>               |

|           | Particulars                            | 31-Mar-18     | 31-Mar-17     |
|-----------|--|---------------|---------------|
| <b>16</b> | <b>Revenue from operations</b>         |               |               |
|           | <b>Profit from :</b>                   |               |               |
| 1         | Profit from sale of                    |               |               |
|           | (a) Investments                        | 124.35        | 302.63        |
|           | (b) Currency futures                   | -             | 1.38          |
|           | (c) Equity Index Futures               | 4.51          | -             |
|           | <b>Total</b>                           | <b>128.86</b> | <b>304.01</b> |
| <b>17</b> | <b>Other Income</b>                    |               |               |
| 1         | Interest Income                        | 0.18          | 0.31          |
| 2         | Dividend Income                        | 0.67          | 3.40          |
| 3         | Other Non Operating Income             |               |               |
|           | (a) Miscellaneous Income               | -             | 20.42         |
|           | (b) Income Tax Refund                  | -             | 0.00          |
|           | <b>Total</b>                           | <b>0.85</b>   | <b>24.14</b>  |
| <b>18</b> | <b>Loss from Investment activities</b> |               |               |
|           | Loss from sale of :                    |               |               |
| 1         | Investments                            | -             | 2.12          |
|           | Commodity futures                      | -             | 0.39          |
|           | Currency futures                       | 0.43          | -             |
|           | <b>Total</b>                           | <b>0.43</b>   | <b>2.51</b>   |
| <b>19</b> | <b>Employee benefits expense</b>       |               |               |
| 1         | Salaries, Wages and Bonus              | 19.94         | 18.40         |
| 2         | Gratuity & Leave Encashment            | 0.63          | 0.36          |
| 3         | Staff Welfare Expenses                 | 0.54          | 0.63          |
|           | <b>Total</b>                           | <b>21.12</b>  | <b>19.39</b>  |

19.1 As per Ind AS 19 "Employee Benefits", the disclosures of employee benefits as defined in the Indian Accounting Standard are given below:

#### (i) Leave obligations

The leave obligation covers the Company's liability for earned leave which is unfunded.

#### (ii) Post-employment obligations

##### a) Gratuity

The Company provides for gratuity for employees as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The Company operates post retirement gratuity plan with LIC of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.



## PHOTON CAPITAL ADVISORS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

The following table sets out the amounts recognised in the financial statements in respect of gratuity plan

| Particulars  | Year ended<br>31st March<br>2018 | Year ended<br>31st March<br>2017 |
|--|----------------------------------|----------------------------------|
| <b>Change in defined benefit obligations :</b>                               |                                  |                                  |
| Obligation at the beginning of the year                                      | 2.76                             | 1.64                             |
| Current service costs  | 0.32                             | 0.13                             |
| Interest costs   | 0.22                             | 0.13                             |
| Remeasurement (gains)/losses   | (1.22)                           | 0.86                             |
| Benefits paid  | -                                | -                                |
| <b>Obligation at the end of the year</b>                                     | <b>2.08</b>                      | <b>2.76</b>                      |
| <b>Change in plan assets :</b>   |                                  |                                  |
| Fair value of plan assets at the beginning of the year                       | 1.64                             | -                                |
| Interest income  | 0.16                             | 0.12                             |
| Remeasurement (gains)/losses   | (0.00)                           | 1.52                             |
| Employer's contributions   | 0.71                             | -                                |
| Benefits paid  | -                                | -                                |
| <b>Fair value of plan assets at the end of the year</b>                      | <b>2.50</b>                      | <b>1.6</b>                       |
| <b>Expenses recognised in the statement of profit and loss consists of :</b> |                                  |                                  |
| <b>Employee benefits expense:</b>  |                                  |                                  |
| Current service costs  | 0.32                             | 0.13                             |
| Net interest expenses  | 0.06                             | 0.01                             |
|  | <b>0.38</b>                      | <b>0.14</b>                      |
| <b>Other comprehensive income:</b>   |                                  |                                  |
| (Gain)/Loss on Plan assets   | 0.05                             | (1.52)                           |
| <b>Actuarial (gain)/loss arising from changes in financial assumptions</b>   |                                  |                                  |
| Actuarial (gain)/loss arising from changes in experience adjustments         | (1.22)                           | 0.86                             |
|  | <b>(1.16)</b>                    | <b>(0.65)</b>                    |
| <b>Expenses recognised in the statement of profit and loss</b>               | <b>0.38</b>                      | <b>0.14</b>                      |
| <b>Amounts recognised in the balance sheet consists of</b>                   |                                  |                                  |
| Fair value of plan assets at the end of the year                             | 2.50                             | 1.64                             |
| Present value of obligation at the end of the year                           | 2.08                             | 2.76                             |
| Recognises as  |                                  |                                  |
| Retirement benefit liability - Non-current                                   | 2.02                             | 2.68                             |

Fair value of plan assets - 100% with LIC of India

Expected contributions to post-employment benefit plans of gratuity for the year ending 31 March 2019 are Rs.(21,341)

#### iv) Significant estimates and sensitivity Analysis

##### The sensitivity of the defined benefit obligation to changes in key assumptions is :

The above sensitivity analysis is based on a change in each assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

#### v) Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

##### Interest rate risk:

The defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.



## PHOTON CAPITAL ADVISORS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

**Salary inflation risk:**

Higher than expected increases in salary will increase the defined benefit obligation.

**Demographic risk:**

This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of a short career employee typically costs less per year as compared to a long service employee.

| Sl. No.   | Particulars   | Year ended 31st March 2018 | Year ended 31st March 2017 |
|-----------|---|----------------------------|----------------------------|
| <b>20</b> | <b>FINANCE COSTS</b>  |                            |                            |
| 1         | Interest Cost   | 0.05                       | 0.06                       |
|           | <b>Total</b>  | <b>0.05</b>                | <b>0.06</b>                |
| <b>21</b> | <b>Other expenses</b>   |                            |                            |
| 1         | Repairs and Maintenance   | 1.26                       | 0.54                       |
| 2         | Travelling Expenses   | 0.12                       | 0.20                       |
| 3         | Advertisement Expenses  | 1.00                       | 1.27                       |
| 4         | Rent Expenses   | 3.52                       | 3.62                       |
| 5         | Rates and Taxes   | 3.17                       | 2.69                       |
| 6         | Share of loss from partnership firm   | 219.88                     | -                          |
| 7         | Payments to auditors (refer note 21 a)  | 3.47                       | 2.95                       |
| 8         | Legal and Professional Consultancy Fees   | 2.66                       | 2.01                       |
| 9         | Printing and Stationery Expenses  | 0.49                       | 0.45                       |
| 10        | Postage,Telephones,Courier,Internet & E-mail  | 1.47                       | 1.87                       |
| 11        | Office Expenses   | 0.02                       | 0.17                       |
| 12        | Electricity Expenses  | 0.71                       | 1.11                       |
| 13        | Software charges  | 0.10                       | 0.17                       |
| 14        | Brokerage Expenses  | 1.66                       | 0.11                       |
| 15        | Miscellaneous Expenses  | 0.18                       | 0.10                       |
|           | <b>Total</b>  | <b>239.71</b>              | <b>17.26</b>               |
| <b>21</b> | <b>a. Payment to auditor</b>  |                            |                            |
|           | To statutory auditors   |                            |                            |
|           | -Statutory audit fee  | 2.36                       | 2.30                       |
|           | -Tax audit fee  | 0.59                       | 0.58                       |
|           | -For other services   | 0.44                       | -                          |
|           | -Reimbursement of expenses  | 0.08                       | 0.08                       |
|           | <b>TOTAL</b>  | <b>3.47</b>                | <b>2.95</b>                |
| <b>22</b> | <b>CURRENT TAX</b>  |                            |                            |
| 1         | Current Tax   | 17.93                      | 4.34                       |
| 2         | Excess Provision for earlier years  |                            |                            |
|           | <b>Total</b>  | <b>17.93</b>               | <b>4.34</b>                |
|           | Reconciliation of the Income Tax Expense (Current tax + Deferred tax) amount considering the enacted Income Tax Rate and effective Income Tax rate of the Company as follows. |                            |                            |
|           | Profit/(loss) before Income Tax   | (133.74)                   | 285.41                     |
|           | Tax at the Indian tax rate  | 17.93                      | 4.34                       |
|           | Effect of Deferred Tax  | 80.73                      | 15.95                      |
|           | <b>Income Tax expense reported in the Statement of Profit and Loss</b>  | <b>98.67</b>               | <b>20.29</b>               |



## PHOTON CAPITAL ADVISORS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

| Sl. No.   | Particulars  | Year ended 31st March 2018 | Year ended 31st March 2017 |
|-----------|--|----------------------------|----------------------------|
| <b>23</b> | <b>EARNINGS PER SHARE</b>  |                            |                            |
| 1         | Profit/(Loss) after tax (A)  | (232.41)                   | 265.12                     |
| 2         | Weighted average number of Equity Shares outstanding during the period (B) | 15.14                      | 15.14                      |
| 3         | Nominal value of Equity Shares   | 10.00                      | 10.00                      |
| 4         | Basic/Diluted Earnings per Share (A/B)                                     | (15.35)                    | 17.51                      |

### 24 Related party transactions

Names of related parties and nature of relationships:

| Name of the Related Party   | Nature of Relationship   |
|---|--|
| (a) Key management personnel<br>Mr. Tejaswy Nandury<br>Mrs. Shobha Rani Nandury   | Whole Time Director<br>Non-Executive Director                          |
| (b) Non-whole-time Directors<br>Mr. J. Narasimha Rao<br>Mr. V. R. Shankara<br>Mrs. Suchitra Nandury   | Independent Director<br>Independent Director<br>Non-Executive Director |
| (c) Enterprises over which key management personnel exercise significant influence<br><br>Hifco Consumer Credit LLP<br>Calypso Growth Investments<br>Sobha Advertising Services<br>Nicobar Capital<br>Soven Management Associates Private Limited<br>Calypso Technologies Inc.<br>Nandury Finance and Investments LLP |  |

Details of transactions during the year where related party relationship existed:

| Names of the related parties | Nature of Transactions | Year ended 31st March, 2018 | Year ended 31st March, 2017 |
|------------------------------|------------------------|-----------------------------|-----------------------------|
| Shobha Rani Nandury          | Rent paid              | 3.52                        | 3.62                        |
| Calypso Growth Investments   | Investment made        | 580.12                      | -                           |
| <b>Total</b>                 |                        | <b>583.64</b>               | <b>3.62</b>                 |

25 During the year, the Company has disposed of investment in Subsidiary Company (Soven Management Associates Private Limited) amounting to Rs.50,00,000/-

26 There are no Contingent Liabilities as on Balance Sheet Date.

27 There are no Capital and other commitments as on Balance Sheet Date.



## PHOTON CAPITAL ADVISORS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

### 28. Financial instruments and risk management

#### Fair values

- The carrying amounts of other financial liabilities(current), cash and cash equivalents, investments and other financial liabilities(current) are considered to be the same as fair value due to their short term nature.
- The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.
- Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximation of fair values:

#### (i) Categories of financial instruments

| Particulars   | Level | As at 31 March, 2018 |               | As at 31 March, 2017 |               | As at 31 March, 2016 |               |
|---|-------|----------------------|---------------|----------------------|---------------|----------------------|---------------|
|   |       | Carrying amount      | Fair value*   | Carrying amount      | Fair value*   | Carrying amount      | Fair value*   |
| <b>Financial assets</b>                                   |       |                      |               |                      |               |                      |               |
| <b>Measured at amortised cost:</b>                        |       |                      |               |                      |               |                      |               |
| <b>Non-current</b>  |       |                      |               |                      |               |                      |               |
| Investments   | 1     | 580.12               | 580.12        | 50.00                | 50.00         | 50.00                | 50.00         |
| <b>Current</b>  |       |                      |               |                      |               |                      |               |
| Cash and Cash Equivalents                                 |       | 9.28                 | 9.28          | 8.85                 | 8.85          | 3.78                 | 3.78          |
| Other financial assets                                    | 3     | -                    | -             | 1.24                 | 1.24          | -                    | -             |
| Measured at fair value through Other Comprehensive Income |       |                      |               |                      |               |                      |               |
| Investments   | 1     | 129.11               | 129.11        | 908.87               | 908.87        | 742.04               | 742.04        |
| <b>Measured at fair value through profit and loss</b>     |       |                      |               |                      |               |                      |               |
| <b>Non-current</b>  |       |                      |               |                      |               |                      |               |
| Other financial assets                                    | 3     | 1.15                 | 1.15          | 0.83                 | 0.83          | 0.78                 | 0.78          |
| <b>Total</b>  |       | <b>139.54</b>        | <b>139.54</b> | <b>919.80</b>        | <b>919.80</b> | <b>746.60</b>        | <b>746.60</b> |
| <b>Financial liabilities</b>                              |       |                      |               |                      |               |                      |               |
| <b>Measured at amortised cost</b>                         |       |                      |               |                      |               |                      |               |
| <b>Current</b>  |       |                      |               |                      |               |                      |               |
| Other Financial Liabilities                               | 3     | 4.80                 | 4.80          | 3.43                 | 3.43          | 3.62                 | 3.62          |
| <b>Total</b>  |       | <b>4.80</b>          | <b>4.80</b>   | <b>3.43</b>          | <b>3.43</b>   | <b>3.62</b>          | <b>3.62</b>   |

\*Fair value of instruments is classified in various fair value hierarchies based on the following three levels:

Level 1 : Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2 : The fair value of financial instruments that are not traded in an active market is determined using valuation techniques, which maximise the use of observable market data and rely as little as possible on entity specific estimates. If significant inputs required to fair value an instruments are observable, the instrument is included in Level 2.

Level 3 : If one or more of the significant inputs are not based on observable market data, the instruments is included in level 3.

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date. In respect of investments as at the transaction date, the Company has assessed the fair value to be the carrying value of the investments as these companies are in their initial years of operations obtaining necessary regulatory approvals to commence their business.



## PHOTON CAPITAL ADVISORS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

### 29. Financial risk management

The Company is exposed to market risk (fluctuation in foreign currency exchange rates, price and interest rate), liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

#### (a) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

#### (b) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding to meet obligations when due and to close out market positions. Company's treasury maintains flexibility in funding by maintaining availability under deposits in banks.

Management monitors cash and cash equivalents on the basis of expected cash flows.

### 30. Capital Management

Capital Management and gearing ratio

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the company's capital management is to maximise the shareholder value.

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

| Particulars                              | 31 March<br>2018 | 31 March<br>2017 | 01 April 2016  |
|--|------------------|------------------|----------------|
| Borrowings                               |                  |                  |                |
| Debt                                     | -                | -                | -              |
| Equity                                   |                  |                  |                |
| Equity share capital                     | 151.37           | 151.37           | 151.37         |
| Other equity                             | 957.05           | 1233.88          | 1085.02        |
| <b>Total capital</b>                     | <b>1108.43</b>   | <b>1385.26</b>   | <b>1236.39</b> |
| <b>Gearing ratio in % (debt/ equity)</b> | <b>0.00%</b>     | <b>0.00%</b>     | <b>0.00%</b>   |

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

### 31. First-time adoption of Ind AS

#### Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 01 April 2016 (date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation on how the transition from previous GAAP to Ind AS has effected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.



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**PHOTON CAPITAL ADVISORS LIMITED**

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Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

**Exemptions and Exceptions availed**

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

**A. Ind AS optional exemptions**

**(i) Deemed cost**

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its Property, Plant & 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, after making necessary adjustments for decommissioning liabilities. This exemption can also be used for Intangible Assets covered by Ind AS 38.

Accordingly, the Company has elected to measure all of its Property, Plant & Equipment and Intangible Assets at their previous GAAP carrying value.

**(ii) Impairment of financial assets**

The Company has applied the exception related to impairment of financial assets given in Ind AS 101. It has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial assets were initially recognised and compared that to the credit risk as at 01 April 2016.

**B. Ind AS mandatory exceptions**

**(i) Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with the estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

"Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following item in accordance with Ind AS at the date of transition as these were not required under previous GAAP: "Investment in equity instruments carried at Fair value through Other Comprehensive Income."

**(ii) Classification and measurement of Financial Assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.



## PHOTON CAPITAL ADVISORS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

### C. Reconciliation between previous GAAP and Ind AS ( as at 31 March 2017 and 1 April 2016)

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods.

The following tables represent the reconciliations from previous GAAP to Ind AS.

| Particulars                       | Notes | 31 March, 2017  |                                |                             | 31 March, 2016  |                                |                             |
|-----------------------------------|-------|-----------------|--------------------------------|-----------------------------|-----------------|--------------------------------|-----------------------------|
|                                   |       | Previous GAAP*  | Effect of transition to Ind AS | As per Ind AS Balance Sheet | Previous GAAP*  | Effect of transition to Ind AS | As per Ind AS Balance Sheet |
| <b>ASSETS</b>                     |       |                 |                                |                             |                 |                                |                             |
| (1) Non- Current Assets           |       |                 |                                |                             |                 |                                |                             |
| (a) Property, Plant and Equipment |       | 4.33            | -                              | 4.33                        | 7.86            | 0.00                           | 7.86                        |
| (b) Financial Assets              |       |                 |                                |                             |                 |                                |                             |
| (i) Investments                   |       | 50.00           | -                              | 50.00                       | 50.00           | -                              | 50.00                       |
| (iv) Other Financial Assets       |       | -               | 0.83                           | 0.83                        |                 | 0.78                           | 0.78                        |
| (c) Deferred Tax Assets (Net)     | 1     | 415.26          | 54.47                          | 469.73                      | 431.21          | -                              | 431.21                      |
| (d) Long term loans and advances  |       | 57.80           | (57.80)                        | -                           | 3.58            | (3.58)                         | -                           |
| (e) Other Non-current Assets      |       | -               | -                              | -                           | -               | 0.06                           | 0.06                        |
| (2) Current Assets                |       |                 |                                |                             |                 |                                |                             |
| (a) Financial Assets              |       |                 |                                |                             |                 |                                |                             |
| (i) Investments                   | 4     | 861.28          | 47.60                          | 908.87                      | 578.81          | 163.23                         | 742.04                      |
| (ii) Cash and Cash Equivalents    |       | 8.85            | -                              | 8.85                        | 3.78            | -                              | 3.78                        |
| (iv) Other Financial Assets       |       | -               | 1.24                           | 1.24                        |                 | -                              | -                           |
| (b) Short term loans and advances |       | 0.91            | (0.91)                         | -                           | 0.91            | (0.91)                         | -                           |
| (c) Current tax Assets (Net)      |       | -               | -                              | -                           |                 | 3.58                           | 3.58                        |
| (d) Other Current Assets          |       | 2.16            | (1.16)                         | 0.99                        | 1.51            | 0.07                           | 1.58                        |
| <b>Total</b>                      |       | <b>1,400.59</b> | <b>44.27</b>                   | <b>1,444.85</b>             | <b>1,077.66</b> | <b>163.23</b>                  | <b>1,240.89</b>             |
| <b>EQUITY AND LIABILITIES</b>     |       |                 |                                |                             |                 |                                |                             |
| <b>EQUITY</b>                     |       |                 |                                |                             |                 |                                |                             |
| (a) Equity Share Capital          |       | 151.37          | -                              | 151.37                      | 151.37          | -                              | 151.37                      |
| (b) Other Equity                  | 5     | 1,186.05        | 47.83                          | 1,233.88                    | 921.79          | 163.23                         | 1,085.02                    |
| <b>LIABILITIES</b>                |       |                 |                                |                             |                 |                                |                             |
| (1) Non-Current Liabilities       |       |                 |                                |                             |                 |                                |                             |
| Provisions                        |       | 1.05            | (0.00)                         | 1.05                        | 0.72            | -                              | 0.72                        |
| (2) Current Liabilities           |       |                 |                                |                             |                 |                                |                             |
| (a) Financial Liabilities         |       |                 |                                |                             |                 |                                |                             |
| (i) Trade Payables                |       | 3.28            | (3.28)                         | -                           | 3.52            | (3.52)                         | -                           |
| (ii) Other Financial Liabilities  |       | -               | 3.43                           | 3.43                        | -               | 3.62                           | 3.62                        |
| (b) Other Current Liabilities     |       | 0.13            | 0.01                           | 0.13                        | 0.16            | 0.00                           | 0.16                        |
| (c) Provisions                    |       | 58.71           | (58.71)                        | -                           | 0.10            | (0.10)                         | -                           |
| (d) Current Tax Liabilities (net) |       | -               | 54.99                          | 54.99                       | -               | -                              | -                           |
| <b>Total</b>                      |       | <b>1,400.59</b> | <b>44.27</b>                   | <b>1,444.85</b>             | <b>1,077.66</b> | <b>163.23</b>                  | <b>1,240.89</b>             |



## PHOTON CAPITAL ADVISORS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

### Reconciliation of total comprehensive income for the year ended 31 March 2017

| Particulars   | Notes | Previous GAAP* | Adjustments     | Ind As          |
|---|-------|----------------|-----------------|-----------------|
| I. Revenue from operations  |       | 304.01         | (0.00)          | 304.01          |
| II. Other Income  |       | 24.08          | 0.06            | 24.14           |
| <b>III. Total Revenue (I + II)</b>                                  |       | <b>328.09</b>  | <b>0.06</b>     | <b>328.15</b>   |
| IV. Expenses :  |       |                |                 |                 |
| Loss from investment activities                                     | 2.51  | (0.00)         | 2.51            |                 |
| Employee benefits expense   | 2     | 20.25          | (0.86)          | 19.39           |
| Finance costs   |       | -              | 0.06            | 0.06            |
| Depreciation and amortization expense                               |       | 3.53           | (0.00)          | 3.53            |
| Other expenses  |       | 17.26          | -               | 17.26           |
| <b>Total Expenses</b>   |       | <b>43.54</b>   | <b>(0.80)</b>   | <b>42.74</b>    |
| <b>V. Profit before tax (III - IV)</b>                              |       | <b>284.55</b>  | <b>0.86</b>     | <b>285.41</b>   |
| VI. Tax expense :   |       |                |                 |                 |
| (1) Current tax   |       | 4.34           | -               | 4.34            |
| (2) Deferred tax  |       | 15.95          | -               | 15.95           |
| <b>VII. Profit for the period (V-VI)</b>                            |       | <b>264.26</b>  | <b>0.86</b>     | <b>265.12</b>   |
| VIII. Other Comprehensive Income                                    |       |                |                 |                 |
| Items that will not be reclassified to statement of profit and loss |       |                |                 |                 |
| a) Remeasurement of defined employee benefit plans                  | 3     | -              | (0.62)          | (0.62)          |
| b) Fair Value of Investments  |       | -              | (115.64)        | (115.64)        |
| <b>Other Comprehensive Income (net of tax )</b>                     |       | <b>-</b>       | <b>(116.26)</b> | <b>(116.26)</b> |
| <b>IX. Total Comprehensive Income for the year</b>                  |       | <b>264.26</b>  | <b>(115.40)</b> | <b>148.85</b>   |

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

### Reconciliation of total equity as at 31 March 2017 and 1 April 2016

| Particulars   | Note | 31 March 2017   | 01 April 2016   |
|---|------|-----------------|-----------------|
| Total equity (shareholder's funds) as per previous GAAP |      | 1,337.42        | 1,073.16        |
| Adjustments   |      |                 |                 |
| Proposed dividend including corporate dividend tax      |      | -               | -               |
| Impact on deferred tax on account of Ind AS adjustments |      |                 | -               |
| Fair valuation of investments                           |      | 48.45           | 163.23          |
| Remeasurement of defined employee benefit plans (net)   |      | (0.62)          | -               |
| <b>Total adjustments</b>                                |      | <b>47.83</b>    | <b>163.23</b>   |
| <b>Total equity as per Ind AS</b>                       |      | <b>1,385.25</b> | <b>1,236.39</b> |



## PHOTON CAPITAL ADVISORS LIMITED

Notes to financial statements for the year ended 31st March, 2018

Rupees in lakhs unless otherwise stated

Reconciliation of total comprehensive income for the year ended 31 March 2017

| Particulars   | 31 March 2017 |
|---|---------------|
| Profit after tax as per previous GAAP                   | 264.26        |
| Adjustments   |               |
| Remeasurement of defined employee benefit plans         | 0.24          |
| Fair Value of Investments                               | (115.64)      |
| Impact on deferred tax on account of Ind AS adjustments |               |
| Total comprehensive income as per Ind AS                | 148.85        |

Impact of Ind AS adoption on the statements of cash flows for the year ended 31 March 2017

| Particulars  | Previous GAAP* | Adjustments | Ind As  |
|--|----------------|-------------|---------|
| Net cash flow from operating activities              | (36.71)        | -           | (36.71) |
| Net cash flow from investing activities              | 41.79          | -           | 41.79   |
| Net cash flow from financing activities              | -              | -           | -       |
| Net increase/(decrease) in cash and cash equivalents | 5.07           | -           | 5.07    |
| Cash and cash equivalents as at 1 April 2016         | 3.78           |             | 3.78    |
| Cash and cash equivalents as at 31 March 2017        | 8.85           |             | 8.85    |

\* The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

### D. Notes to first-time adoption:

#### 1) Deferred tax

Previous GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the Balance Sheet approach, which focuses on differences between the carrying amount of an asset or liability in the Balance Sheet and its tax base. It requires recognition of tax consequences of differences between the carrying amounts of assets and liabilities and their tax base. As a result Deferred tax asset has been increased by ₹ 54.23 lakhs as at 31 March 2017 with a corresponding decrease in retained earnings and net profit respectively.

#### 2) Remeasurements of post-employment benefit obligations

Under Ind AS, remeasurements i.e. Actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. There is no impact on the total equity as at 31 March 2017.

#### 3) Other comprehensive income

Under Ind AS, all items of income and expense recognized in a period should be included in the profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit or loss as 'other comprehensive income' includes remeasurements of defined benefit plans and fair value of investments. The concept of 'other comprehensive income' did not exist under previous GAAP.

#### 4) Investments

Under Ind AS, the financial assets and liabilities have to be shown at fair value. Accordingly, the company has restated the investments at fair value.



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**PHOTON CAPITAL ADVISORS LIMITED**

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**5) Other Equity**

Retained Earnings as at 1st April 2016 has been adjusted consequent to the above Ind AS transition adjustments on the date of transition.

The accompanying Notes are an integral part of these Financial Statements.

for and on behalf of the Board

For **M. Anandam & Co.,**  
Chartered Accountants  
(Firm Regn.No.000125S)

**Sd/-**  
**M R Vikram**  
Partner  
Membership No:021012

**Sd/-**  
**Tejaswy Nandury**  
Whole time Director  
DIN : 00041571

**Sd/-**  
**Sreedhar Babu K**  
Chief Financial Officer

**Sd/-**  
**V. R. Shankara**  
DirectorDirector  
DIN : 00041705

**Sd/-**  
**Neha Agarwal**  
Company Secretary  
(ACS No:53325)

Hyderabad  
Dated : 29-05-2018



## PHOTON CAPITAL ADVISORS LIMITED

(CIN: L65910TG1983PLC004368)

**Regd. Office:** Plot No.90-A, Road No.9, Jubilee Hills, Hyderabad -500 033, Telangana  
Tel/Fax No: +91 9951339995, Website: <http://www.pcalindia.com>/Email Id : [info@pcalindia.com](mailto:info@pcalindia.com)

### PROXY FORM

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

|                         |   |
|-------------------------|---|
| CIN No.                 | L65910TG1983PLC004368   |
| Name of the Company :   | PHOTON CAPITAL ADVISORS LIMITED   |
| Registered Office :     | Plot No. 90-A, Road No. 9, Jubilee Hills, Hyderabad - 500 033, Telangana. |
| Name of the Member(s) : |   |
| Registered Address :    |   |
| E-mail Id :             |   |
| Folio No./ Client ID :  |   |
| DP ID :                 |   |

I/We , being the member (s) of \_\_\_\_\_ shares of the above named Company, hereby appoint:-

1. ....of.....having e-mail id.....or failing him
2. ....of.....having e-mail id.....or failing him
3. ....of.....having e-mail id.....

and whose signature(s) are appended below as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company, to be held on Thursday, the 27th September, 2018 at 11.00 a.m. at Plot. No.90-A, Road No.9, Jubilee Hills, Hyderabad - 500 033, Telangana, and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No.    | Resolution  | Vote |         |
|-------------------|---|------|---------|
| Ordinary Business |   | For  | Against |
| 1.                | To consider and adopt the audited financial statement of the company for the financial year ended 31st March, 2018 and the reports of the Board of Directors and Auditors thereon.          |      |         |
| 2.                | To appoint a Director in the place of Mrs. Nandury Sobharani having director identification number (00567002) who retires by rotation and being eligible offers herself for re-appointment. |      |         |
| 3.                | To fix the remuneration for statutory auditors of the F.Y. 2018-19.   |      |         |
| Special Business  |   |      |         |
| 4.                | To re-appoint Mr. J. Narasimha Rao (DIN: 00024260), as an Independent Director of the company.  |      |         |
| 5.                | To re-appoint Mr. V R Shankara (DIN: 00041705), as an Independent Director of the company.  |      |         |
| 6.                | To re-appoint Mr. Tejaswy Nandury (DIN: 00041571), as Whole Time Director of the company  |      |         |
| 7.                | To approve the investment limits in excess of ceiling under sec 186 of the Companies Act, 2013.   |      |         |

Signed this ..... day of ..... 2018.

Signature of Shareholder \_\_\_\_\_

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

Affix below  
Re. 1  
Revenue  
Stamp

#### Notes:

1. The proxy duly completed should be deposited at the Registered Office of the Company not less than 48 (Forty Eight) hours before time fixed for holding the meeting.



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**PHOTON CAPITAL ADVISORS LIMITED**

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**ATTENDANCE SLIP**

I hereby record my presence at the 33rd Annual General Meeting of the Company being held on Thursday, the 27th September, 2018 at 11.00 a.m. at Plot. No. 90-A, Road No.9, Jubilee Hills, Hyderabad - 500 033, Telangana.

Name of the Shareholder : \_\_\_\_\_ Name of the Proxy : \_\_\_\_\_

Signature of Member / Proxy : \_\_\_\_\_ Regd. folio/\*Client ID : \_\_\_\_\_

\*Applicable for members holding shares in electronic form.

Note: To be signed and handed over at the entrance of the Registered office of the Company.

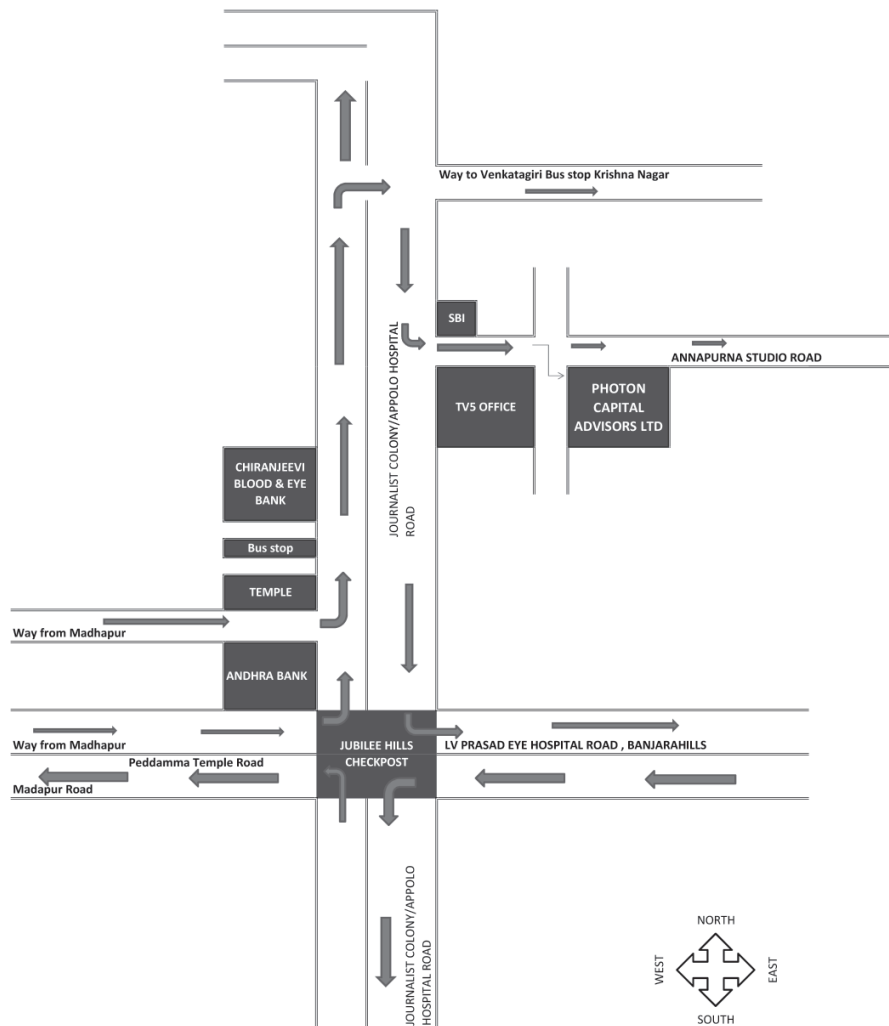


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## PHOTON CAPITAL ADVISORS LIMITED

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### Route Map



**Photon Capital Advisors Limited**  
Plot no.90A, Road no.9, Jubilee Hills,  
Hyderabad- 500033.  
Phone no: +91 9951339995  
Website: [www.pcalindia.com](http://www.pcalindia.com)



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Email ID: [info@pcalindia.com](mailto:info@pcalindia.com)