



Ortel Communications Ltd.

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Bringing Convergence to India

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May 22, 2018

National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla Complex, Bandra (E),
Mumbai-400051

Scrip- ORTEL

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 400001

Scrip code-539015

Subject: Outcome of Board Meeting held on 22nd May, 2018 of Ortel Communications Ltd

Dear Sir/Madam;

In terms of Regulation 33 read with Regulation 30 and all other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the listing regulations"), we wish to inform you that, Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended 31st March, 2018 were approved by the Board of Directors of the Company at its meeting held on Today, 22nd May, 2018 at 03:30 P.M. and concluded at 19:30 P.M.

Pursuant to the applicable provisions of the Listing Regulations, we enclose the following:

1. The Audited Financial Results (Standalone and Consolidated) for the quarter and year ended March 31, 2018;
2. Audit Reports for Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2018;

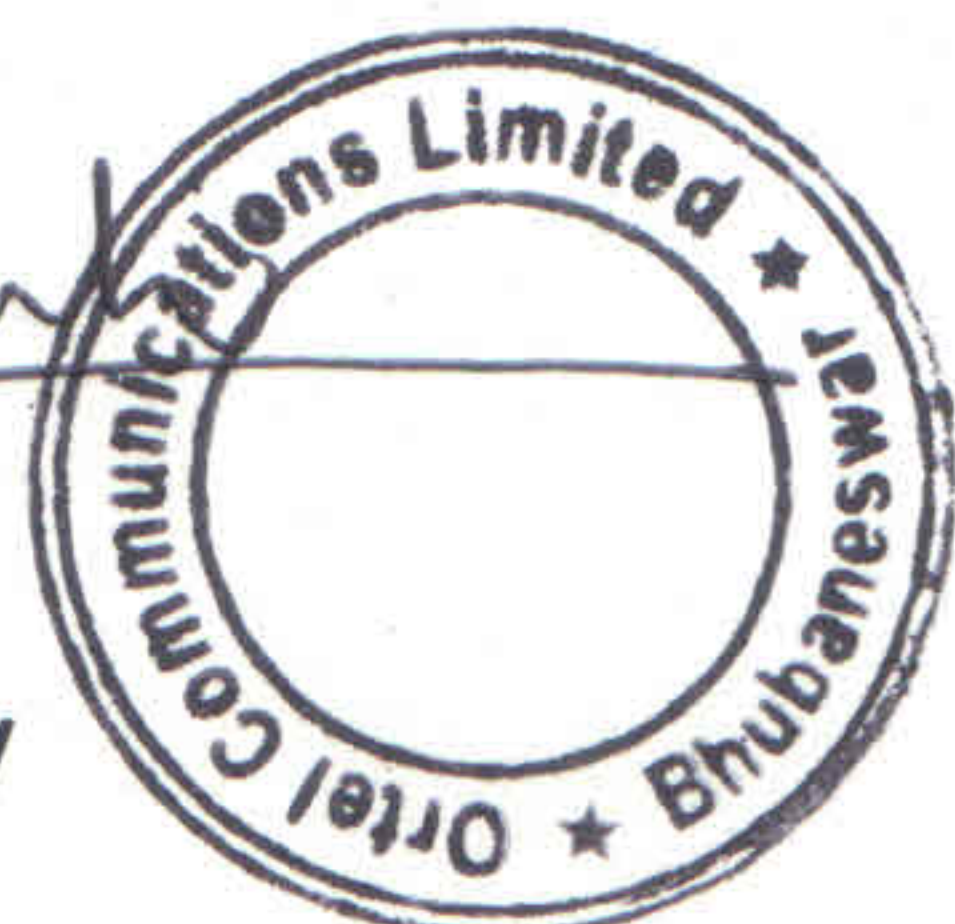
Declaration: Pursuant to Regulation 33 (3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the listing regulations"), we hereby declare and confirm that the Reports of Auditors issued by the statutory auditors of the Company are with unmodified opinion with respect to the Audited Financial Results (Standalone and Consolidated) of the Company for the quarter and year ended March 31, 2018.

This is for your information, record and dissemination to the members.

Thanking You,
Yours faithfully,

For Ortel Communications Limited

Bidu Bhusan Dash
Company Secretary



Encl.: as above

INDEPENDENT AUDITOR'S REPORT

To the Members of Ortel Communications Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Ortel Communications 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 and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

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

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

Auditor's Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the



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auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of 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 standalone Ind AS financial statements.

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

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

Opinion

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

Emphasis of Matters

We draw attention to Note No.47(a) to the standalone Ind AS financial statements relating to provision for doubtful receivables amounting to Rs. 3063.76 lakhs, Note No. 47(b) relating to credit notes issued amounting to Rs. 1625.20 lakhs and Note No. 47(c) relating to provision for credit notes amounting to Rs.3194.17 lakhs.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, we report that:
 - a. We have sought and 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, except for cost records regarding



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which we have been informed by the management that the prescribed accounts and records are in the process of being made and maintained;

- c. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. The matters described under the 'Emphasis of Matters' paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;
- f. On the basis of the written representations received from the directors as on 31st March , 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- g. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note Nos. 38 and 46 to the standalone Ind AS financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Anand Kumar Jhunjunwala

Partner

Membership No. 056613



Bhubaneswar

22nd May, 2018

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March, 2018.

- (i)
- (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) According to the information and explanations given to us, the Company's Management ("management") physically verifies its fixed assets annually (except a significant portion of cables and network equipment for which, as explained to us, physical verification is not practicable), which, in our opinion, is reasonable having regard to the size of the Company and the nature of its fixed assets. As informed, no material discrepancies were noticed on such verification of fixed assets during the year.
 - (c) The title deeds of immovable properties recorded in the books of account of the Company are held in the name of the Company.
- (ii) According to the information and explanations given to us, the inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As explained to us, there were no material discrepancies on physical verification of inventory as compared to the book records.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, 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.
- (iv) According to the information and explanations given to us in respect of loans, investments, guarantees and security, the Company has complied with the provisions of Sections 185 and 186 of the Act.
- (v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of section 73 to 76 of the Act and rules framed there under.
- (vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act. We have been informed by the management that the prescribed accounts and records are in the process of being made and maintained.
- (vii)
- (a) According to the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, sales tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed employees' state insurance, income tax, service tax, goods and services tax, entertainment tax and profession tax have not been regularly deposited with the appropriate authorities and there have been significant delays in depositing the same in a large number of cases.

According to the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed service tax, goods and services tax and entertainment tax, which were outstanding as on the last day of the financial year for a period of more than six months from the date they became payable, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In Lakhs)	Period to which the amount relates
Finance Act, 1994	Service Tax	604.56	October 2016 to June 2017
The Integrated Goods and Services Tax Act, 2017	Integrated Goods and Services Tax	4.26	July 2017 to August 2017
The Central Goods and Services Tax Act, 2017	Central Goods and Services Tax	156.78	July 2017 to Aug 2017
The Odisha Goods and Services Tax Act, 2017	State Goods and Services Tax	157.44	July 2017 to Aug 2017
The Andhra Pradesh Goods and Services Tax Act, 2017	State Goods and Services Tax	34.08	July 2017 to Aug 2017
The Telangana Goods and Services Tax Act, 2017	State Goods and Services Tax	25.63	July 2017 to Aug 2017
The Chhattisgarh Goods and Services Tax Act, 2017	State Goods and Services Tax	14.97	July 2017 to Aug 2017
The West Bengal Goods and Services Tax Act, 2017	State Goods and Services Tax	1.50	July 2017 to Aug 2017
The Madhya Pradesh Goods and Services Tax Act, 2017	State Goods and Services Tax	1.08	July 2017 to Aug 2017
The Orissa Entertainments Tax Act, 1946	Entertainment Tax	51.61	April 2017 to June 2017
The Andhra Pradesh Entertainments Tax Act, 1939	Entertainment Tax	13.95	March 2017 to June 2017
Chhattisgarh Entertainment Duty and Advertisement Tax Act, 1936	Entertainment Tax	13.72	April 2017 to June 2017
The Madhya Pradesh Entertainments Duty and Advertisements Tax Act, 1936	Entertainment Tax	1.30	April 2017 to June 2017



- (b) According to the information and explanations given to us, the dues as at 31st March, 2018 of income-tax, sales tax, service tax, duty of customs, duty of excise and value added tax and goods and services tax, which have not been deposited on account of any dispute, are as follows :

Name of the Statute	Nature of dues	Amount	Period to which the amount relates	Forum where dispute is pending
		(Rs. In Lakhs)	(Financial Year)	
Income Tax Act, 1961	Tax and interest thereon for non-deduction of tax at source	175.15*	2005-06, 2006-07, 2008-09 & 2010-11	Commissioner of Income Tax (Appeals), Bhubaneswar
Finance Act, 1994	Service Tax and interest thereon	241.97	2006-07, 2007-08 & 2009-10	Commissioner, GST & Central Excise, Bhubaneswar
Finance Act, 1994	Service Tax and interest thereon	1,179.29**	2010-11 to 2014-15	Customs, Excise & Service Tax Appellate Tribunal, Kolkata
Finance Act, 1994	Service Tax and interest thereon	13.00	2013-14	Addl. Commissioner(Audit) of Central Excise, Customs & Service Tax, Bhubaneswar
Finance Act, 1994	Service Tax	338.06	2015-16	Commissioner, GST & Central Excise, Bhubaneswar
Central Excise Act, 1944	Cenvat Credit reversal	741.29	2016-17	Superintendent (Audit) GST & Central Excise, Bhubaneswar Circle

*Rs.60.06 lakhs has been deposited in this regard.

** Rs. 44.22 lakhs has been deposited in this regard.

- (viii) Based on our audit procedures and as per the information and explanations given to us by the management, we are of the opinion that during the year the Company has not defaulted in repayment of loans or borrowings to a financial institution, bank or Government except for details given below :

Particulars	Amount of aggregate default during the year ended 31 st March, 2018 (Rs. In Lakhs)	Period of Default
Name of the Lenders :		
Banks:		
Karnataka Bank Limited	350.60	7 to 89 days
UCO Bank	384.08	1 to 135 days
Financial Institutions:		
Srei Equipment Finance Limited	2,626.55	4 to 151 days



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- (ix) In our opinion and according to the information and explanations given to us, term loans were prima facie applied for the purposes for which those were raised. The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments).
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and as per the information and explanations given to us by the management, we report that we have neither come across any instance of fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) The Company is not a Nidhi Company.
- (xiii) According to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and the details have been disclosed in the standalone Ind AS financial statements etc., as required by the applicable 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 under review.
- (xv) As per the information and explanations given to us, the Company has not entered into any non-cash transactions during the year with directors or persons connected with them.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048



Anand Kumar Jhunjunwala

Partner

Membership No.056613



Bhubaneswar

22nd May, 2018

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph (2)g under 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report of even date, to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March, 2018]

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 the Company as of 31st March, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls, based on the internal control over financial reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("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 Act.

Auditor's Responsibility

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

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

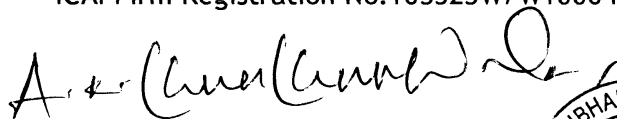
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 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 issued by the ICAI.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Anand Kumar Jhunjhunwala

Partner

Membership No.056613



Bhubaneswar

22nd May, 2018

INDEPENDENT AUDITOR'S REPORT

To the Members of Ortel Communications Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of Ortel Communications Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated 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 Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the 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 consolidated Ind AS financial statements are free from material misstatement.



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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the separate financial statements of the subsidiary prepared by the management, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated state of affairs of the Group as at 31st March, 2018, its consolidated loss (including consolidated other comprehensive income), consolidated cash flows and consolidated changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to Note No.47)a) to the consolidated Ind AS financial statements relating to provision for doubtful receivables amounting to Rs. 3063.76 lakhs, Note No. 47)b) relating to credit notes issued amounting to Rs. 1625.20 lakhs and Note No. 47)c) relating to provision for credit notes amounting to Rs.3194.17 lakhs.

Our opinion is not modified in respect of these matters.

Other Matters

We did not audit the Ind AS financial statements of the subsidiary, whose Ind AS financial statements reflects total assets of Rs. 67,265 as at 31st March, 2018, total revenues of Rs. Nil and net cash inflows amounting to Rs. 67,265 for the year ended on that date, as considered in the consolidated Ind AS financial statements. These Ind AS financial statements are unaudited and have been certified by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the subsidiary is



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based solely on such unaudited Ind AS financial statements. In our opinion and according to the information and explanations given to us by the Management of the Holding Company, these unaudited Ind AS financial statements are not material to the consolidated Ind AS financial statements.

Our opinion on the Consolidated Ind AS Financial Statements and our report on the Other Legal and Regulatory Requirements below is not modified in respect of the above matters with respect to our reliance on the unaudited Ind AS financial statements of the subsidiary prepared by the management.

Report on Other Legal and Regulatory Requirements

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. The matters described in the 'Emphasis of Matters' paragraphs above, in our opinion, may have an adverse effect on the functioning of the Group;
- f. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the representation of the management regarding the subsidiary company, none of the directors of the Group companies is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- g. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, we have given our separate report in respect of the Holding Company alongwith our audit report on the standalone Ind AS financial statements of the Holding Company. The non-material subsidiary company was incorporated on 28th February 2018, is yet to commence commercial operations and it's Ind AS financial statements are unaudited and certified by the management. Hence, evaluation of the adequacy of the internal financial controls over financial reporting of the subsidiary is not applicable as at 31st March, 2018.



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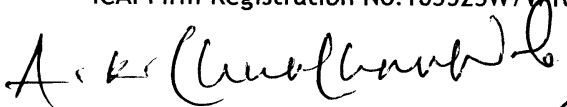
h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note Nos. 38 and 46 to the consolidated Ind AS financial statements;

(ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048



Anand Kumar Jhunjunwala
Partner
Membership No. 056613

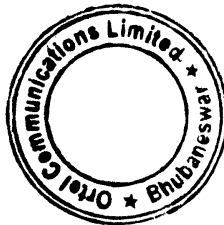


Bhubaneswar
22 nd May, 2018

Ortel Communications Limited
Registered Office: B7/122A, Safdarjung Enclave, New Delhi - 110029
Corporate Office: C-1, BDA Colony, Chandrasekharpur, Bhubaneswar, Odisha - 751016

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2018

Particulars	Standalone					(Rs. in Lakhs)
	Quarter ended			Year ended		Consolidated
	31-Mar-18 (Audited)	31-Dec-17 (Unaudited)	31-Mar-17 (Audited)	31-Mar-18 (Audited)	31-Mar-17 (Audited)	Year ended 31-Mar-18 (Audited)
1. Income						
(a) Income from Operations	3,986.89	4,670.61	4,730.57	18,403.56	20,320.87	18,403.56
(b) Other Income	(15.76)	130.86	212.03	215.63	385.72	215.63
Total Income	3,971.13	4,801.47	4,942.60	18,619.19	20,706.59	18,619.19
2. Expenses						
(a) Programming Cost	1,143.04	1,118.07	1,065.01	4,525.56	3,844.77	4,525.56
(b) Bandwidth Cost	435.93	493.12	451.92	1,802.81	1,699.15	1,802.81
(c) Employee Benefits Expense	504.70	522.67	595.73	2,080.25	2,453.46	2,080.25
(d) Finance Costs	765.60	719.19	671.77	2,918.85	2,662.04	2,918.85
(e) Depreciation and Amortisation Expense	687.50	696.81	625.97	2,710.02	2,356.01	2,710.02
(f) Fixed Assets Written Off	140.24	103.63	52.49	412.02	439.90	412.02
(g) Other Expenses	1,386.37	1,496.41	1,519.01	5,813.75	7,225.40	5,814.08
Total Expenses	5,063.38	5,149.90	4,981.90	20,263.26	20,680.73	20,263.59
3. Profit/(Loss) before exceptional items and tax (1-2)	(1,092.25)	(348.43)	(39.30)	(1,644.07)	25.86	(1,644.40)
4. Exceptional Items - (Income)/Expense (refer note no. 5)	6,918.20	307.95	91.66	7,883.13	95.91	7,883.13
5. Profit/(Loss) before tax (3-4)	(8,010.45)	(656.38)	(130.96)	(9,527.20)	(70.05)	(9,527.53)
6. Tax Expense						
- Current Tax	-	-	(172.57)	-	-	-
- Deferred Tax	-	-	(13.97)	-	(75.47)	-
7. Profit/(Loss) after tax (5-6)	(8,010.45)	(656.38)	55.58	(9,527.20)	5.42	(9,527.53)
8. Other Comprehensive Income / (Expense)						
Items that will not be reclassified to Profit or loss (net of tax)	42.23	2.68	4.35	54.15	256.92	54.15
9. Total Comprehensive Income / (Expense) after tax (7+8)	(7,968.22)	(653.70)	59.93	(9,473.05)	262.34	(9,473.38)
10. Profit/(Loss) attributable to:						
(a) Owners of the Company	(8,010.45)	(656.38)	55.58	(9,527.20)	5.42	(9,527.53)
(b) Non-controlling Interest	-	-	-	-	-	-
11. Other Comprehensive Income / (Expense) (net of tax) attributable to:						
(a) Owners of the Company	42.23	2.68	4.35	54.15	256.92	54.15
(b) Non-controlling Interest	-	-	-	-	-	-
12. Total Comprehensive Income / (Expense) after tax (10+11) attributable to:						
(a) Owners of the Company	(7,968.22)	(653.70)	59.93	(9,473.05)	262.34	(9,473.38)
(b) Non-controlling Interest	-	-	-	-	-	-
13. Paid-up Equity Share Capital (Face Value Rs. 10/- each)	3,047.69	3,047.69	3,036.54	3,047.69	3,036.54	3,047.69
14. Earnings per Equity Share - Basic & Diluted (in Rs.)	*(26.30)	*(2.15)	*0.18	(31.28)	0.02	(31.28)
(* Not annualised)						



BALANCE SHEET			(Rs. In Lakhs)
Particulars	Standalone		Consolidated
	As at 31-Mar-18 (Audited)	As at 31-Mar-17 (Audited)	As at 31-Mar-18 (Audited)
A ASSETS			
1. Non-Current Assets			
(a) Property, Plant and Equipment	34,694.42	33,382.00	34,694.42
(b) Capital Work-in-Progress	2,965.03	3,158.69	2,965.03
(c) Goodwill	109.16	106.94	109.16
(d) Other Intangible Assets	1,576.53	1,967.12	1,576.53
(e) Investment in Subsidiary	1.00	-	-
(f) Financial Assets			
(i) Investments	211.28	161.84	211.28
(ii) Loans	303.92	293.11	303.92
(iii) Other Financial Assets	551.07	294.37	551.07
(g) Other Non-Current Assets	433.85	747.13	433.85
(h) Non-Current Tax Assets (Net)	622.70	760.81	622.70
Total Non-Current Assets	41,468.96	40,872.01	41,467.96
2. Current Assets			
(a) Inventories	59.46	64.20	59.46
(b) Financial Assets			
(i) Trade Receivables	2,381.29	6,392.28	2,381.29
(ii) Cash and Cash Equivalents	350.35	393.72	351.02
(iii) Other Bank Balances	75.10	359.34	75.10
(iv) Loans	32.44	32.80	32.44
(v) Other Financial Assets	6.24	48.18	6.24
(c) Other Current Assets	2,723.73	2,030.02	2,723.73
Total Current Assets	5,628.61	9,320.54	5,629.28
Total Assets	47,097.57	50,192.55	47,097.24
B EQUITY AND LIABILITIES			
1. Equity			
(a) Equity Share Capital	3,047.69	3,036.54	3,047.69
(b) Other Equity	(982.70)	8,401.04	(983.03)
(c) Non Controlling Interest	-	-	-
Total Equity	2,064.99	11,437.58	2,064.66
2. Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	10,349.67	9,813.87	10,349.67
(ii) Other Financial Liabilities	1,029.31	1,218.38	1,029.31
(b) Provisions	68.47	71.85	68.47
(c) Other Non-Current Liabilities	1,205.00	2,018.98	1,205.00
Total Non-Current Liabilities	12,652.45	13,123.08	12,652.45
3. Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	2,880.00	2,450.00	2,880.00
(ii) Trade Payables	3,482.11	1,635.41	3,482.11
(iii) Other Financial Liabilities	22,304.49	18,510.93	22,304.49
(b) Other Current Liabilities	3,712.61	3,034.57	3,712.61
(c) Provisions	0.92	0.98	0.92
Total Current Liabilities	32,380.13	25,631.89	32,380.13
Total Equity and Liabilities	47,097.57	50,192.55	47,097.24

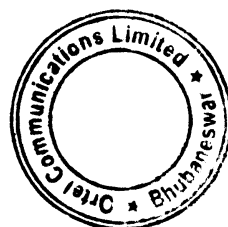


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SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(Rs. in Lakhs)

Particulars	Standalone					Consolidated
	Quarter ended			Year Ended		Year Ended
	31-Mar-18 (Audited)	31-Dec-17 (Unaudited)	31-Mar-17 (Audited)	31-Mar-18 (Audited)	31-Mar-17 (Audited)	31-Mar-18 (Audited)
1. Segment Revenue						
a) Cable TV	3,137.77	3,736.21	3,601.37	14,540.64	15,318.60	14,540.64
b) Broadband	491.51	521.45	762.74	2,316.21	3,590.94	2,316.21
c) Infrastructure Leasing	273.21	273.45	291.23	1,172.36	1,110.45	1,172.36
d) Unallocated	84.40	139.50	75.23	374.35	300.88	374.35
Net Income from Operations	3,986.89	4,670.61	4,730.57	18,403.56	20,320.87	18,403.56
2. Segment Results						
a) Cable TV	(5,634.12)	1,306.36	1,295.06	(1,553.69)	6,148.06	(1,553.69)
b) Broadband	(211.74)	110.68	457.90	313.20	1,895.88	312.87
c) Infrastructure Leasing	127.16	245.76	260.49	891.61	1,054.95	891.61
d) Unallocated	31.70	26.89	29.06	116.77	116.27	116.77
Total	(5,687.00)	1,689.69	2,042.51	(232.11)	9,215.16	(232.44)
Less: i) Finance Costs	765.60	719.19	671.77	2,918.85	2,662.04	2,918.85
ii) Other Un-allocable Expenditure (net)	1,557.85	1,626.88	1,501.70	6,376.24	6,623.17	6,376.24
Total Profit/(Loss) Before Tax	(8,010.45)	(656.38)	(130.96)	(9,527.20)	(70.05)	(9,527.53)
3. Segment Assets						
a) Cable TV	16,331.65	22,838.66	18,848.14	16,331.65	18,848.14	16,331.65
b) Broadband	2,282.78	2,693.22	2,811.12	2,282.78	2,811.12	2,282.78
c) Infrastructure Leasing	1,993.90	2,218.16	2,220.90	1,993.90	2,220.90	1,993.90
d) Unallocated	26,489.24	25,968.03	26,312.39	26,489.24	26,312.39	26,488.91
Total Segment Assets	47,097.57	53,718.07	50,192.55	47,097.57	50,192.55	47,097.24
4. Segment Liabilities						
a) Cable TV	10,006.23	10,098.54	6,802.35	10,006.23	6,802.35	10,006.23
b) Broadband	899.77	1,026.49	559.13	899.77	559.13	899.77
c) Infrastructure Leasing	948.34	1,158.85	1.35	948.34	1.35	948.34
d) Unallocated	33,178.24	31,417.07	31,392.14	33,178.24	31,392.14	33,178.24
Total Segment Liabilities	45,032.58	43,700.95	38,754.97	45,032.58	38,754.97	45,032.58



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NOTES:

- The above results have been reviewed by the Audit Committee and subsequently approved by the Board of Directors of the Company at their respective meetings held on 22nd May, 2018.
- In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as 'Ind AS') effective from 1st April, 2017. The impact of transition has been provided in the Opening Reserves as at 1st April, 2016 and results of quarter and year ended 31st March, 2017 have been restated accordingly.
- Reconciliation of Profit/(Loss) between the previously applicable Indian GAAP and Ind AS is as follows:

Particulars	(Rs. In Lakhs)	
	Quarter ended 31st March, 2017	Year ended 31st March, 2017
Net profit as per the previously applicable Indian GAAP	80.75	143.05
Ancillary borrowing costs' treatment as per the Effective Interest Rate method	(3.09)	(12.34)
Connection fee revenue being deferred and amortised over customer relationship period (net of sales incentive on new connections)	25.90	(89.47)
Reversal of amortization of Non Compete Fee recognised on acquisition of Local Cable Operators (LCOs)	11.61	36.54
Provision for expected credit loss	(36.54)	(36.54)
Finance cost recognised on deferred payment terms to LCOs as per the Effective Interest Rate method	(43.71)	(128.38)
Reversal of Amortisation of Goodwill	2.81	12.42
Actuarial remeasurement of Defined Benefit Obligation taken to other comprehensive income	1.24	4.97
Employee stock option plan measured at fair value	2.73	(2.20)
Other Ind AS adjustments	(0.09)	1.90
Deferred Tax impact of adjustments (net) on above	13.97	75.47
Net Profit before Other Comprehensive Income as per Ind AS	55.58	5.42
Other Comprehensive Income (net of tax)	4.35	256.92
Total Comprehensive Income after tax as per Ind AS	59.93	262.34

- Reconciliation of Equity between the previously applicable Indian GAAP and Ind AS is as follows:-

Particulars	(Rs. In Lakhs)	
	As at 31st March, 2017	
Equity as per the previously applicable Indian GAAP (Equity Share Capital + Reserves and Surplus)	14,122.34	
Add/(Less) : Adjustments under Ind AS		
Ancillary borrowing costs' treatment as per the Effective Interest Rate method	21.80	
Employee stock option plan measured at fair value	8.78	
Connection fee revenue being deferred and amortised over customer relationship period (net of sales incentive on new connections)	(2,049.76)	
Effect of expected credit loss	(23.89)	
Fair Valuation of Investment in equity instrument	84.54	
Bargain purchase gain recognised on acquisition of Local Cable Operators (LCOs)	258.61	
Reversal of Amortisation of Goodwill	8.12	
Reversal of amortization of Non Compete Fee recognised on acquisition of LCOs	23.89	
Finance cost recognised on deferred payment terms to LCOs as per Effective Interest Rate method	(83.95)	
Other Ind AS adjustments	5.02	
Deferred tax adjustment (net) on above	(937.92)	
Total Equity as per Ind AS	11,437.58	

- Exceptional Items consist of the following:

Particulars	(Rs. In Lakhs)					
	Standalone				Consolidated	
	Quarter ended		Year ended		Year ended	
	31-Mar-18	31-Dec-17	31-Mar-17	31-Mar-18	31-Mar-17	31-Mar-18
Provision for doubtful receivables (refer note no. 5a)	3,063.76	-	-	3,063.76	-	3,063.76
Credit notes issued (Refer note no. 5b)	660.27	307.95	91.66	1,625.20	95.91	1,625.20
Provision for credit notes (Refer note no. 5c)	3,194.17	-	-	3,194.17	-	3,194.17
Total	6,918.20	307.95	91.66	7,883.13	95.91	7,883.13

- The Company has made provision for doubtful receivables in respect of both retail and non-retail customers, as considered necessary, based on the management's best estimate, which is as follows:
 - Most of the dues as at 31st March, 2018 in respect of analog customers, have been fully provided for;
 - amount outstanding over 90 days in respect of cable TV customers other than as mentioned in (i) above, franchisee customers and broadband customers, has been fully provided for; and
 - in case of other receivables, provision has been made on a case to case basis where the management feels that the recovery is doubtful.
- The Company has issued credit notes towards disruption of services/deficient provision of services during the period 1st October, 2016 to 30th June, 2017. Accordingly, the Company has debited the Statement of Profit and Loss towards credit notes issued and the related tax liabilities have been reversed in the books of accounts.
- The Company has made a provision towards credit notes to be issued for disruption of services/deficient provision of services during the period 1st October, 2016 to 30th June, 2017, due to analog to digital conversion and acquisition of Local Cable Operators. This has been done to the extent considered necessary based on the management's best estimate.
- The Segment information has been prepared in line with the review of operating results by the Chief Operating Decision Maker ("CODM"), as per Ind AS 108 "Operating Segments". Accordingly, the Company's operating segments are (i) Cable TV, (ii) Broadband Service, (iii) Infrastructure Leasing (IFL) and it operates in the domestic market only.
- A subsidiary Company, Ortel Broadband Limited, was incorporated on 28th February, 2018 and since 2017-18 is the first year of preparation of consolidated financial statements, the comparative figures for 2016-17 have not been given.
- The figures for the quarter ended 31st March, 2018 and 31st March, 2017 are the balancing figures between the audited figures in respect of the full financial year and the year-to-date figures upto the 3rd quarter of the respective financial year.
- Previous years/periods' figures have been rearranged/regrouped/reclassified, wherever necessary, to make them comparable with those of current year/period.

Place: Bhubaneswar
Date: 22nd May, 2018



For and on behalf of the Board of Directors

 Jyoti Bhusan Parry
 Chairman cum Independent Director