

# **ENHANCING AGILITY** **MAXIMISING EFFICIENCIES**

Annual Report  
**2019**

**AKSH OPTIFIBRE LIMITED**



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## Corporate Overview

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| <ul style="list-style-type: none"> <li>■ <b>Chairman</b><br/>Dr. Kailash S. Choudhari</li> <li>■ <b>Managing Director</b><br/>Mr. Satyendra Gupta</li> <li>■ <b>Directors</b><br/>Mr. B. R. Rakhecha<br/>Ms. Devika Raveendran<br/>Mr. Gauri Shankar</li> <li>■ <b>Chief-Corporate Affairs &amp; Company Secretary</b><br/>Mr. Gaurav Mehta</li> <li>■ <b>Chief Financial Officer</b><br/>Mr. Pawan Kumar Gambhir</li> </ul> | <ul style="list-style-type: none"> <li>■ <b>Bankers</b><br/>Union Bank of India<br/>Punjab National Bank<br/>HDFC Bank Limited</li> <li>■ <b>Auditors</b><br/>B G G &amp; Associates<br/>Statutory Auditors<br/><br/>Sanjay Gupta &amp; Associates<br/>Cost Auditors<br/><br/>S. C. Kwatra &amp; Co.<br/>Internal Auditors<br/><br/>Himanshu Sharma &amp; Associates<br/>Secretarial Auditors</li> </ul> | <ul style="list-style-type: none"> <li>■ <b>Corporate Office</b><br/>A-25, 2nd Floor,<br/>Mohan Co-operative Industrial Estate<br/>Mathura Road, New Delhi. India -110044.<br/>Ph.: 011-49991700-710</li> <li>■ <b>Registered Office</b><br/>F-1080, RIICO Industrial Area, Phase –III<br/>Bhiwadi, Rajasthan. India -301019.<br/>Ph.: 01493-221333<br/>www.akshoptifibre.com<br/>CIN No. L24305RJ1986PLC016132</li> <li>■ <b>Registrar and Share Transfer Agents</b><br/>Karvy Fintech Private Limited,<br/>Karvy Selenium, Tower-B, Plot no. 31-32,<br/>Gachibowli, Financial District, Nanakramguda,<br/>Hyderabad – 500032</li> </ul> |
|--|--|---|

## Plant Locations :

Optical Fibre & Optical Fibre Cable Manufacturing Division, Bhiwadi, Rajasthan, India.

F-1075-1081, RIICO Industrial Area, Phase-III, Bhiwadi, Rajasthan. India – 301019

Ophthalmic Lens Production Division, Kahrani, Rajasthan India

A-56, Kahrani, Bhiwadi-301019, Rajasthan. India

FRP Manufacturing Division, Jafza, UAE.

Plot No. S10914, PO Box. 17267, Jebel Ali, Free Trade Zone, UAE

(Manufacturing division of AOL FZE, wholly owned subsidiary of Company)

FRP Manufacturing Division, Jiangsu, China

Factory No. 01, Machinery Industrial Park, The East of Bajing Road, Danyang Economic Development Zone.

Jiangsu Province China.

(Manufacturing division of AOL Composites (Jiangsu) Co. Ltd, wholly owned subsidiary of AOL FZE, Dubai, UAE)

FRP Manufacturing Division, Reengus, Rajasthan, India.

SP-47 Shree Khatu Shyamji Industrial Complex, Reengus, District Sikar, Rajasthan. India

FRP & Optical Fibre Cable Manufacturing Division, Silvassa, India.

Survey No.: 2/2/1, Village Karad, Madhuban Dam Road, Silvassa-396230, U. T. of Dadra & Nagar Haveli. India

(Manufacturing division of Aksh Composites Pvt. Ltd. Wholly owned subsidiary of the company)

Optical Fibre Cable Manufacturing Division, Mauritius.

Industrial Zone Trianon -1721-10, Mauritius

(Manufacturing division of Aksh Technologies (Mauritius) Ltd, Wholly owned subsidiary of company)

Optical Fibre Manufacturing Division

Plot No. S-30121B, Jabel Ali, Free Zone, Dubai (UAE)

(Manufacturing division of AOL Technologies FZE, wholly owned subsidiary of Company) (yet to be operational)

## Service Division

1Stop Aksh Division & Network Operating Centre

The Diamond, 4th Floor, Urbana Jewels, Opp. SEZ Road, Muhana Terminal Market, Sanganer, Jaipur. India -302029



## Enhancing our agility in a volatile sectoral phase

At Aksh, we believe that what we do with the glass pre-form coming into our factories separates the winners from the others.

Over the years, the company invested in various initiatives directed at a singular objective: maximize efficiencies and minimise deviations.

The company addressed the variables affecting Optical Fibre Cable performance & quality with operational discipline.

**The discipline** of investing in cutting-edge technologies that would translate into a high plant uptime.

**The discipline** of training shopfloor workers in benchmarking operations around the highest efficiencies.

**The discipline** of progressive process automation, translating into fewer process variations.

**The discipline** of progressive debottlenecking, making it possible to sweat the overall system more effectively.

**The discipline** of manufacturing an end product around the highest quality standards .

**The discipline** of urgency, strengthening our responsiveness to sectoral and market place developments.

This mindset strengthened the company's positioning as an agile and responsive player when passing through a volatile sectoral phase.

# Things you need to know about Aksh

## 1 Financial Highlights (Standalone)

- Rs 95.8 Crore Highest Ever EBITDA achieved, YoY growth of 29%
- Rs 52.5 Crore Highest Ever Cash Profit after tax Generated
- Successful implementation of SAP in almost all the business locations of AKSH
- Capex for Indian Operations completed in FY19

## 2 OF-OFC Highlights

- Highest ever Fibre production in FY 2018-19.
- Successful completion of OFC Plant modernization at Bhiwadi Unit.
- 20 New large private customers added to the OFC business
- Successful Execution of Ribbon Cable orders for BSNL within 3 months.
- ISO 45001 : 2018 Certification for OHSAS done & Its integration with ISO 14001:2015 at Bhiwadi Manufacturing Facility.

## 3 FRP Highlights

- Silvassa plant clocked its highest ever revenue in FY19.
- Developed Water Blocking FRP Rod which got approved by large international OFC players. Expecting big orders for the same in FY20.
- Developed Micro Flat FRP Rod which got approved by major OFC players also awaiting big orders of Micro Flat FRP for commercial production.
- AKSH's FRP Business Commands & maintains Significant global market share.

## 4 Services Highlights

- 5,077 kiosk added in last three years.
- Kiosk transactions increased by 58% in three years Span.
- Launched self service kiosks at various e-Mitra kiosk locations.
- Highest ever e-Mitra transaction achieved during the year.
- Launching of new services on e-Mitra for adding new department like: excise, co-operative etc.

## 5 Ophthalmic Lens Highlights

- Commissioned state of art manufacturing facility for ophthalmic lens in Kehrani, Rajasthan. India.
- End to End Massive production like this is being achieved for the first time in India with regular supply of premier quality lenses at affordable prices.
- Aksh also participated and showcased its Lens products at "Inoptics 2019" at Pragati Maidan, received outstanding response from bulk domestic & international customers.





## From The Chairman's Desk

### Dear Shareholders,

With an outset of new era and renewed enthusiasm, India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, which is predominantly backed by its strong democracy and partnerships. As India continues to ascend in the rankings of the world's largest economies, its contribution to global GDP growth momentum will also increase. India attracted massive Foreign Direct Investment (FDI) equity inflows, with major contribution coming from sectors such as services, computer software and hardware, telecommunications, construction, trading and automobiles.

Numerous offshore business organizations are setting up their facilities in India on account of various government initiatives like Make in India and Digital India. After launching the Make in India initiative, The Honorable Prime Minister of India has significantly uplifted the manufacturing sector of Indian economy, alongside has also increased the purchasing power of an average Indian consumer, which has further boosted the domestic demand, and hence spurred the overall development in the economy. The Government of India, under the Make in India initiative, has done significant contribution towards the domestic manufacturing sector and aims to take it up to 25 per cent of the GDP from the current 17 per cent. Besides, the Government of India's Digital India initiative, which focused on three core components: creation of digital infrastructure, delivering services digitally and to increase the digital literacy augured well for the overall economy and demography. Under Bharat Net Initiative of the Government, till July 2019, 3,50,504 Kms of Optical Fibre Cable is already laid in 131,913 Gram Panchayats. The Government of India has also approved the National Policy on Software Products in 2019, to develop the country as a software hub, therefore a lot of impetus can be witnessed towards digital platform development during the second term of the current Government.

FY 2019 was a roller coaster year for Aksh. We grew our sales and profitability phenomenally during the first half of the year. During the second half of the year company faced certain industry headwinds concerning optical fibre prices tumbling down globally, alongside significant delays in receivables from a major customer BSNL. Although, we have been investing for growth through a combination of capacity expansions, strategic acquisitions, and innovations in our product lines. In early part of FY2019, we improved our financial performance and extended our leadership in all our businesses segments. Our execution was strong, and we expected our momentum to continue, but unfortunately industry headwinds entailed us to push breaks to our torrid growth during the second half of the year.

As we have expanded our capacities significantly, and are geared up to ride the next wave of buoyant optic fibre market, we remain committed to deliver our goals. We seek all our stakeholders confidence, and I believe we shall deliver our best, as we remain committed in continuing to deliver with our relentless focus, passion, and our drive towards success. I firmly believe that Aksh's future has never been brighter. We have multiple businesses segments which will propel our growth. We have unique capabilities that have become progressively more vital. We share warm relationships with industry leading customers that continue to entrust us with new opportunities. We look forward to delivering our goals, also unleashing new potential and capabilities in the years ahead, and sharing milestones along the way. Thank you for entrusting and accompanying us on this journey.

Yours Truly,

**Dr. Kailash S. Choudhari**

**As we have expanded our capacities significantly, and are geared up to ride the next wave of buoyant optic fibre market, we remain committed to deliver our goals**

# Managing Director's Overview

## Dear Shareholders,

FY 2019 was a roller coaster year for Aksh. We grew our sales and profitability phenomenally during the first half of the year. During the second half, company faced softening of optical fibre prices globally, alongside significant delays in receivables from a major customer. Notwithstanding, Company reported its highest ever EBITDA with a 29% increase from previous year, coupled with its highest ever fibre production. Company also successfully completed its OFC Plant modernization project resulting in enhancement of its OFC infrastructure capacity to 10.7 Mn FKM. We successfully added 20 New large private OFC customers to our portfolio. Although lower fibre realizations have driven down the expected profitability, but amidst the tough business environment we were able to sail successfully.

We seamlessly implemented warehousing model in our international markets for our FRP business, wherein we set up 6 international warehouses in various locations of our prominent customers in USA, Europe, and Asia. With our warehousing model we intend to provide just in time service to our customers which will help us bring down our receivable cycle significantly.

During the year company witnessed the launch of Aksh's Ophthalmic Lens to the bulk domestic & international customer. The company also participated and showcased its ophthalmic lens products at India's biggest eyewear exhibition 'Inoptics 2019' at Pragati Maidan, New Delhi, where it received good response.

On e-governance front Aksh achieved its highest ever e-Mitra transactions during the year. Company successfully added 5,077 kiosk in last three years, wherein the transactions at the kiosks increased by 58% during the span of three years. Facilitating the initiative to reduce manpower costs and less human interface at our kiosks, Aksh also launched self service kiosks at various e-Mitra kiosk locations.

Corporate social responsibility (CSR) is a self-regulating business model that helps us to be socially accountable to our-self, its stakeholders, and the public. Under its CSR program 'UPVAN' Aksh planted more than 22,600 saplings during the current financial year and 110,000 over the period of last five years under 'Clean & Green' drive in Bhiwadi Industrial Area. On the education front, under its initiative 'MUSKAAN' and 'SHIKSHA HAMARA SWABHIMAN' Aksh is relentlessly giving support to Government Schools situated in nearby Bhiwadi and Reengus Industrial Area. The drive aims to continuously improve the basic infrastructure of the Govt. Schools especially for girl child and those who are not able to join school due to the poor financial health of their families. For continuous efforts made by Aksh in past 5 years, your company has been bestowed with prestigious "BHAMASHAH AWARD" for fifth consecutive year on the occasion of Bhamashah Jayanti.

The Indian telecom sector is witnessing a radical transformation due to surge in mobile data usage and growing Smartphone adaptation. This increase in data demand has made it imperative for operators to establish high capacity optic fibre cable networks, both for the last mile and backhaul. India now contributes around 6% to the global fibre demand. The advent of new technologies like 5G and internet of things (IoT) is going to further fuel the demand for fibre in the country. Indian telecom industry stakeholders have started readying themselves for the 5G revolution while the Government is planning to hold 5G spectrum auctions in 2020. Fibre connectivity will play an essential role in creating high performing, dense urban networks that are able to sustain the high data growth resulting from 5G services. In the coming years, telecom infrastructure will comprise not just macro tower sites, but also small cells, fibre-to-the-home (FTTH) networks and Wi-Fi services. National Digital Communications Policy (NDCP), 2018 has set a target of increasing the level of tower fiberisation to 60% by fiscal year 2022 from the existing level of 25%. The second and the third phases of the world's largest rural fibre roll-out initiative through BharatNet project will continue boosting the country's fibre infrastructure. Meanwhile, development under the government's Smart Cities Mission hinges on a robust common digital infrastructure backbone that includes fibre as the core component.

I on behalf of my colleagues on the Board wish to express my earnest thanks to all stakeholders for believing in the Company. I would also take this opportunity to express my sincere gratitude to all my fellow colleagues at all levels for their dedicated efforts and hard work. We look forward to their continued support in the coming years.

With warm regards,  
**Satyendra Gupta**



**At Aksh Optifibre,  
we are prepared for volatile  
sectoral cycles through  
stronger operational  
discipline**



# Management Discussion And Analysis

## Industry Structure and Developments

### Global Perspective

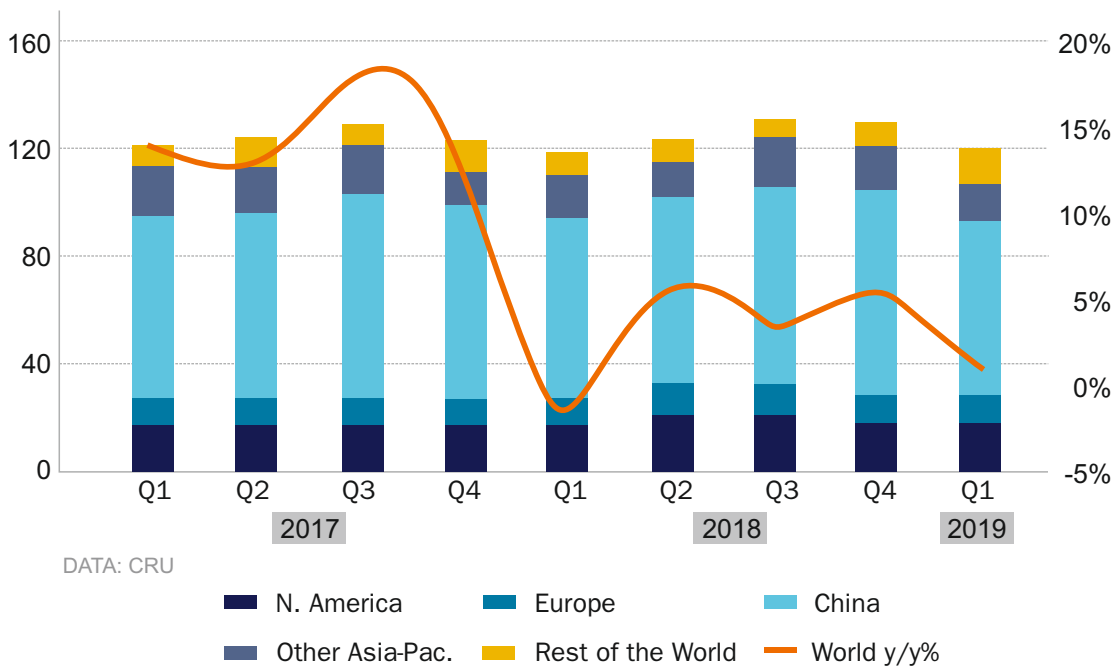
The Asia-Pacific region dominated the overall Optical Fibre market till 2017 primarily due to increase in penetration of optical fiber technologies in developing economies owing to numerous upcoming projects, such as smart cities. However, North America witnessed the highest growth rate during the period gone by in CY18. Widespread implementation of 5G, increase in adoption of fiber to the home (FTTH) connectivity, and emergence of internet of things (IoT) act as major drivers of the market. However, high installation cost & growth in the wireless communication systems are expected to hamper the global optical fiber market growth during the current period.

### 2018 witnessed Global demand de-growth : Slowed to 15 year low

As per the industry estimates The total of optical fibre cable installed worldwide in CY 2018 was 510 Mn FKM. The fibre demand was 4% higher than the 492 Mn FKM installed in CY 2017, witnessing the lowest year on-year growth rate in optical cable installations since 2003. Demand remained far lower than the demand CAGR for the last ten years which was 14%. The slower growth in 2018 was caused by a 1% downturn in Chinese fibre market. All other markets as a group showed a 10% increase in fibre deployments between 2017 and 2018. Wherein the non-China market fibre demand has had a 9% CAGR for the past ten years.

### Global optical cable demand slowed to just 1.4%y/y in Q1 2019

#### Optical cable demand M F-km

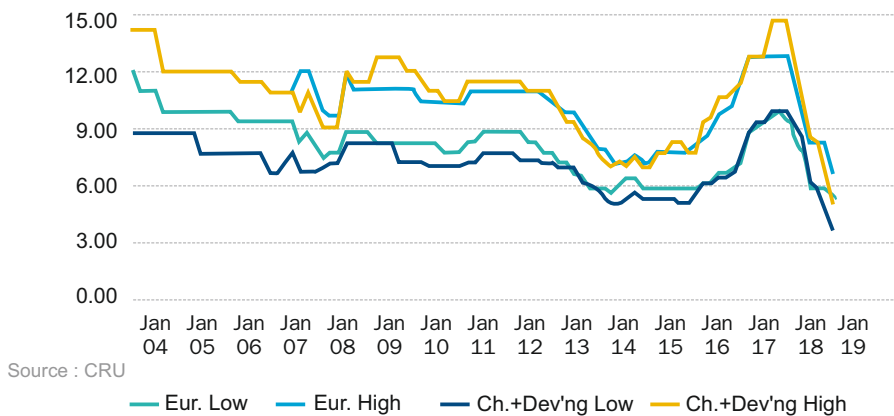




## Fibre prices witnessed pressure Globally

Throughout 2019, prices in China have been under extreme pressure following a no significant global demand, which started late last year in 2018. This was further aggravated following the late release of the China Mobile 2019 tender, which marked a more than 50% decrease in fibre prices since the peak shortage prices of Q3 2018, falling to multi-year lows. Facing increasing pressure and competition from low-cost imports, fibre prices in Europe continued its downward trend. It was observed that the fibre price spread has once again narrowed down significantly, for the first time in last decade, standard loose-tube bare fibre prices have fallen below \$6.00 /F-Km on the lower-side.

High and low range of G.652.D prices in Europe and developing telecom markets, US\$/km



### Fibre prices corrected to a multi-year lows in 2019

#### Current Pre-form capacity overhang weighing down the Fibre market

The downtrend in Chinese fibre prices can be attributed to a key factor which is the recent over investment and rapid expansion of preform capacity (approx 90 M F-km additional preform capacity was brought online in China last year). This, however, is not just the case for China. As per estimates preform capacity expanded by 30M F-km in markets outside China also, bringing total global preform year on year capacity growth to 22% in 2018. Meanwhile, global fibre demand only expanded by 4% over the same period. Further expansions are penned for 2019, although the current market environment may delay or abandon such plans. As per current estimates preform capacity is 28% higher than fibre demand which is denting the current fibre market. Whereas a 10% excess is considered healthy for the industry, whereas an excess of 28% is highly detrimental to market conditions and pricing.

#### Future Market Outlook

##### Widespread implementation of 5G

The demand for more data and better coverage across the world is on the rise among consumers. The 5th generation wireless connection is expected to be the next leap in technology, as it can transmit more data while providing a more steady and reliable connection. The characteristics of 5G, such as high data speeds and throughputs, are greatly influenced by heavy-duty optical fiber backed networks that affect both the wireless side and wireline side of the infrastructure. Moreover, formidable network performance goals of 5G are heavily predicated on a massive availability of fiber connectivity. 5G is currently being tested in several markets and is expected to begin widespread implementation by 2020.

**5G is currently being tested in several markets and is expected to begin widespread implementation by 2020.**

#### 5G network architecture will transform away from the traditional tower model

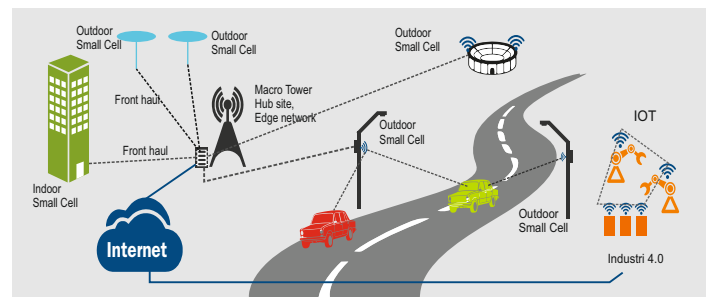
##### Macro tower model poised to change

The move towards 5G is often accompanied by expectations that significant investments will be made by telcos and this will result in a much improved demand for supply chain operators, which include infrastructure plays such as tower and optical fibre companies.

##### Market expects 5G networks in Asia to be rolled out in 2 phases.

**Phase 1**, which is under way in many markets, uses frequencies around 3.5-6GHz. The technical challenges of communications at this frequency are relatively low. Macro cells used in 3G and 4G networks can be replaced or upgraded to act as 5G base stations while the use case is mainly seen in the fixed wireless access.

**Phase 2**, which is expected to commence from 2022, will use high frequencies (millimeter wave bands) to achieve higher-speed, larger-capacity connections. (Business use cases for the phase 2 will be mainly in enterprise services where low latency and reliability will be the key. In order to service this, network architectures will evolve from the traditional macro tower-led model to a fiber and small cell-led heterogeneous network. Usage of the millimeter wave spectrum for the touted network capacities will require a much denser network given the low propagation and high attenuation of high frequency (low wavelength) bands.



## Demand for end-to-end fiber infrastructure

We expect the end-to-end market for fiber as a natural beneficiary on the road to 5G services. Carriers around the world are more focused on deploying 5G at higher frequency bands than the spectrum used for traditional mobile services. More sites will thus be needed and the amount of data capacity that each can generate will encourage carriers to use fiber to connect those sites to their broader networks. Without sufficient fiber, carriers will be unable to support the projected last mile network performance for 5G.

## Increase in adoption of fiber to the home (FTTH) connectivity



FTTH is a popular integrated communication technology that uses fiber optic technology to enable faster and more effective communication. The technology connects homes to the operator through optic fiber wires. It is the most advanced technology for building the next generation of communication networks. For instance, fiber connections are used by more than 130 million homes. Also, China was expected to have almost 100 million fiber subscribers. Moreover, European countries, such as Norway, Lithuania, Denmark, Sweden, and Latvia, have been approaching near universal access to fiber.

## Rising investments in IoT (Internet of Things) infrastructure

The growth of 5G is expected to be fueled by the hike in consumer data and the explosion of internet of things (IoT) devices. According to the International Telecommunications Union (ITU), the market for IoT devices is estimated to generate over \$1.7 trillion by 2019. Also, owing to these developments, investments on fiber infrastructure are expected to surpass \$144.2 billion by 2019. Moreover, numerous countries have invested in optical fiber deployments, which is creating opportunities for the market. For instance, the U.S. needs significantly more fiber-optic infrastructure over the next five to seven years to support upcoming 5G wireless as well as broadband competition and rural broadband coverage that is expected to deploy fiber cable of around \$130 billion to \$150 billion.

## Opportunities and threats

### STRENGTHS

- Globally Recognized Optical fibre Player
- Vertically Integrated Manufacturing Facilities
- Global Market Presence
- Quality Product range
- Strong Management Vision
- Formidable e-Governance Presence

### OPPORTUNITIES

- Global Data consumption expansion
- Expansion in the global Fibre market for expansion of 4G Network Backhaul.
- Initiation of Fibre backhaul for upcoming 5G network globally
- Upcoming Large Smart city projects domestically
- Digital India Programme: Bharat Net- Phase 3.

## India Perspective

India optical fiber cables (OFC) market stood at \$ 881.5 million in 2019 and is projected to grow at a CAGR of 19.7% to reach \$ 2.1 billion by 2024. Growth in the market is led by rising investments in OFC network infrastructure by the Indian government to increase internet penetration across the country, which is in line with government initiatives such as Smart Cities Vision and Digital India. Moreover, growing demand for OFC from IT & telecom sector, rising number of mobile devices, increasing adoption of FTTH (Fiber to the Home) connectivity and surging number of data centers are further anticipated to fuel optical fiber cables market in India over the coming years.

Regionally, India's optical fiber cable market is gaining traction and expanding to various regions in the country. In 2018, West was at the forefront of India's optical fiber cable market, however south region is anticipated to grow at the highest CAGR on account of presence of major IT players and growing number of small and medium enterprises (SMEs) in the region.

## Bharat Net Update

Bharat Net is the world's largest rural broadband initiative undertaken by the Government of India (GOI). The project includes provision for on-demand affordable broadband connectivity of 2 Mbps to 20 Mbps for all households and on-demand capacity to all institutions. It is a part of the Digital India vision implemented through a partnership with states and the private sector.

The implementation of this project is taking place under three phases :-

**Phase I:** This phase included connecting over 1 lakh gram panchayats across India through BSNL, RAILTEL and PGCIL. Around 32,000 km of Optical Fibre (OF) cable of BSNL is being replaced by new OF cable. High-speed broadband service is provided to 2.5 lakh villages benefitting 20 crore rural Indians. This phase was successfully completed by December 31, 2017.

**Phase II:** Under this phase, additional 1.5 lakh gram panchayats would be connected. The target date fixed for completion of this phase was March 31, 2019. Till March 17, 2019, 125,196 gram panchayats were laid with OF cables and 117,552 gram panchayats were laid with OFC with the installation of equipment. Also, 564 gram panchayats were commissioned through satellite.

**Phase III:** This phase is expected to begin in 2019 and shall get completed by 2023. It will include setting up fibre networks between districts and blocks. Bharat Broadband Network Limited (BBNL) will place massive orders for implementation of this project to domestic optical fibre cable companies.

### WEAKNESSES

- Global Logistics & Freight Challenges
- Dearth of Cheap Availability of Glass Pre-form (Primary Raw material for Optical Fibre)
- Risk Averseness towards mega EPC projects

### THREATS

- Optic Fibre production over Capacity in China
- Political, economic and Technological tussle between Worlds major economies
- Lack of availability of Glass Preform provided by handful number of pre-form producers globally.

## Outlook

Despite industry slowdown in 2018, telecom accounted for the largest market share in terms of revenue and is anticipated to continue its dominance in terms of size by 2025. Telecommunication is anticipated to present promising growth prospects due to growing adoption of the technology in communication and data transmission services. Fiber optics enable high-speed data transfer services in both small and long-range communications. Furthermore, increasing cloud-based applications, audio-video services, and Video-on-Demand (VoD) services will stimulate the demand.

Medical and military and aerospace application segments are poised to witness significant growth, attributed to increasing adoption of optic technology devices. Stringent regulations and standards imposed by the regulatory authorities and medical associations are further helping the market to flourish in the medical sector, eventually driving the growth.

Railway segment may be initially hesitant to make huge investments in fiber optic application installations but is predicted to witness immense growth prospects during the forecast period. The railway track maintenance achieved by fiber optics provide an opportunity to experience enhanced track repair with great ease at a cheaper price. Military and aerospace sector has moderate penetration. However, it is expected to witness high growth in near future in terms of market share.

### Despite Market Volatility 5G Capex Ramp-up is a Fairly Certain Story

We expect major carriers in China, the US, and other countries to launch commercial 5G networks from 2020. It can be projected that Chinese carriers' mobile-network capex to rise significantly from 2020 to 2023, with above a 14% CAGR. Therefore we see 5G-related capex as a percentage of total mobile network capex rising significantly over this period. Telecom infrastructure companies (including Optical Fibre players) and their supply chains should benefit first, followed by endpoint device-related companies and over-the-top application players. However we see US-China tension as unlikely to stop growth for Chinese telecom-equipment companies and their supply chain.

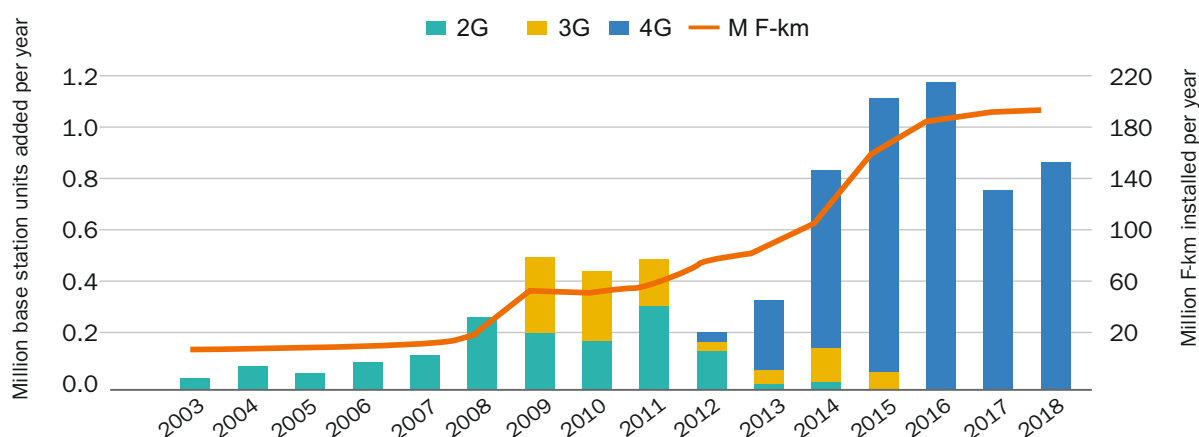
**Medical and military and aerospace application segments are poised to witness significant growth, attributed to increasing adoption of optic technology devices**

### 5G update

Construction of Base stations picking up for the upcoming commercial launch of 5G services in countries such as South Korea, China and the US, many telecom carriers have started constructing and installing necessary 5G base stations in the predetermined launch cities. It is being reported that in South Korea, its three major mobile operators (KT, LG, and SK) have deployed more than 50,000 5G base stations prior to launching commercial 5G services in April 2019. In China, the city of Shanghai is expected to have a total of 10,000 5G base stations installed by end-2019. Further 5G base station installations and deep fibre deployments to support 5G mobile network will propell global fibre demand moving forward. A major global telecom equipment giant Huawei expect that 6.5 million base stations will be deployed for supporting 5G networks across the world by 2025.

Also China's three major mobile operators, have installed a combined total of 4.8 million 4G base stations. These base stations were installed over about seven years, starting with the China Mobile's large-scale 4G field trials in 2012 and ramping up through the current decade China's carriers have installed more 4G base stations than the carriers in other countries. If China's 5G network construction proceeds at a pace comparable to its 4G construction, it is quite possible that China's carriers could install four or five million 5G base stations by 2025. Most mobile industry participants acknowledge that 5G networks will require a much denser array of radio heads, meaning more base stations per coverage area. Also, China's 5G construction will be progressing in parallel with that of other advanced telecom markets in North America, Western Europe, and the Asia-Pacific region

### Strong correlation between base station installations and fibre demand in China



The figure above plots the number of base stations installed in each year by China's three carriers as a group. The data on base stations is from the carriers' annual reports. The cumulative total of all 4G base stations installed from 2012 to 2018 is 4.8 million. This compares with a total of 1.1 million for 3G base stations – indicating a four-fold increase in base stations per coverage area. The chart also indicates the amount of cabled fibre installed in local-telecom applications.

### Company's Capex Update

The company is rightly positioned to harness the benefits of the capex which has taken place in the past few years. Company does not have any plans to do any further capex. Only project which is in its completion stage and which is expected to come onstream soon, is its Dubai Optical fibre drawing plant. After commissioning, the total fibre drawing capacity of the company will become 7 Mn FKM which will be sufficient to serve its existing cable capacities.



# CORPORATE SOCIAL RESPONSIBILITY

“The test of our progress is not whether we add more to the abundance of those who have much, it is whether we provide enough for those who have too little.”

- Franklin D. Roosevelt



At Aksh Optifibre limited Corporate social responsibility (CSR) is a self-regulating business model that helps us to be socially accountable to itself, its stakeholders, and the public. By practicing corporate social responsibility, also called corporate citizenship, at Aksh we aspire to remain conscious of the kind of impact we are having on all aspects of society including economic, social, and environment. At Aksh engaging in CSR means that, in the normal course of business, we get the opportunity to operate in ways that enhance the society and the environment as a whole.

## UPVAN

In order to improve the ecological balance in 'Bhiwadi Industrial Area', Aksh continued its plantation drive 'Upvan', wherein Aksh planted more than 22,693 saplings during the financial year 2018-19.

Aksh Optifibre Limited, with the continued cooperation & active support of BMA & member industries & various social organizations has so far planted 110,500 plants under 'Clean & Green' drive in Bhiwadi Industrial Area from year 2014-2019. This dream was shared by BMA and vehemently supported by its member industries, many social institutions like Lions Club, Rotary Club, Rotary Shakti, Indian Medical Association, many Govt. & Private Schools & social activists.

Objective of the drive was to plant 1,00,000 trees in five years in Bhiwadi to neutralize the impact of industrial pollution and finally this year Aksh has crossed this target.



**Over 1 Lakh Trees** Planted  
Contributing Towards Greener Environment

**22,693** Tree Planted in FY 2018-19

## MUSKAAN

Muskaan is a program to support Government Schools situated in nearby Bhiwadi Industrial Area. Aksh's main objective under this drive is to bring a smile on children's face. The drive aims to continuously improve the basic infrastructure of the Govt. Schools especially for girl child and those who are not able to join school due to lack of basic amenities like toilet, drinking water facility, and hygienic environment.

Looking forward for a beautiful and bright future of the students, the Company with continuous & dedicated aim of improving basic infrastructure of its adopted Govt. Secondary School in Santhalka (Bhiwadi), has taken initiatives like Bala painting & writing work, Construction of Pathway & Borewell platform, Flooring and repairing of class rooms in primary section and deputed a full time employee for the day to day cleaning and housekeeping activities in both the sections.

E-learning has completely transformed the way in which learning is imparted to students. Unlike traditional chalk and board method of teaching, E-learning makes learning simpler, easier, and more effective. Keeping in view the benefits of E-learning and results of previous installations, Aksh has installed 8 E-learning Smart classes at Govt. Sr. Sec. School, Karoli.

Aksh in association with City Nursing Home conducted first-aid awareness program and health check-up camp in 17 Government Schools in Bhiwadi and nearby area. Total 2850 beneficiaries (students) were covered under this drive. One of its kind, this drive covered all nearby government schools for health check-up and awareness sessions on health, hygiene & fitness.

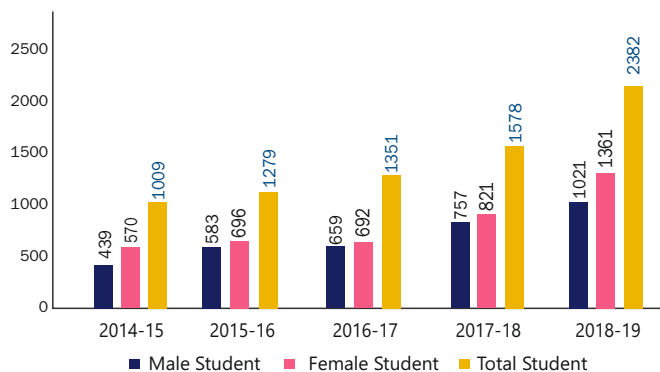


### Computer Lab installed with 48 Laptops with coordination of Computershiksha.org and approx. 300 students have successfully got certified in FY 2018-19.

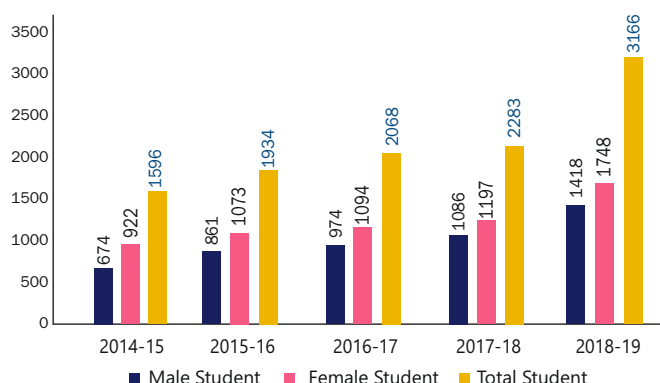
We have started this journey with 379 students with an aim to increase the education standard at Govt. schools so that poor students can also get good education and in last five years we have achieved it as nominations at Govt. school has increased from 379 to 1245.

Similarly, we have started this journey with 915 students in all schools with an aim to increase the education standard at Govt. schools so that underprivileged people can also get good education and in last five years we have achieved it as nominations at Govt. school has increased from 915 to 2382.

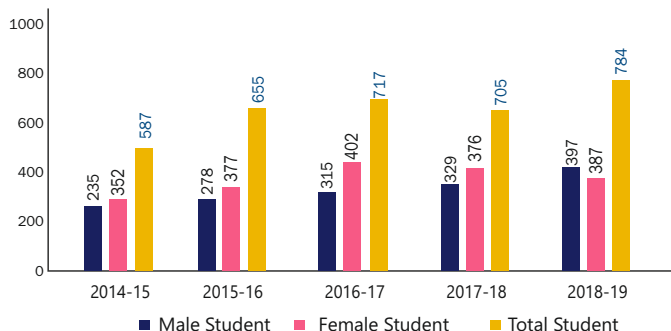
### Nominations History of Govt. Senior Secondary School, Reengus



### Nominations History of Students in all the Schools adopted by Aksh



### Increasing trend of student enrolment shows the impact of Aksh CSR initiative "Muskaan" in Bhiwadi



## SHIKSHA HAMARA SWABHIMAN:

"Shiksha Hamara Swabhimani" is a step in the direction of education which aims to strengthen the basic infrastructure of the schools which in turn improves enrolment, attendance and retention of the students. Aksh's main objective under this drive is to bring a smile to each and every child. Aksh believes that one of the most powerful tools for the social and economic progress of a country is education. Education empowers minds that will be able to conceive good thoughts and ideas. Aksh's main focus is on child education because the knowledge & learning brings more happiness and success to family as well as society.

Under Aksh CSR initiative "Shiksha Hamara Swabhimani", the Company with continuous & dedicated aim of improving basic infrastructure of its adopted Govt. Senior Secondary School, Reengus, Govt. Girls Senior Secondary School, Reengus, Govt. Upper Primary School, Parsarampura and Govt. Senior Secondary School, Sargoth, have taken initiatives since 2015 which includes roof-repairs, plasters, electricity fitting, colour painting, constructions of tin sheds for morning prayer assembly, floor construction, construction of Boundary Wall and other repairing work, educational painting and other painting work, Plantation, installation of windows and doors, fan, establishment of Smart Classes in school classroom, RO and chilled water facility for students etc.

### Continuous increasing trend of student enrolment shows the impact of Aksh CSR initiative "Shiksha Hamara Swabhimani",

## Activities done under CSR

### Govt. Senior secondary school Reengus

1. Computer Lab installed with 48 Laptops with coordination of ComputerShiksha.org and approx. 300 students have successfully got certified in FY 2018-19.
2. Construction of Kitchen for mid-day meal so that students can get hygienic and good quality food.
3. New flooring for computer lab room to provide a world class ambience in computer lab.
4. Shoes Rack for Computer Lab to maintain an admirable neatness level in lab.
5. Educational Painting in Computer Lab to enhance awareness about computer education through visualization.

### Govt. Senior secondary school, Sargoth

1. Computer Lab installed with 16 Laptops with coordination of ComputerShiksha.org
2. Construction of Tin Shed for prayer assembly.

### Govt. Girls Senior secondary school Reengus

1. Sports Uniform for Girls Hockey Team for participation at Sikar district level tournament

### Govt. Girls Senior secondary school, Mehroli

1. 270 School Bags has been distributed to poor girls students

### Govt. Girls Senior secondary school, Lisariya

1. 90 School Bags has been distributed to poor girls students

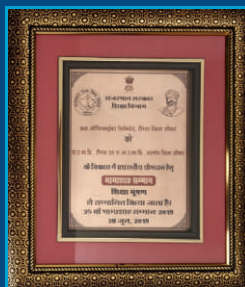
### Environment development program – Aksh Eco nation

1. 100 Tree with tree guard have been planted in Riico Industrial Area Reengus
2. 500 Tree planted in Govt. schools

### Other development program under CSR 2018-19

1. Furniture have been provided to Superintendent Govt. Observation & Child Home, Sikar
2. Computer and Printer have been provided to Varishth Jan Seva Samiti, Reengus
3. Wheel Chair have been provided for handicapped provided to Reengus Railway Station
4. Tin Shed, Gate and Mesh Covering work at Varishth Jan Seva Samiti, Reengus
5. Installation of Lights & Fans with wiring in Rest Shelter Reengus.

For continuous development in education sector and the effort made by Aksh since last 5 years, The Education Department of Rajasthan Govt. appreciated Aksh's valuable contribution in the field of Education and has bestowed the prestigious "BHAMASHAH AWARD" for fifth consecutive year to its manufacturing unit located at Reengus which was Awarded on the occasion of Bhamashah Jayanti on 28.06.2019 at Birla Auditorium, Jaipur.



## SKILL DEVELOPMENT (Women Empowerment):

Working towards women empowerment under its CSR initiatives, 'Aksh' in association with Singer India, Rotary Club of Bhiwadi and USCKM School is running a Skill Development Center at UCSKM School, Bhiwadi. This Skill Development Center is providing three months certificate course and six months diploma course in stitching & tailoring to promote women entrepreneurship.

Presently 70 students are undergoing six months diploma course in stitching & tailoring and 79 students have been awarded diploma certificate till date



## Aksh Eco- Nation

In order to improve the ecological balance Aksh continued its plantation drive "Aksh Eco-Nation". So far Aksh has planted more than 2,000 saplings during the financial year 2018-19. Aksh has also adopted a park Situated in RIICO Industrial Area, Reengus and maintaining it regularly since last three years.

## LIGHT AND AIR:

At Aksh Optifibre Limited we understand and value the significance of energy saving as well as lighting homes in rural and remote locations of the country. Your Company, being one of the largest manufacturers of Optical Fibre Cable and FRP Rods in India, has forayed in this national movement of energy saving by introduction of LED products.

Prior to introduction of "AKSH" LEDs, Aksh Optifibre Limited conducted an internal survey where it was observed that educational institutions such as Government Schools and schools exclusively for Girls were missing basic facilities of Light and Air. We visited those institutions and found that classes were taken place in darkened room with no light and ventilation which can otherwise, affect the health and well-being of such students.

Therefore, at Aksh we were firm and decided to cover such institutions with its Corporate Social Responsibility (CSR) initiative so that primary education for children may not be compromised due to lack of light and air.

Considering such circumstances, Aksh led its CSR project entitled "LIGHT AND AIR" through which it had selected all the primary schools located in Jhotwara City Block (approx. 80 schools) as well as all the primary schools located in Dudu Block (approx. 150 schools) wherein Aksh had illuminated all the schools with LED lights and fans in the year 2018-19. Through this initiative, Aksh has also made utmost efforts in spreading the awareness of energy efficiency among masses by utilizing LED lights and energy efficiency products in order to conserve energy.

In addition to it, this year Aksh is making its best efforts in illuminating Government schools under Shiksha Sankul, Government of Rajasthan by equipping such schools with LED bulbs, lights and fans.

Furthermore, Aksh is also replacing the old and the existing lighting products with LED in order to ensure that there is adequate "LIGHT AND AIR" available in schools and children may not be deprived of basic necessities. Also, Aksh is leaving no stone unturned in spreading awareness among the children for conserving energy to the best extent possible.

Through this platform, Aksh would also like to thank its partners, Government schools and the Government of Rajasthan who have given all possible co-operation and support in realizing its dream of "LIGHT AND AIR" among educational institutions in the state of Rajasthan.



## SANITATION AND HEALTH:

During a visit to government schools in Jaipur, Aksh's CSR team was shocked to see that there was lack of basic sanitation facilities which includes separate washroom for boys and girls. In some schools, it was shocking to see that there was no separate area for facilities and students had to go in open which was very disheartening. Therefore, Aksh selected State Upper Primary School, Baad Mohanpura, Block Sanganer, District Jaipur wherein, Aksh constructed separate washrooms for boys and girls. In addition to it, Aksh has also installed drinking water facility for the students to lay emphasis on clean and hygienic environment. Aksh has also done wall painting as well as repair and maintenance work including sanitary, fixing on tiles, water storage tank and such other necessities for a clean and healthy environment.

## Material developments in human resources & industrial relations

Human Resources are one of the most important and fundamental pillar for any organization. It is on the strength of best-in-class Talent and progressive Human Resource Management practices, that any organization thrives and grows. We at Aksh understand this and hence put people at the core of our priorities enabling a culture of Innovation, Creativity, Customer- Centricity, Learning and Development, Empowerment and Collaboration.

Towards the same, In addition to our regular best practices, HR team at Aksh launched some major initiatives towards Employee Engagement and Learning and Development in Fiscal Year 2018-19.

For Learning and Development, 'ACES - Aksh Capability Enhancement Series' was launched. It is a systematic platform to develop and nurture best-in-class Learning and Development practices in the organization including Training Effectiveness Evaluation Mechanism. ACES was launched from FRP Reengus and further spread to many other units.

Under ACES, Reengus also developed a Knowledge repository as a pilot project successfully by developing Technical Training modules on various sub-processes of HR.

Another set of major initiatives in the year was in domain of Employee Engagement. The premier intervention has been branded as 'ConneXpressions' which is a platform to connect with the employees – One to one and in groups.

Objective was to create a platform through Management, HR, Skip level

managers can connect to the employees and at the same time, Employees also get a platform to voice their opinions and express themselves be it regarding their own role, function or organization at large.

Under Engagement Initiatives, Another initiative was the formation of 'Engagement Teams' across locations. This initiative creates a win-win situation in which an empowered committee drives engagement initiatives for the location. Such initiatives helps create buy-in and thrust for such events and initiatives in the organization as everything is decided by and driven by employees and not any specific function. HR and Admin remains available in the team to support this team. This team also gives an avenue to people for nurturing or developing their leadership skills as there is one leader for every event. Team successfully conducted many events in last fiscal year like Christmas Celebration, Holi Celebration, Birthday Celebrations, Quizzes etc. All the locations conducted various events through respective location engagement team.

Overall, Human Resource Management function in the organization has been evolving people management practices in the organization and striving to drive HR practices towards being best in industry. Focus clearly is to enable achievement of organizational objectives through best-in-class Human Resource Management Practices.

Company's success very much hinges on unwavering commitment and efficiency of its 442 full time employees in standalone company and total of 528 full time employees including all its subsidiaries.



## Risk Management:

### 1 Slowed economic growth can impact sales.

#### Mitigation

The Indian economy has grown at a rapid pace during past couple of years. Farsighted governmental initiatives have led to a steady rise in disposable incomes, expansion of middle-class and increased urbanisation. It is on the back of these macroeconomic realities that Aksh is confident of holding on to its market positions & leadership. Our products are available for customers of diversified industries, which allows us to build a strong foundation to withstand any downturns in the economic growth cycle.

### 2 An inability to address short-term financing needs can adversely affect the growth prospects of the Company.

#### Mitigation

Repayment of substantial amounts of debt has boosted Aksh's liquidity and lowered working capital costs. By optimising its receivables & inventory cycles and extending its payable cycle the Company plans to optimise its working capital requirements in the years ahead.

### 3 Inadequate funds may impact the daily operations of the Company.

#### Mitigation

Sound corporate practices and timely funding negotiations have ensured that Aksh has access to adequate operating capital. Enduring lender relationships have ensured that funds are readily available to the Company at competitive costs. Calculated steps are taken to reduce the cost of long-term debt and increase the maturity of proposed debts.

### 4 An inability to judge customer preferences could affect market share.

#### Mitigation

Product Innovation is one of the major focus areas of Aksh. The Company is constantly coming up with innovative technological reforms, in line with emerging customer preferences. Besides Aksh's huge product range at varied price levels enables it to reach out to more customers and drive market penetration consistently. Extensive market research aids in exploring new horizons in product & services, in line with customer aspirations.

### 5 Intense competition can lead to a loss of market share, sales and profits.

#### Mitigation

The Company's brand equity and a high product quality have given it an edge over competitors. Besides, Aksh's products of diversified range are available to connect with a wider customer base. Strategic marketing activities have allowed Aksh to reach more customers and satisfy them with dedicated after-sales services.

### 6 Qualitative inconsistencies can affect the reputation of the Company.

#### Mitigation

Aksh adheres to strict quality control protocols which are at par with the best in the world. The Company's plants are also accredited with ISO: 9001, ISO: 14001 and OHSAS: 18001 certifications. Adequate quality checks are undertaken to assess qualitative excellence and entire batches have been rejected in case of non-conformation. Aksh also maintains strict quality controls over suppliers of raw material used in production, by keeping in line with the quality standards of the company's own manufacturing.

### 7 The arrival of deep-pocketed global players can upset the sectoral equilibrium.

#### Mitigation

Aksh's legacy, world-class quality products, vast distribution network and customer trust give it an edge to compete against foreign entrants. Fast network expansion and an extensive engagement program to build a sound and loyal customer base have helped the Company in facing challenges from multinational players.

### 8 An excessive dependence on a few customers can affect sales.

#### Mitigation

Aksh's has a widespread and loyal customer base across different industries. A well organised credit policy is in implementation at entity level to have a check on appropriate customer's realisation.

## Internal Control Systems & their Adequacy:

The Company's internal control system is aimed at proper utilisation and safeguarding of the Company's resources and promoting operational efficiency. The internal audit process reviews the in-system checks, covering significant operational areas regularly. The Company's Audit Committee is responsible for reviewing the Audit Report submitted by the Internal Auditors. Suggestions for improvements are considered and the Audit Committee follows up on the implementation of corrective actions. The Audit Committee also invites the Statutory and Internal Auditors for regular meetings to ascertain their views on the adequacy of internal control systems and keeps the Board of Directors informed of its observations from time to time.

## Financial Performance (Standalone)

### Source of funds

#### 1. Share capital

Presently, the Company has only one class of shares – equity shares of par value Rs. 5/- each. Authorized share capital is Rs. 26,005.00 lakhs, divided into 5,201.00 lakhs equity shares of Rs.5/- each. The issued, subscribed and paid up capital stood at Rs. 8,134.90 lakhs as at March 31, 2019, as compared to Rs. 8,134.90 lakhs as at March 31, 2018.

#### 2. Other Equity

##### Capital Reserve

The balance as at March 31, 2019 amounted to Rs.2,223.35 Lakhs, same as at March 31, 2018

##### Securities Premium

The balance as at March 31, 2019 amounted to Rs. 33,064.11 lakhs, same as at March 31, 2018

##### Retained Earnings

There is a net surplus of Rs.7,978.60 lakhs in the Retained Earnings as at March 31, 2019, as compared to net surplus of Rs. 5,760.14 lakhs at March 31, 2018.

During the year ended March 31, 2019, the Company earned a net profit after tax of Rs 2,813.59 lakhs, as compared to Rs.2,280.71 lakhs during the year ended March 31, 2018.

##### Shareholder funds

The total shareholder funds increased to Rs. 51,400.96 on March 31, 2019 as compared to Rs. 49,182.50 lakhs as at March 31, 2018

The book value per share increased to Rs. 31.59 as on March 31, 2019, as compared to Rs.30.23 as at March 31, 2018.

### Application of Funds

#### 3. Property, Plant and Equipment

##### Addition to gross block

During the year ended March 31, 2019, an amount of Rs. 2,052.75 lakhs were added to gross block of fixed assets including CWIP as compared Rs. 9,525.68 lakhs, during the previous year ended March 31, 2018.

##### Deductions to gross block

During the year ended March 31, 2019, assets aggregating Rs. 62.08 Lakhs were sold as compared to Rs.1,882.74Lakhs, as at March 31, 2018.

##### Capital expenditure commitments

The Company has a capital commitment (net of advances) of Rs. 223.73 lakhs as at March 31, 2019 as compared to Rs. 850.49 lakhs as at March 31, 2018.

#### 4. Loans (current and non-current)

Loans includes security deposits amounted to Rs. 284.86lakhs, loan and advances to related party Rs.10,099.30 lakhs and loan and advances to others Rs. 450 lakhs as at March 31, 2019, as compared to security deposits amounted to Rs. 258.39 lakhs, loan and advances to related party Rs.6946.77 lakhs and loan and advances to others Rs. 350 lakhs as at March 31, 2018.

#### 5. Trade Receivables (current and non-current)

Trade receivables were Rs. 18,315.54 lakhs as at March 31, 2019 as compared to Rs. 21,267.14 lakhs as at March 31, 2018 which are considered good and realizable. Debtors are at 34.64% of gross revenues, representing 126 days of gross revenues for the year ended March 31, 2019, as compared to 36.08% of gross revenues representing 132 days of the gross revenues for the previous year ended March 31, 2018.

#### 6. Other financial Assets(current and non-current)

Margin money deposits pledged with banks as security for various facilities, are having a carrying amount of Rs 1,936.5 lakhs as at March 31, 2019 as compared to Rs.2,377.84 lakhs as at March 31, 2018. Interest accrued includes Rs. 14.17lakhs on fixed deposits and Rs. 43.26lakhs on other deposits as at March 31, 2019, as compared to Rs.36.89lakhs and Rs.58.21 lakhs respectively as at March 31, 2018. Foreign exchange forward contract amounts to Rs. 91.08 lakhs as at March 31, 2019 as compared to Rs. 18.99 lakhs as at March 31, 2018. Other receivable from related party includes Rs. 270.34 lakhs as at March 31, 2018.

#### 7. Inventories

Inventories amounted to Rs. 6,556.45 Lakhs as at March 31, 2019 as compared to Rs. 4,753.29 lakhs as at March 31, 2018. Inventories are valued at lower of cost or net realizable value.

#### 8. Cash and cash Equivalents

The bank balances in India and outside India include both rupee accounts and foreign currency accounts aggregating Rs. 107.37 lakhs as at March 31, 2019 as compared to Rs. 414.06 lakhs as at March 31, 2018.

The cash equivalents also include balance in unpaid dividend account amounted to Rs 3.96 lakhs as at March 31, 2019 as compared to Rs.1.46 lakhs as at March 31, 2018.

Cash on hand amounted to Rs. 7.97 lakhs as at March 31, 2019 as compared to Rs. 11.49 lakhs at March 31, 2018.

Other bank balance including deposits with banks amounted Rs. 1.00 lakhs as at March 31, 2019 as compared to Rs. 13.10 lakhs at March 31, 2018.

### Liabilities

#### 9. Trade Payables (current and non-current)

Trade payables amounted to Rs. 9,269.89 Lakhs as at March 31, 2019, as compared to Rs.10,531.66 Lakhs as at March 31, 2018.

#### 10. Provisions (current and non-current)

Long term and short term provisions for employee benefits amounted to Rs. 327.89lakhs as at March 31, 2019, as compared to Rs.262.89 lakhs as at March 31, 2018.

#### 11. Short Term Borrowings

Short term borrowings amounted to Rs. 10,713.17 lakhs(including secured borrowings of Rs.8,300.98 lakhs) as at March 31, 2019, as compared to Rs.12,818.29 lakhs (including secured borrowings of Rs.6,885.71 lakhs) as at March 31, 2018.

#### 12. Other financial Liabilities (current and non-current)

Other current liabilities amounted to Rs.6,426.23 lakhs (including Rs. 2,807.96 lakhs relating to current maturities of long term debts) as at March 31, 2019, as compared to Rs.6,660.60 lakhs (including Rs. 2,197.39 lakhs relating to current maturities of long term debts) as at March 31, 2018.

#### 13. Other current liabilities

Other current liabilities amounted to Rs.2,071.12 lakhs (including Rs 1,748.57 lakhs relating to advance from customers) as at March 31, 2019, as compared to Rs. 1,709.21 lakhs (including Rs. 1,078.62 lakhs relating to advance from customers) as at March 31, 2018.

## III Results of Operations

The Company has reported a net profit after tax amounted to Rs.2,813.59 lakhs during the year ended March 31, 2019, as compared to Rs. 2,280.71 lakhs during the previous year ended March 31, 2018

### 1. Revenue from Operations

Revenues are generated from mainly from sale of finished goods, traded goods and services. During the year ended March 31, 2019, the Company's revenue from operations was Rs.52,872.84 lakhs as compared to Rs.58,939.15 lakhs during the previous year ended March 31, 2018.



## 2. Other Income

Other income amounted to Rs. 742.32 lakhs for the year ended March 31, 2019, as compared to Rs.446.56 lakhs during the previous year ended March 31, 2018.

## 3. Cost of goods sold

Cost of goods sold amounted Rs.31,432.31 lakhs (59.45% of gross revenue) during the year ended March 31, 2019 as compared to Rs. 38,061.11 lakhs (64.58 % of gross revenue) during the previous year ended March 31, 2018. It includes Rs. 31,639.08 lakhs(previous year Rs.36,597.40 lakhs) relating to raw material consumed, Rs. 1,755.97 lakhs (previous year Rs.1,366.67 lakhs) relating to purchase of traded goods and Rs.1,962.74 (previous year (97.04) lakhs) relating to increase/(decrease) in inventories.

## 4. Employee Benefit Expense

Employee benefit expense amounted to Rs. 3,752.87 lakhs during the year ended March 31, 2019, as compared to Rs.3,573.36 lakhs during the previous year ended March 31, 2018.

## 5. Other Expenses

Other expenses amounted to Rs. 8,852.88 lakhs during the year ended March 31, 2019 as compared to Rs. 9,703.22 lakhs during the previous year ended March 31, 2018.

## 6. Depreciation

Depreciation and amortization amounted to Rs. 2,446.39 lakhs during the year ended March 31, 2019 as compared to Rs. 2,119.38 lakhs during the previous year ended March 31, 2018.

## 7. Finance Cost

Finance Cost amounted to Rs.2,837.89 lakhs during the year ended March 31, 2019 as compared to Rs. 1,792.25 lakhs during the previous year ended March 31, 2018. Finance cost includes Rs.677.34 lakhs on interest on Cash credit facility as compared to Rs. 537.54 lakhs, during previous year ended March 31, 2018.

## 8. Exceptional (expense)/income

Exceptional income amounted to Rs. 363.43 lakhs during the year ended March 31, 2019 as compared to Rs. (50.11) lakhs during the previous year ended March 31, 2018.

## 9. Tax Expenses

### Income Tax

During the year ended March 31, 2019 the Company has made a provision for tax amounting of Rs 1,363.04 lakhs, as compared to Rs.1,043.38Lakhs as at March 31, 2018.

### Deferred Tax

During the year ended March 31, 2019, the Company has made provision for deferred tax of Rs.479.62 lakhs as compared to Rs. 158.42 lakhs during the previous year ended March 31, 2018.

## 10. Net Profit after Tax and Exceptional Item

Net profit increased to Rs 2,813.59 lakhs, as compared to Rs 2,280.71 lakhs during the previous year.

## 11. Earnings Per Share (EPS) after exceptional item

### Basic and Diluted EPS

Basic and Diluted EPS after exceptional item increased to Rs. 1.73 per share for the year 2019, from Rs. 1.40 per share for the year ended March 31, 2018. The weighted average shares used in computing EPS is 162,697,971 for the year ending March 31, 2019, same as year ending March, 2018.

## 12. Segmental Profitability

Company's operations are predominantly relating to production and sales of Optical fibre, Optical fibre cable, Fibre Reinforced Plastic rods and Impregnated Glass Roving Reinforcement. In services segment, the Company currently has around 10,500 Kiosks operating in all districts of Rajasthan the Company is offering 250 G2C (Government to Citizen) and 15 B2C (Business to Citizen) services. The Company also trades in Telecom and electronic items. The details of segment as per the business are as follows:

(₹ in lakhs)

| Segment Results      | YE Mar 19     | YE Mar 18     | %age Increase/<br>(Decrease) |
|----------------------|---------------|---------------|------------------------------|
| <b>Manufacturing</b> |               |               |                              |
| Revenues             | 47,516.98     | 54,975.83     | (13.57%)                     |
| EBIT                 | 6,641.09      | 5,892.42      | 12.71%                       |
| EBIT (%)             | <b>13.98%</b> | <b>10.72%</b> |                              |
| <b>Trading</b>       |               |               |                              |
| Revenues             | 2,439.66      | 1,746.12      | 39.72%                       |
| EBIT                 | 469.13        | 404.65        | 15.93%                       |
| EBIT (%)             | <b>19.23%</b> | <b>23.17%</b> |                              |
| <b>Services</b>      |               |               |                              |
| Revenues             | 2,916.20      | 2,623.04      | 11.18%                       |
| EBIT                 | (80.26)       | (1,421.47)    | (94.35%)                     |
| EBIT (%)             | (2.75%)       | (54.19%)      |                              |

## IV Consolidated Financial Performance

Company's revenue from operations amounted to Rs 53,005.51 lakhs during the year ended March 31, 2019, as compared to Rs.62,481.51 lakhs in the previous year ended March 31, 2018.

Manufacturing revenue is Rs.47,649.65 lakhs during the year ended March 31, 2019 from Rs. 58,116.76 lakhs during the previous year ended March 31, 2018, a decrease of 18.01% as compare with previous year ended on March 31, 2018.

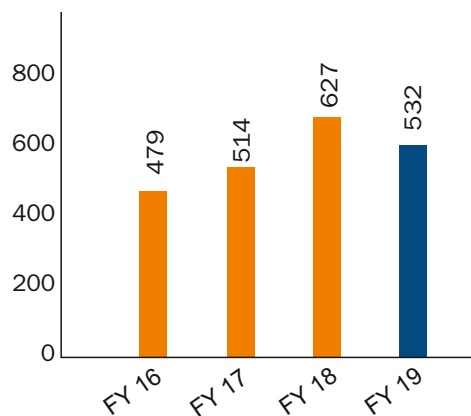
The Profit before interest, depreciation, taxes, amortization and exceptional items amounted to Rs. 8,599.04 lakhs (16.22 % of revenue) during the year ended March 31, 2019 as against Rs.7,634.88 Lakhs (12.22 % of revenue) in the previous year ended on March 31, 2018.

Our profit before tax and exceptional item amounted to Rs. 2,364.23 lakhs(4.46% of revenue) during the year ended March 31, 2019 as against Rs.3,336.41 (5.34 % of revenue) in the previous year ended on March 31, 2018.

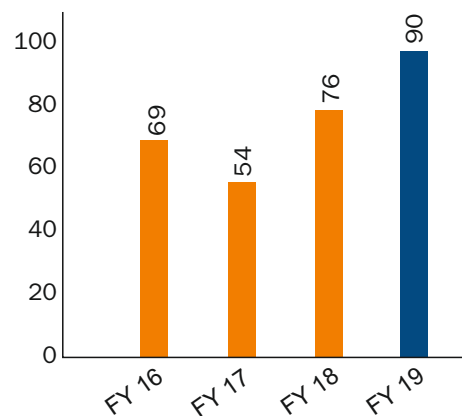
The net profit after tax and exceptional item is Rs1,077.08 lakhs (2.03% of revenue) during the year ended March 31, 2019 as against Rs.2,083.77 Lakhs (3.34 % of revenue) in the previous year ended March 31, 2018.

## Financial Highlights (Consol)

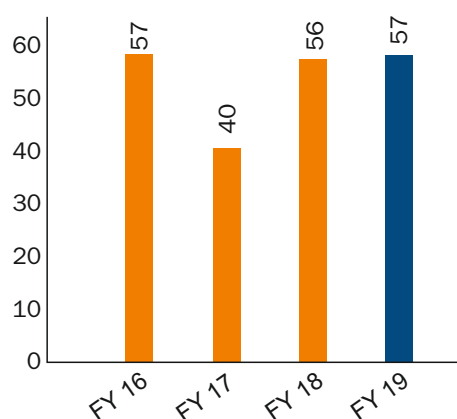
### Revenue



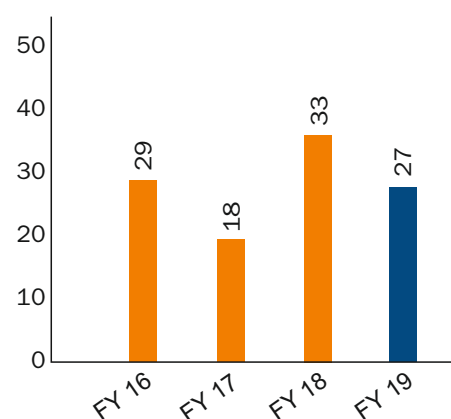
### EBITDA



### EBDT



### PBT



Note : All Figures in Inr/Crores

## Key Financial Ratios

| Ratios                    | FY18   | FY19   | Difference |
|---------------------------|--------|--------|------------|
| Debtors Turnover          | 2.88   | 2.43   | -16%       |
| Inventory Turnover        | 11.78  | 5.92   | -50%       |
| Interest Coverage         | 2.72   | 1.74   | -36%       |
| Current Ratio             | 1.42   | 1.36   | -4%        |
| Debt To Equity            | 0.49   | 0.55   | 11%        |
| Operating Profit Margin % | 12.18% | 16.15% | 33%        |
| Net Profit Margin %.      | 3.44%  | 2.81%  | -18%       |
| Return On Net Worth%      | 4.45%  | 3.03%  | -32%       |

## Director's Report

### Dear Shareholders,

The Directors of your company are pleased to present the 32<sup>nd</sup> Annual Report together with the Audited Financial Statement of accounts for the Financial Year ended March 31, 2019.

The highlights of the performance of subsidiary companies and their contribution to the overall performance of the Company for the financial year are appended herewith.

### FINANCIAL RESULT

The financial performance of the Company, for the financial year ended March 31, 2019 is summarized below:

(₹ In Lakhs)

| Particulars  | F.Y. ended 2018-19 | F.Y. ended 2017-18 |
|--|--------------------|--------------------|
| <b>Revenue from Operations</b>   | <b>52,872.84</b>   | <b>58,939.15</b>   |
| <b>Other Income</b>  | <b>742.32</b>      | <b>446.56</b>      |
| <b>Profit before Interest, Depreciation, Amortization, Exceptional Items &amp; Tax</b> | <b>9,577.10</b>    | <b>7,441.54</b>    |
| Depreciation/ Amortization Expenses/Impairment   | 2,446.39           | 2,119.38           |
| <b>Profit before Interest, Amortization, Exceptional Items &amp; Tax</b>               | <b>7,130.71</b>    | <b>5,322.16</b>    |
| Finance Cost   | 2,837.89           | 1,792.25           |
| <b>Profit before Exceptional items &amp; Tax</b>                                       | <b>4,292.82</b>    | <b>3,529.91</b>    |
| Exceptional Income/(Expenses)  | 363.43             | (50.11)            |
| <b>Profit before Tax</b>   | <b>4,656.25</b>    | <b>3,479.80</b>    |
| Income Tax   | 1,363.04           | 1,043.38           |
| Deferred Tax (Including MAT utilisation)   | 479.62             | 158.42             |
| Adjustment of tax relating to earlier periods  | -                  | (2.71)             |
| <b>Profit after Tax (1)</b>  | <b>2,813.59</b>    | <b>2,280.71</b>    |
| <b>Total Comprehensive Income (2)</b>  | <b>(6.71)</b>      | <b>1.82</b>        |
| <b>Total (1+2)</b>   | <b>2,806.88</b>    | <b>2,282.53</b>    |
| Balance profit brought forward from previous year                                      | <b>5,760.14</b>    | <b>3,477.61</b>    |
| Less: Transfer to Reserves   | -                  | -                  |
| Less: Dividend paid on Equity Shares   | 488.09             | -                  |
| Less: Dividend Distribution Tax  | 100.33             | -                  |
| <b>Surplus carried to Balance sheet</b>  | <b>7,978.60</b>    | <b>5,760.14</b>    |

### OPERATIONAL HIGHLIGHTS

Financial year 2018-19 closed with revenue of Rs 52,872.84 lakhs, EBITDA of Rs. 9,577.10 lakhs and PAT of Rs 2,813.59 lakhs. The manufacturing business earned revenues of Rs. 47,516.98 lakhs.

The detailed analysis of Company's operations and segment wise performance is covered under Management Discussion & Analysis Report.

### DIVIDEND

The directors are unable to recommend any dividend in view of the capacity expansions that took place in the recent past. With regards to that Management holds the view that with the gamut of the increased capacity, the company also require enhanced working capital to support its expanded operations.

### FUTURE OUTLOOK

#### Optical Fibre/Optical Fibre Cable/FRP Rod

Telecommunication is anticipated to present promising growth prospects due to growing adoption of the technology in communication and data transmission services. Fiber optics is enabling high-speed data transfer services in both small and long-range communications. Furthermore, increasing cloud-based applications, audio-video services, and Video-on-Demand (VoD) services will stimulate the demand.

We expect major carriers in China, the US, and other countries to launch commercial 5G networks from 2020. It can be projected that Chinese carriers' mobile-network capex to rise significantly from 2018 to 2023, with above a 14% CAGR. Therefore we see 5G-related capex as a percentage of total mobile network capex rising significantly over this period. Telecom infrastructure companies including Optical Fibre players and their supply chains should benefit first, followed by endpoint device-related companies and over-the-top application players.

#### Services Division: 1 STOP AKSH

Governments around the world are pushing hard to deploy information and technology in their operations. For the purpose of making the reach of the Government efficient, vast and responsive, e-Governance is breaking all the stereotypes. India is progressing in the field of e-Governance. From making use of Information and Communications Technology (ICT) for elections, census, computerizing all the government offices, to digital lockers, e-kranthi portals and e-seva kendras, the new India has paved its way in the world of e-Governance.

Talking about the scope of e-governance in the country, G2C is the most basic pillar of e-governance. In this domain for the purpose of promoting good governance, advanced public utility services can be introduced & improved. e-Citizenship, e-Transportation, e-Health, e-Education, e-Taxation are much more, are some prime attractions under this segment.



A dedicated and much-insightful G2G relationship is meant for a better communication and exchange of sensitive information between the Central and the State Government. In this segment, e-Administration, e-Police, e-Courts are some of the attractions. Also, the government is trying to provide land record copies which is further making the land resource process simpler & transparent. Also, election commission of India is also bringing reforms for the purpose of advancing electoral rolls and keeping them updated on a regular basis for good governance.

Given the current high level of political commitment, India is likely to soon emerge as a leader in E-Governance. In spite of encountering many demographic challenges, India has successfully implemented e-governance projects. Effective promotion schemes by the Indian government will also be a boosting factor to provide quality services to their citizens which means there is huge potential for the development of e-governance in various sectors. As per a recent study, 81% citizens report reduction in corruption, 95% find cost of e-governance affordable and 78% favors fast delivery of services. Therefore it can be assumed that e-Governance is the key to the Good Governance for rapidly developing economy like India to minimize corruption, provide efficient, effective and quality services to its citizens.

### Expansion

The Company had initiated setting-up Optical Fibre (OF) manufacturing facility in Jebel Ali Free Trade Zone (JAFZA), UAE with capacity of 4 (Four) Million fibre Km Per annum. The plant is expected to get operational within the current financial year.

### SUBSIDIARY COMPANIES

As on March 31, 2019, Company has One Indian Wholly Owned Subsidiary namely Aksh Composites Private Limited and three Overseas Wholly Owned Subsidiaries namely AOL-FZE, incorporated in SAIF Zone, Sharjah (U.A.E) (Material Subsidiary), AOL Technologies FZE, incorporated in Jafza, UAE and Aksh Technologies (Mauritius) Limited, incorporated in Mauritius.

The Company also has one Step Down Subsidiary namely AOL Composites (Jiangsu) Co. Ltd, incorporated in China (Subsidiary of AOL-FZE, UAE).

A report on highlights of performance and their contribution to the overall performance of the Company as per Companies Act, 2013 is provided in the prescribed format **Form AOC-1** is annexed herewith as **Annexure -I**. The policy for determining material subsidiaries as approved may be accessed on the company's website at the link:  
<http://www.akshoptifibre.com/corporate-governance.php>.

### LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to Financial Statements.

### RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered into by the Company during the financial year with related party(s) were in ordinary course of business and on arm's length basis. During the year, the Company did not enter into any contracts / arrangements / transactions with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The policy on dealing with related party transactions as approved by the Board may be accessed on the company's website at the link:  
<http://www.akshoptifibre.com/corporate-governance.php>

All Related Party Transactions entered during the year were on arm's length basis. No material Related Party Transactions (transaction(s) exceeding ten percent of the annual consolidated turnover of the Company as per last audited financial statements), were entered during the year by the Company and considering wholly owned subsidiaries are exempt for the purpose of Section 188(1) of the Act. Accordingly, disclosure of Related Party Transactions as required under section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. However, all the transaction entered by the company with related parties are provided under Note No. 34C of the financial statement of the Company.

### DIRECTORS

As on March 31, 2019, the Board of your Company consisted of 6 Directors, consisting of 1 Promoter-Chairman, 1 Managing Director, 3 Independent Directors (including 1 Woman Director) and 1 Non-Executive Non Independent Director.

### MEETINGS OF THE DIRECTORS

The Company had 4 (Four) Board Meetings during the financial year under review, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act 2013.

### APPOINTMENTS / RESIGNATIONS FROM THE BOARD / KMPs

- During the year 2018-19, Mr. Satyendra Gupta, Deputy Managing Director (DIN: 00035141) was appointed as Managing Director of the Company w.e.f February 12, 2019 for a period of 3 years till February 11, 2022, subject to the approval of the Shareholders in the ensuing Annual General Meeting.
- After the closure of financial year 2018-19 Mr. Amrit Nath, Independent Director (DIN: 00431866) has resigned from the directorship of the Company w.e.f. July 22, 2019 in view of the order passed by SEBI on June 28, 2019 in the matter of the GDR issue completed by the Company in the year 2010. Mr. Amrit Nath further confirmed that there is no other material reason for his resignation.
- Dr. Kailash S. Choudhari, Director (DIN: 00023824) is due for retirement at the forthcoming AGM and has offered himself for re-appointment.

There were no other appointments/ resignations of Directors/KMP.

### DECLARATION FROM INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming:

- that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of Companies Act, 2013 and Regulation 16 (1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and any amendment thereof.
- that they have complied with the Code of Conduct for Independent Directors prescribed in Schedule IV to the Companies Act, 2013.

### MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT

There are no material changes occurred between the end of financial year and the date of Director's Report.

### PERFORMANCE EVALUATION OF THE BOARD

The Company has devised a policy for performance evaluation of Independent Directors, Chairman, Board, Board Committees and other individual Directors which include the criteria for performance evaluation of the Non-Executive Directors and Executive Directors.

Based on the policy for performance evaluation of Independent Directors, the Board, Board Committees and other individual Directors, a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors.

The statement indicating the manner, in which, formal annual evaluation of the Directors, the Board and Board level Committees was carried out, are given in detail in the report on Corporate Governance, which forms part of this Annual Report. The Nomination & remuneration policy may be accessed on the Company's website at the link:  
<http://www.akshoptifibre.com/corporate-governance.php>

### CORPORATE GOVERNANCE

The Report on Corporate Governance along with the Certificate from the Practising Company Secretary certifying the compliance of Corporate Governance enumerated in Regulation 34(3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included in this Annual Report.

### MANAGEMENT DISCUSSION AND ANALYSIS

The Report on Management Discussion and Analysis has been attached and forms part of the Annual report.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted Corporate Social Responsibility Committee as per Section 135 of the Companies Act, 2013 read with the Companies

(Corporate Social Responsibility Policy) Rules, 2014. The Company has Corporate Social Responsibility Policy (CSR Policy) elaborating the activities to be undertaken by the company in furtherance and due discharge of its corporate social responsibility.

Importance of tree plantation has been stressed upon time and again. The need for tree plantation has become even greater these days because of the growing pollution in the environment. The only way to fight it is by planting more trees.

Aksh Optifibre Limited, with the continued cooperation & active support of BMA & member industries & various social organizations has so far planted 110,500 plants under 'Clean & Green' drive in Bhiwadi Industrial Area from year 2014-2019. This drive inspired by the vision of Dr. Kailash S. Choudhari-Chairman, Aksh Optifibre Limited, was initiated in year 2014. This dream was shared by BMA and vehemently supported by its member industries, many social institutions like Lions Club, Rotary Club, Rotary Shakti, Indian Medical Association, many Govt. & Private Schools & social activists. Objective of the drive was to touch the figure of 100,000 trees in five years in Bhiwadi to neutralize the impact of industrial pollution and finally this year Company has crossed the target. In order to improve the ecological balance in 'Bhiwadi Industrial Area', Aksh continued its plantation drive 'Upvan'. Aksh planted more than 22,693 saplings during the financial year 2018-19.

Under **Muskaan** which is a program to support Government Schools situated nearby Bhiwadi Industrial Area. The main objective under this drive is to bring a smile on children's face. The drive aims to continuously improve the basic infrastructure of the Govt. Schools especially for girl child and those who are not able to join school due to lack of basic amenities like toilet, drinking water facility, and hygienic environment.

Working for women empowerment under its CSR initiatives, 'Aksh' in association with Singer India, Rotary Club of Bhiwadi and USCKM School is running a Skill Development Center at USCKM School, Bhiwadi. This Skill Development Center is providing three months certificate course and six months diploma course in stitching & tailoring to promote women entrepreneurship. Presently 70 students are undergoing six months diploma course in stitching & tailoring and 79 students have been awarded diploma certificate till date.

Under Aksh CSR initiative "**ShikshaHamaraSwabhiman**", the Company with continuous & dedicated aim of improving basic infrastructure of its adopted Govt. Senior Secondary School, Reengus, Govt. Girls Senior Secondary School, Reengus, Govt. Upper Primary School, Parsarampora and Govt. Senior Secondary School, Sargoth, have taken initiatives since 2015 which includes roof-repairs, plasters, electricity fitting, colour painting, constructions of tin shed for morning prayer assembly, floor construction, construction of Boundary Wall and other repairing work, educational painting and other painting work, Plantation, installation of windows and doors, fan, establishment of Smart Classes in school classroom, RO and chilled water facility for students etc.

The statutory disclosures and an Annual Report on CSR activities is annexed herewith marked as **Annexure-II**.

The CSR policy may be accessed on the Company's website at the link: <http://www.akshoptifibre.com/corporate-governance.php>

## EMPLOYEE REMUNERATION

- (A) The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, forms part of this report. In terms of Section 136 of the Companies Act, 2013 the same is open for inspection at the Registered Office of your Company. None of the employees listed in the Annexure are related to any Director of the Company.
- (B) The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, are forming part of this report as **Annexure -III**.

## RISK MANAGEMENT

A robust governance structure has been developed across the Organisation. The developed Risk Management framework identifies and assesses strategic, operational, financial and compliance risks and monitors the -

effectiveness and efficiency of risk mitigation and control measures. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continual basis.

The responsibility of tracking and monitoring the key risks of the division periodically and implementing suitable mitigation plans proactively is with the senior executives of various functional units. These risk owners are expected to avoid any undue deviations or adverse events and ultimately help in creating value for the business.

During the year, Company undertook multiple initiatives to strengthen, widen and deepen the scope and coverage of the risk framework across the Company.

## CREDIT RATING

Aksh was rated BBB- by ICRA Limited (outlook Stable) during the financial year 2017-18. There has been no change in ratings during the current financial year 2018-19.

After the closure of financial year, improved Credit Rating was accepted on April 27, 2019 from CARE and Aksh was rated as BBB (Outlook Stable). Further on May 27, 2019, CARE issued revised Credit Rating and rated Aksh as D. The reason for decline in rating was ongoing delays in debt servicing along with ongoing devolvement of Letter of Credit. The delays were on account of stressed liquidity position primarily due to delayed realization from government customers leading to cash flow mismatches.

## CONSOLIDATED FINANCIAL STATEMENTS

As provided in the Accounting Standard issued by the Institute of Chartered Accountants of India (ICAI) on consolidated financial statements, the consolidated financial statements are attached which form part of the Annual Report.

## STATUTORY AUDITORS

At the Annual General Meeting held on December 26, 2017, pursuant to the provision of the Companies Act and rules made thereunder, M/s BGG & Associates, Chartered Accountants, New Delhi (FRN: 016874N) were appointed as Statutory Auditors of the Company to hold office till the conclusion of the 35th Annual General Meeting.

The observation of Auditors and their report read with the relevant Notes to Accounts are self-explanatory and therefore do not require further explanation.

## COST AUDITORS

The Company had appointed M/s Sanjay Gupta & Associates, Cost Auditors of the Company for the Financial Year 2018-19 and further re-appointed for the Financial Year 2019-20.

## COST AUDIT COMPLIANCE

Pursuant to Sec. 148 of the Companies Act, 2013 read with Companies (Cost Audit) Rules 2014 including any statutory modifications thereof, the cost audit report for financial year ended March 31, 2019 would be filed with the Central Government within the prescribed time.

## SECRETARIAL AUDITORS

The Company had appointed M/s Himanshu Sharma & Associates, Company Secretaries, to conduct the Secretarial Audit for the Financial Year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith marked as **Annexure - IV** to this Report. Further, the Company had re-appointed M/s Himanshu Sharma & Associates, Company Secretaries, to conduct the Secretarial Audit for the financial year 2019-20.

## INTERNAL AUDITORS

The Company had appointed M/s S C Kwatra & Associates, as Internal Auditors of the Company for the Financial Year 2018-19 and further re-appointed for the Financial Year 2019-20.

## SECRETARIAL STANDARD OF ICSI

The Company is in compliance with all the mandatory Secretarial Standards issued by The Institute of Company Secretaries of India.

## RECOGNITION

The Company's manufacturing facilities continue to remain certified by independent and reputed external agencies as being compliant as well as aligned with the National and International standards for The Telecom Quality Management System, Environmental Management System, Complaint Handling Management System and Occupational Health & Safety Management System, i.e. TL 9000:2016, ISO 9001:2015, ISO 14001:2015, ISO 10002:2014 and ISO 45001:2018 respectively.

## INDUSTRIAL RELATIONS

Industrial relations remained cordial throughout the year. Your Directors recognizes and appreciates the sincerity, hard work, loyalty, dedicated efforts and contribution of all the employees during the year. The Company continues to accord a very high priority to both industrial safety and environmental protection and these are ongoing process at the locations of Company.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings & outgo as required to be disclosed under the Act, are provided in **Annexure – V** to this report.

## EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as **Annexure- VI** to this Report.

## LISTING

The Equity Shares of the Company continue to be listed at BSE Ltd and The National Stock Exchange Ltd. The Listing Fee has been paid to both of the stock exchanges.

## MATERIAL ORDERS

During the year under review, no significant and material orders have been passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

However, after the closure of the financial year Company has received an Order No. WTM/AB/EFD-1/DRA-1/11/2019-20 dated June 28, 2019 passed by Whole Time Member of Securities and Exchange Board of India, Pursuant to the said SEBI Order:

1. The Company and Dr. Kailash S. Choudhari are restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities including units of mutual funds, directly or indirectly, or being associated with the securities market in any manner, for a period of five years from the date of the order.
2. The other Noticees i.e. Mr. P.F. Sundesha, Mr. B.R. Rakhecha, Mr. Narendra Kumbhat and Mr. Arun Sood are prohibited from buying, selling or otherwise dealing in securities including units of mutual funds, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of six months from the date of the order.

The Company and Directors have filed an appeal in Hon'ble Securities Appellate Tribunal, Mumbai for challenging the above said order.

## Disclosures under the Companies Act, 2013, Rules thereunder and Secretarial Standards

- i. Your Company has not accepted any deposits covered under chapter V of the Companies Act, 2013;
- ii. Your Company has not issued equity shares with differential voting rights, dividend or otherwise;
- iii. Your Company has not issued shares (including sweat equity shares) to employees of the company under the ESOS scheme or otherwise;
- iv. During the year, the Statutory auditors, the secretarial auditors and cost auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

- v. During the previous Financial Year, the Company had passed the special resolution for issuance of warrants convertible into equity shares on Preferential basis to the Promoters of the Company, however, the same was not subscribed within the time frame prescribed under the law.
- vi. There are no qualification in the Reports provided by the Auditors for the financial year ended March 31, 2019.
- vii. The following information is given in the Corporate Governance Report forming part of this Report:
  - i) The performance evaluation of the Board, the Committees of the Board, Chairperson and the individual Directors;
  - ii) The Composition of Audit Committee; and
  - iii) The details of establishment of Vigil Mechanism.

Pursuant to the provisions of Sexual Harassment of Women in workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has duly constituted the Internal Complaints Committee and Your Directors further state that during the year under review there were no complaints/cases filed/pending pursuant to the said Act.

## DIRECTOR'S RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134 (5) of the Companies Act, 2013:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## ACKNOWLEDGEMENT

Your Directors take this opportunity to place on record their appreciation to the contribution made by the employees towards overall growth of the company.

Your Directors would also like to express a profound sense of appreciation and gratitude to all the stakeholders for the patronage and for the commitment shown in supporting the company in its continued robust performance on all fronts.

We look forward to your continued support and co-operation as we move forward to our new journey, while assuring our continued commitment to maintain healthy and fruitful relationship.

for **Aksh Optifibre Limited**

**Dr. Kailash S. Choudhari**  
Chairman  
DIN: 00023824

Date: August 8, 2019  
Place: New Delhi



**Statement containing the salient features of the financial statements of subsidiaries**
**Form AOC-1 (Part-A Subsidiaries)**

[Pursuant to first proviso to sub section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014]

(₹ In Lakhs)

| Particulars  | Name of Subsidiary              |                 |                      |                                       |   |
|--|---------------------------------|-----------------|----------------------|---------------------------------------|---|
|  | Aksh Composites Private Limited | AOL FZE         | AOL Technologies FZE | Aksh Technologies (Mauritius) Limited | AOL Composites (Jiangsu) Co. Ltd (Step down Subsidiary) |
| Date since when subsidiary was acquired                            | September 15, 2016              | August 17, 2010 | August 21, 2017      | October 5, 2017                       | July 18, 2017   |
| Financial Year ended   | March 31, 2019                  | March 31, 2019  | March 31, 2019       | March 31, 2019                        | March 31, 2019  |
|  |                                 | AED/INR         | AED/INR              | MUR/INR                               | CNY/INR   |
| Exchange Rate  | -                               | 18.87           | 18.87                | 1.99                                  | 10.70   |
| Share Capital  | 360.00                          | 16,586.55       | 188.70               | 508.80                                | 629.85  |
| Reserves & Surplus   | 6.46                            | (3,384.67)      | -                    | (165.02)                              | -   |
| Total Assets   | 2,299.69                        | 31,560.94       | 8,501.71             | 511.68                                | 835.99  |
| Total Liabilities (excluding share capital and reserves & surplus) | 1,933.23                        | 18,359.06       | 8,313.01             | 167.90                                | 306.14  |
| Investment   | -                               | 629.85          | -                    | -                                     | -   |
| Turnover   | 2,576.12                        | 3,733.76        | -                    | 168.42                                | -   |
| Profit/ (loss) before Taxation                                     | 23.70                           | (1,262.27)      | -                    | (195.31)                              | -   |
| Deferred Tax Expense   | 2.76                            | -               | -                    | -                                     | -   |
| Profit after Taxation  | 16.22                           | -               | -                    | (169.61)                              | -   |
| Proposed Dividend  | -                               | -               | -                    | -                                     | -   |
| % of shareholding  | 100                             | 100             | 100                  | 100                                   | 100   |

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

For **B G G & Associates**  
Firm Registration Number: 016874N  
Chartered Accountants

Satyendra Gupta  
**Managing Director**  
DIN : 00035141

Dr. Kailash S. Choudhari  
**Chairman**  
DIN : 00023824

CA Alok Kumar Bansal  
**Partner**  
Membership no.: 092854

Gaurav Mehta  
**Chief- Corporate Affairs and Company Secretary**

Pawan Kumar Gambhir  
**Chief Financial Officer**

Place: New Delhi  
Date : May 25, 2019

**Annual Report on CSR Activities**

**(Pursuant to Section 135 of the Companies Act, 2013)**

**CSR Committee**

The provisions pertaining to corporate social responsibility as prescribed under the Companies Act, 2013 are applicable to Aksh Optifibre Limited. The Company has a Board Committee (CSR Committee) that overlooks all the CSR initiatives taken by the company under its CSR policy and its execution for achieving the CSR objectives laid down by the Company in its CSR policy. The CSR committee comprises of following Directors as on March 31, 2019:

- Mr. B. R. Rakhecha
- Ms. Devika Raveendran
- Mr. Satyendra Gupta
- Mr. Gauri Shankar

The CSR policy may be accessed on the Company's website at the link <http://www.akshoptifibre.com/corporate-governance.php>

**Corporate Social Responsibility ("CSR") guiding principles:**

- To make the stakeholders aware about CSR and how such activities are to be conducted in the Company.
- Demonstrate commitment to common good through responsible business practices.
- To directly or indirectly take up programmes/projects that benefit the communities in and around its operations which result over a period of time in enhancing the quality of life and economic well-being of the local populace.
- To encourage employees to participate in the Company's CSR initiatives.

**Company's major focus areas under CSR:**

- Education & Women Empowerment
- Environment & Sustainability
- Awareness programmes

## Financial Details

Section 135 of the Companies Act, 2013 and Rules made thereunder prescribe that every company having a net worth of Rs. 500 crore or more, or turnover of Rs. 1,000 crore or more or net profit of Rs. 5 crore or more during immediately preceding financial year shall ensure that the Company spends in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The financial details of the Company as sought by the Companies Act, 2013 are as follows:

(₹ In Lakhs)

| Particulars   | Amount  |
|---|---------|
| Computed average net profit of the Company for last three financial years | 3185.09 |
| Prescribed CSR Expenditure ( 2% of Net Profits as computed above)         | 63.70   |
| Details of CSR Expenditure during the financial year:-                    |         |
| Total amount to be spent during the financial year                        | 63.70   |
| Amount Spent  | 63.97   |
| Amount unspent  | -       |

The manner of amount spent during the financial year is detailed as follows:

(₹ In Lakhs)

| CSR Project/ Activity/ Beneficiary  | Sector   | Location of the project/ program | Amount outlay (Budget) | Amount spent on the projects or programs | Cumulative expenditure upto reporting period (As on 31.03.2019) | Amount Spent direct/ implementing agency |
|---|--|----------------------------------|------------------------|--|---|--|
| <b>"MUSKAAN"</b><br>Govt. Sec. School, Santhalka (Bhiwadi)  | Promoting Education, including special education | Bhiwadi (Alwar) Rajasthan        | 7.00                   | 7.60                                     | 67.90   | Direct                                   |
| <b>"UPVAN"</b><br>Promotion of Greenery & Tree Plantation   | Ensuring environmental sustainability            |                                  | 15.00                  | 12.81                                    | 48.21   | Direct                                   |
| <b>"SKILL DEVELOPMENT"</b><br>Women Empowerment   | Empowering Women                                 |                                  | 3.00                   | 2.79                                     | 4.40  | Direct                                   |
| <b>"MJSA- Mukhya Mantri Jal Swavlamban Abhiyan"</b><br>Construction of Water Recharge Structure for Harvesting & Conservation of Water  | Water Conservation                               |                                  | 6.00                   | 6.11                                     | 6.11  | Direct                                   |
| <b>"SHIKSHA HAMARA SWABHIMAN"</b><br>1. Govt. Aadarsh Sr. Sec School, Reengus<br>2. Govt. Sr. Sec. School, Sargoth  | Promoting Education, including special education | Reengus (Sikar) Rajasthan        | 15.70                  | 18.44                                    | 99.57   | Direct                                   |
| <b>"AKSH ECO-NATION"</b><br>Promotion of Greenery & Tree Plantation   | Ensuring environmental sustainability            |                                  | 2.00                   | 2.22                                     | 13.60   | Direct                                   |
| <b>Other Misc. CSR Expenses,</b><br>1. LED distribution in Sargoth Gram Panchayat<br>2. Office Furniture for Superintendent Govt. Observation & Child Home<br>3. Civil work and office equipment for Varishth Jan Seva Samiti, Reengus<br>4. Wheel Chair for Railway Station, Reengus | Energy Saving, Health & Sanitation               |                                  | 3.00                   | 1.93                                     | 11.66   | Direct                                   |
| <b>"LIGHT &amp; AIR"</b><br>Distribution of energy efficient equipment like LED lights, LED Bulb & Fan  | Energy Saving                                    | Jaipur, Rajasthan                | 10.00                  | 10.00                                    | 29.13   | Direct                                   |
| <b>Other Misc. CSR Expenses,</b><br>Construction of 6 urinals & drinking water facility at Govt. Upper Primary School, Bad Mohanpura, Sanganer, Jaipur.   | Health & Sanitation                              |                                  | 2.00                   | 2.07                                     | 2.07  | Direct                                   |

## Our CSR responsibilities

We hereby confirm that the CSR policy as approved by the Board, has been implemented and the CSR committee monitors the implementation of the CSR projects and activities in compliance with our CSR objectives.

**Particulars of Employees**
**A. Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5[1] of Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014**

- i. The ratio of the remuneration of each Director (Executive Director) to the median remuneration of the employees for the financial year 2018-19 is 35.28:1. Employees for this purpose include employees on rolls of the company only.
- ii. During the year, Dr. Kailash S. Choudhari, Mr. Satyendra Gupta, Mr. Pawan Kumar Gambhir and Mr. Gaurav Mehta acted as Key Managerial Personnel of the Company.  
  
Remuneration of Mr. Satyendra Gupta, Managing Director (appointed w.e.f. 12.02.2019), Mr. Pawan Kumar Gambhir, Chief Financial Officer (KMP) and Mr. Gaurav Mehta, Company Secretary (KMP), of the Company was increased by 18.1%, 8.50% and 10.60% respectively. Percentage increase in remuneration of others is as approved by the Nomination & Remuneration Committee.  
  
The Non-Executive Directors of the company are entitled for sitting fee as per the statutory provisions and within the limits prescribed under Companies Act, 2013, hence not considered.
- iii. The percentage increase in the median remuneration of employees for the financial year was 6.30%.
- iv. The company has 442 permanent employees on rolls of the Company as on March 31, 2019.
- v. Average Increase in the salaries of the employees in FY 2018-19 was 18.6%, whereas the increase in managerial remuneration was 12.4%.
- vi. It is hereby affirmed that the remuneration is as per the remuneration policy of the Company.

**B. Statement of Disclosure of Remuneration under Section 197 of the Companies Act, 2013 and Rule 5[2] of Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014**

Details of Top 10 Employees of the Company for the Financial Year 2018-19 is as under:

| Name of Employee         | Designation         | Nature of Employment- Contractual or otherwise | Remuneration Paid per Month | Age | Experience | Qualification          | Previous Employment and designation, if any | Date of Joining | % of Equity Shares held | Relationship with Director, if any & Name of Director |
|--------------------------|---------------------|--|-----------------------------|-----|------------|------------------------|---|-----------------|-------------------------|---|
| Kunal Dixit              | Marketing (OIFC)    | Permanent                                      | 3,97,175                    | 42  | 17         | B E, MBA               | Schlumberger                                | 4/14/2016       | NIL                     | NA  |
| Chandra Shekhar Gupta    | Cable mfg.          | Permanent                                      | 3,72,594                    | 49  | 27         | B.Sc., DIP. (MECH.)    | Shanti Plast                                | 1/1/2003        | 0.0003                  | NA  |
| Rajiv Raghunath Gusain   | Hr & Administration | Permanent                                      | 3,64,278                    | 45  | 20         | MBA (HR)               | International Tractors Limited              | 11/2/2015       | NIL                     | NA  |
| Lokesh Khandelwal        | Services            | Permanent                                      | 3,60,347                    | 41  | 15         | Diploma in Elec. (OFC) | Aksh Broad Band Limited                     | 8/1/2005        | NIL                     | NA  |
| Munesh Chandra           | Mfg (FRP)           | Permanent                                      | 3,18,184                    | 54  | 27         | MBA                    | Shanti Plast                                | 11/1/2000       | NIL                     | NA  |
| Anil Kumar Gupta         | Fibre Mfg.          | Permanent                                      | 3,02,222                    | 45  | 23         | B.E. (INSTRUMENTATION) | Lafarge Boral India Pvt Ltd                 | 5/1/2007        | 0.0006                  | NA  |
| Pavan Maheshwari         | Cable quality       | Permanent                                      | 2,99,154                    | 48  | 26         | M.Sc., MBA (MARKETING) | Aksh India Limited                          | 1/1/2003        | NIL                     | NA  |
| Prashant Kumar Agrawal   | Marketing (FRP)     | Permanent                                      | 2,68,893                    | 48  | 14         | MBA (Mktg) DLP, B. Sc. | Self business                               | 9/12/2006       | NIL                     | NA  |
| Kanti Swaroop            | Cable Mfg.          | Permanent                                      | 2,61,894                    | 46  | 25         | M.Sc., PGDIM, PGDOM    | NA  | 6/1/1996        | NIL                     | NA  |
| Saiyid Javed Hasan Abidi | Marketing (OFC)     | Permanent                                      | 2,53,276                    | 56  | 31         | B E                    | Aksh Optifibre Limited                      | 2/27/2019       | NIL                     | NA  |



**Annexure –IV****Form No. MR-3  
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st March 2019

*[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,  
Aksh Optifibre Limited  
F- 1080, RIICO Industrial Area,  
Phase- III, Bhiwadi- 301019**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aksh Optifibre Limited (hereinafter called the Company/ AOL). 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 AOL'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 the secretarial audit. We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2019 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Aksh Optifibre Limited ("the Company") for the financial year ended on 31st March 2019 according to applicable provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder including amendments thereof;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as applicable:-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendment thereof;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
  - e. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit Period);
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);
  - i. The Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015
  - j. Securities and Exchange Board of India(Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2013 (Not applicable to the Company during the Audit Period);
- (vi) Applicable provisions of The Factories Act, 1948
- (vii) Air (Prevention & Control of pollution) Act, 1981, Water (Prevention & Control of pollution) Act, 1974, Environment (Protection) Act, 1986, The Noise Pollution (regulation and control) Rules, 2000.
- (viii) Provision of EDLI Scheme 1976 of the Employees Provident Fund and Miscellaneous Provisions Act 1952 and the Employees State Insurance Act, 1948.
- (ix) Payment of Wages Act 1936 and The Minimum Wages Act, 1948
- (x) Payment of Bonus Act, 1965
- (xi) Payment of Gratuity Act, 1972

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

## We further report that

The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors and Independent Directors including the appointment of woman director during the financial year ended 31.03.2019. 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. Adequate notice is given to all the Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board and Committee Meetings are carried out unanimously or with requisite majority as case be recorded in the minutes of the respective meeting.

**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.

**We further report that** during the audit period, apart from the remarks of Statutory Auditors on the financial statement, we come to know about some points as follows which inter-alia includes and not limited to:

- The Company has also obtained trading approval of 32,901 Equity shares, from BSE vide its letter DCS/AMAL/TP/PB/6594/2018-19 dated 10.04.2018 and from NSE vide its letter NSE/LIST/2018/15426 dated 11.04.2018, which have been issued pursuant to the approval of the scheme of Amalgamation and Listed on the BSE Limited vide its letter no. DCS/AMAL/ST/1065/2017-18 dated March 14, 2018, and from NSE vide its letter NSE/LIST/15426 dated March 08, 2018.
- After the closure of the financial year Company has received an Order No. WTM/AB/EFD-1/DRA-1/11/2019-20 dated June 28, 2019 passed by Whole Time Member of Securities and Exchange Board of India, Pursuant to the said SEBI Order:
- The Company and Dr. Kailash S. Choudhari are restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities including units of mutual funds, directly or indirectly, or being associated with the securities market in any manner, for a period of five years from the date of the order.
- The other Noticees i.e. Mr. P.F. Sundesha, Mr. B.R. Rakhecha, Mr. Narendra Kumbhat and Mr. Arun Sood are prohibited from buying, selling or otherwise dealing in securities including units of mutual funds, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of six months from the date of the order.

The Company and Directors have filed an appeal in Hon'ble Securities Appellate Tribunal, Mumbai for challenging the above said order.

For **Himanshu Sharma & Associates**  
Company Secretaries

**CS Himanshu Sharma**  
Proprietor  
M. No. F9529  
CP No.: 11553

Date: August 8, 2019

Place: New Delhi

## Annexure –V

### CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO Particulars pursuant to the Companies (Accounts) Rules, 2014

Information as required pursuant to Companies (Accounts) Rules, 2014 forming part of the Director's Report for the financial year ended March 31, 2019 is as follows:

#### 1. CONSERVATION OF ENERGY

|    |   |  |
|----|---|--|
| a. | Energy conservation measures taken  | The company is continuously engaged in the process of energy conservation by adopting improved efficient maintenance practices.<br>-Energy monitoring System implemented.<br>-Lithium-Ion Battery for UPS back up installed.<br>-Installed world's highest speed Ribbon Cable & Drop Cable infrastructure.<br>-New high efficient UPS Panel installed.<br>-All DC Motors replaced by AC Motors in the manufacturing plant.<br>-New DG Synchronisation panel for 1500 KVA,500KVA*2 DG Sets installed. |
| b. | Additional investments & proposals, if any, being implemented.  | -4.0 Lakhs for implementation of Energy Monitoring System.<br>-40.0 Lakhs for Installation of Lithium-ion solution in place of VRLA battery for UPS back up.<br>-14 Lakhs for installation of new UPS Panel<br>-12 Lakhs for installation of DG Synchronisation panel.   |
| c. | Impact of measures of a & b above for reduction of energy consumption & consequent impact on cost of production                   | The energy consumption measures has resulted in major saving of around 5 to 6 per cent in terms of energy consumption i.e.Rs.50 Lakhs to 60 Lakhs per annum.   |
| d. | Total energy consumption and energy consumption per unit of production in respect of Industries specified in the schedule thereto | <b>Total Units consumption in 2018-19:- 1,27,71,339 KWH</b><br>Energy Consumption 1.45KWH per FRP km<br>Energy Consumption 2.08KWH per Optical Fibre km<br>Energy Consumption 2.28 KWH per OFC km  |

**2. TECHNOLOGY ABSORPTION [Research and Development (R&D)]**

|    |  |   |
|----|--|---|
| a. | Specific area in which R & D is carried by the Company | <ul style="list-style-type: none"> <li>-Development of Flat FRP</li> <li>-Development of Water Blocking FRP Rod</li> <li>-Development of light weight dry tube/dry core optical fibre ADSS Cable.</li> <li>-Ribbon manufacturing process with online colouring &amp; LED Curing system.</li> <li>-Novel FRP Cables for telecom applications</li> <li>-Composite sensor cable for structural health monitoring</li> <li>-For Ophthalmic lenses-polymer optics, composition, casting, curing &amp; coating processes</li> </ul> |
| b. | Benefits derived as a result of the above R&D          | <ul style="list-style-type: none"> <li>-To develop new market for all above products.</li> <li>-To develop smart communication for sensing &amp; telecom businesses.</li> <li>-To develop Ophthalmic lenses business.</li> </ul>  |
| c. | Future Plan of action                                  | <ul style="list-style-type: none"> <li>-To start commercial production of both FRP products.</li> <li>-To develop Ultra Mini Cables and Flex tube Cables.</li> <li>-To develop blue cut, photochromic &amp; tinted lenses</li> <li>-To develop sensor cable for smart city projects</li> </ul>  |
| d. | Expenditure on R & D.                                  | <ul style="list-style-type: none"> <li>i. 6 Lakhs of Capital Nature</li> <li>ii) 44 Lakhs of recurring nature</li> </ul>  |

**3. CONSERVATION OF ENERGY**

|    |   |  |
|----|---|--|
| a. | Efforts in brief, made through towards technology absorption, adaptation and innovation.  | <ul style="list-style-type: none"> <li>-Developed new resin for Thermal &amp; UV FRP.</li> <li>-Increased the Line Speed in UV FRP Process.</li> <li>-To develop Thermal curing &amp; LED Curing technology for Ophthalmic lenses.</li> <li>-Developed ADSS Cable with Ultra High modulus Glass Yarn &amp; FRP.</li> </ul> |
| b. | Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.  | <ul style="list-style-type: none"> <li>Increased productivity and reduced the RM Cost by 4-5%.</li> <li>Developed new thermal cured lenses for global market.</li> <li>Reduced consumption of high cost imported aramid yarn &amp; replaced by using Ultra high modulus FRP/Glass yarn.</li> </ul>                         |
| c. | Information regarding Imported Technology:<br>a. Technology imported<br>b. Year of Import<br>c. Has the technology been fully absorbed<br>d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action. | Not Applicable   |

**4. FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information of foreign exchange earnings and outflow is furnished in notes to accounts.



**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**  
**Financial year ended March 31, 2019**  
**Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1)**  
**of the Company (Management & Administration) Rules, 2014**

|             |  |   |
|-------------|--|---|
| <b>i.</b>   | <b>REGISTRATION &amp; OTHER DETAILS</b>  |   |
| i)          | Corporate Identification Number (CIN)  | L24305RJ1986PLC016132   |
| ii)         | Registration Date  | 19.03.1986  |
| iii)        | Name of the Company  | AKSH OPTIFIBRE LIMITED  |
| iv)         | Category/Sub-category of the Company   | Manufacturing   |
| v)          | Address of the Registered office & contact details   | F-1080, RIICO Industrial Area, Phase-III Bhiwadi (Alwar) Rajasthan-301019.<br>Ph. 01493-221333  |
| vi)         | Whether Listed Company   | Listed Company  |
| vii)        | Name, Address & contact details of the Registrar & Transfer Agent, if any.                 | Karvy Fintech Pvt. Ltd.<br>Karvy Selenium, Tower-B, Plot no. 31-32, Gachibowli, Financial District,<br>Nanakramguda, Hyderabad – 500032<br>Ph. 0140-6712222 |
| <b>ii.</b>  | <b>PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>  |   |
|             | The business activities contributing 10% or more of the total turnover of the Company      | As per Attachment A   |
| <b>iii.</b> | <b>PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>                          | As per Attachment B   |
| <b>iv.</b>  | <b>SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)</b>   |   |
| i)          | Category - wise Share Holding  | As per Attachment C   |
| ii)         | Shareholding of Promoters  | As per Attachment D   |
| iii)        | Change in Promoter's Shareholding  | As per Attachment E   |
| iv)         | Shareholding of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs) | As per Attachment F   |
| v)          | Shareholding of Directors and Key Managerial Personnel                                     | As per Attachment G   |
| <b>v.</b>   | <b>INDEBTNESS</b>  |   |
|             | Indebtness of the Company including outstanding/ accrued but not due for payment           | As per Attachment H   |
| <b>vi.</b>  | <b>REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>                              |   |
| A           | Remuneration to Managing Director  | As per Attachment I   |
| B           | Remuneration to Other Directors  | As per Attachment J   |
| C           | Remuneration to Key managerial Personnel other than Managing Director                      | As per Attachment K   |
| <b>vii.</b> | <b>PENALTIES / PUNISHMENTS / COMPOUNDING OF OFFENCES</b>                                   | As per Attachment L   |

### ATTACHMENT –A

#### ii. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

| S.No. | Name and Description of main products | NIC Code of the product | % to the total turnover of the Company |
|-------|---------------------------------------|-------------------------|--|
| 1.    | Optical fibre Cables                  | 27310                   | 61.59%                                 |
| 2.    | FRP Rods                              | 27310                   | 28.02%                                 |

### ATTACHMENT –B

#### iii. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

| S.No. | Name of Company                       | Address of Company  | CIN/ GLN              | Holding/ Subsidiary/ Associate                      | % of shares held | Applicable Section |
|-------|---------------------------------------|---|-----------------------|---|------------------|--------------------|
| 1.    | AOL FZE, UAE                          | Q1-09-009/A, P.O. Box. 121657, Sharjah Airport Free Zone, Dubai   | NA                    | Subsidiary  | 100              | 2(87) (ii)         |
| 2.    | Aksh Composites Private Limited       | 222 Creative Industrial Estate, NM Joshi Marg, Mumbai, Maharashtra-400011   | U74999MH2013PTC249575 | Subsidiary  | 100              | 2(87) (ii)         |
| 3.    | AOL Technologies FZE                  | Plot No. S-30121B, Jebel Ali Free Zone, Dubai, United Arab Emirates   | NA                    | Subsidiary  | 100              | 2(87) (ii)         |
| 4.    | Aksh Technologies (Mauritius) Limited | 9th Floor, Ebene Tower, 52 Cybercity, Ebene-1704-01, Mauritius  | NA                    | Subsidiary  | 100              | 2(87) (ii)         |
| 5.    | AOL Composites (Jiangsu) Co. Ltd,     | Factory No. 01, Machinery Industrial Park, the east of bajing road, Danyang Economic Development Zone. Jiangsu Province China | NA                    | Step Down Subsidiary (Subsidiary of AOL – FZE, UAE) | 100              | 2(87) (ii)         |

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

(1) Category-wise Share Holding

| Category of Shareholders   | No. of Shares held at the beginning of the year<br>as on March 31, 2018 |                |                    |                      | No. of Shares held at the end of the year<br>as on March 31, 2019 |                |                    |                      | % Change<br>during<br>the year |
|--|---|----------------|--------------------|----------------------|---|----------------|--------------------|----------------------|--------------------------------|
|  | Demat   | Physical       | Total              | % of Total<br>Shares | Demat   | Physical       | Total              | % of Total<br>Shares |                                |
| <b>A. Promoters</b>  |   |                |                    |                      |   |                |                    |                      |                                |
| <b>(1) Indian</b>  |   |                |                    |                      |   |                |                    |                      |                                |
| a) Individual/ HUF   | 24,764,657  | -              | 24,764,657         | 15.22                | 25,264,657  | -              | 25,264,657         | 15.53                | 0.31                           |
| b) Central Govt  | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| c) State Govt(s)   | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| d) Bodies Corp.  | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| e) Banks / FI  | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| f) Any other   | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| <b>(2) Foreign</b>   |   |                |                    |                      |   |                |                    |                      |                                |
| a) Individual/ HUF   | 20,205,678  | -              | 20,205,678         | 12.42                | 20,205,678  | -              | 20,205,678         | 12.42                | 0.00                           |
| b) Central Govt  | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| c) State Govt(s)   | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| d) Bodies Corp.  | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| e) Banks / FI  | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| f) Any other   | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| <b>Total shareholding of Promoters</b>   | <b>44,970,335</b>   | <b>-</b>       | <b>44,970,335</b>  | <b>27.64</b>         | <b>45,470,335</b>   | <b>-</b>       | <b>45,470,335</b>  | <b>27.95</b>         | <b>0.31</b>                    |
| <b>B. Public Shareholding</b>  |   |                |                    |                      |   |                |                    |                      |                                |
| <b>1. Institutions</b>   |   |                |                    |                      |   |                |                    |                      |                                |
| a) Mutual Funds  | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| b) Banks / FI  | 1,123,431   | -              | 1,123,431          | 0.69                 | 820,823   | -              | 820,823            | 0.50                 | -0.19                          |
| c) Central Govt  | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| d) State Govt(s)   | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| e) Venture Capital Funds   | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| f) Insurance Companies   | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| g) FIs   | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| h) Foreign Venture Capital Funds   | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| Others:  | -   | -              | -                  | -                    | 210,800   | -              | 210,800            | 0.13                 | 0.13                           |
| Alternate Investment Fund  | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| j) Foreign Portfolio Investors   | 492,000   | -              | 492,000            | 0.30                 | 400,000   | -              | 400,000            | 0.25                 | -0.05                          |
| <b>Sub-total (B)(1):-</b>  | <b>1,615,431</b>  | <b>-</b>       | <b>1,615,431</b>   | <b>0.99</b>          | <b>1,431,623</b>  | <b>-</b>       | <b>1,431,623</b>   | <b>0.88</b>          | <b>-0.11</b>                   |
| <b>2. Non-Institutions</b>   |   |                |                    |                      |   |                |                    |                      |                                |
| a) Bodies Corp.  |   |                |                    |                      |   |                |                    |                      |                                |
| i) Indian  | 24,479,110  | 3              | 24,479,113         | 15.05                | 14,943,262  | 2              | 14,943,264         | 9.18                 | -5.87                          |
| ii) Overseas   | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| b) Individuals   |   |                |                    |                      |   |                |                    |                      |                                |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh         | 58,193,544  | 90,673         | 58,284,217         | 35.82                | 62,406,653  | 80,950         | 62,487,603         | 38.41                | 2.58                           |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 24,319,260  | 157,500        | 24,476,760         | 15.04                | 28,024,020  | 37,500         | 28,061,520         | 17.25                | 2.20                           |
| c) Others (specify)  | 21,720  | -              | 21,720             | 0.01                 | 63,803  | -              | 63,803             | 0.04                 | 0.03                           |
| NBFC Registered with RBI   |   |                |                    |                      |   |                |                    |                      |                                |
| Non Resident Indians   | 2,925,215   | -              | 2,925,215          | 1.8                  | 3,780,840   | -              | 3,780,840          | 2.32                 | 0.52                           |
| Overseas Corporate Bodies  | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| Foreign Nationals  | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| Clearing Members   | 644,789   | -              | 644,789            | 0.40                 | 323,527   | -              | 323,527            | 0.20                 | -0.20                          |
| Trusts & HUF   | 4,903,021   | 377,370        | 5,280,391          | 3.25                 | 5,758,086   | 377,370        | 6,135,456          | 3.77                 | 0.53                           |
| <b>Sub-total (B)(2):-</b>  | <b>115,486,659</b>  | <b>625,546</b> | <b>116,112,205</b> | <b>71.37</b>         | <b>115,300,191</b>  | <b>495,822</b> | <b>115,796,013</b> | <b>71.17</b>         | <b>-0.20</b>                   |
| <b>Total Public Shareholding (B)=(B)(1)+ B)(2)</b>                               | <b>117,102,090</b>  | <b>625,546</b> | <b>117,727,636</b> | <b>72.36</b>         | <b>116,731,814</b>  | <b>495,822</b> | <b>117,227,636</b> | <b>72.05</b>         | <b>-0.31</b>                   |
| C. Shares held by Custodian for GDRs & ADRs                                      | -   | -              | -                  | -                    | -   | -              | -                  | -                    | -                              |
| <b>Grand Total (A+B+C)</b>   | <b>162,072,425</b>  | <b>625,546</b> | <b>162,697,971</b> | <b>100</b>           | <b>162,202,149</b>  | <b>495,822</b> | <b>162,697,971</b> | <b>100</b>           | <b>-</b>                       |

#### ATTACHMENT- D

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

(2) Shareholding of Promoter & Promoter Group

| S.No. | Shareholder's Name      | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % change in shareholding during the year |
|-------|-------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
|       |                         | No. of Shares                             | % of total Shares of the Company | % of Shares Pledged/encumbered to total shares | No. of Shares                       | % of total Shares of the Company | % of Shares Pledged/encumbered to total shares |  |
| 1     | Dr. Kailash S Choudhari | 20,205,678                                | 12.42                            | -  | 20,205,678                          | 12.42                            | -  | 0  |
| 2     | Mr. Popatlal F Sundesha | 1,880                                     | 0.001                            | -  | 0                                   | 0                                | -  | -0.001                                   |
| 3     | Mrs. Seema Choudhari    | 7,000,000                                 | 4.30                             | -  | 7,000,000                           | 4.30                             | -  | 0  |
| 4     | Dr. Rohan Choudhari     | 150,500                                   | 0.09                             | -  | 150,500                             | 0.09                             | -  | 0  |
| 5     | Ms. Rashi Choudhari     | 150,500                                   | 0.09                             | -  | 150,500                             | 0.09                             | -  | 0  |
| 6     | Mrs. Sharda Popatlal    | 6,467,682                                 | 3.98                             | -  | 6,969,562                           | 4.28                             | -  | 0.30                                     |
| 7     | Mr. Shailesh Popatlal   | 6,901,723                                 | 4.24                             | -  | 6,901,723                           | 4.24                             | -  | 0  |
| 8     | Mrs. Bharati Shailesh   | 4,092,372                                 | 2.52                             | -  | 4,092,372                           | 2.52                             | -  | 0  |

#### ATTACHMENT- E

#### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(3) Change in Promoters' Shareholding (please specify, if there is no change)

| S.No. | Promoter & Promoter Group                          | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|-------|--|---|----------------------------------|---|----------------------------------|
|       |  | No. of Shares                             | % of total Shares of the Company | No. of Shares                           | % of total shares of the Company |
| 1     | At the beginning of the year                       | 44,970,335                                | 27.64                            | 44,970,335                              | 27.64                            |
|       | Inter-se transfers between Promoters on 09.07.2018 | 1,880                                     | 0.001                            | 44,970,335                              | 27.64                            |
| 2     | Purchase on 01.10.2018                             | 500,000                                   | 0.31                             | 45,470,335                              | 27.95                            |
|       | At the end of the year                             | -   | -                                | 45,470,335                              | 27.95                            |

#### ATTACHMENT- F

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

(4) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters):

| S.No. | Type                         | Name of the Share Holder     | Shareholding at the beginning of the year |                                  | Date       | Reason   | Cumulative Shareholding during the year |                                  |
|-------|------------------------------|------------------------------|---|----------------------------------|------------|----------|---|----------------------------------|
|       |                              |                              | No. of Shares                             | % of total Shares of the Company |            |          | No. of Shares                           | % of total shares of the Company |
| 1     | Opening Balance - 31/03/2018 | SHILPA STOCK BROKERS PVT LTD | 2,356,895                                 | 1.45                             |            |          | 2,356,895                               | 1.45                             |
|       |                              |                              | -120,600                                  | 0.07                             | 06/04/2018 | Sale     | 2,236,295                               | 1.37                             |
|       |                              |                              | 65,719                                    | 0.04                             | 13/04/2018 | Purchase | 2,302,014                               | 1.41                             |
|       |                              |                              | -13                                       | 0                                | 13/04/2018 | Sale     | 2,302,001                               | 1.41                             |
|       |                              |                              | -53,356                                   | 0.03                             | 20/04/2018 | Sale     | 2,248,645                               | 1.38                             |
|       |                              |                              | 126,500                                   | 0.08                             | 27/04/2018 | Purchase | 2,375,145                               | 1.46                             |
|       |                              |                              | 31,084                                    | 0.02                             | 04/05/2018 | Purchase | 2,406,229                               | 1.48                             |
|       |                              |                              | -115,334                                  | 0.07                             | 04/05/2018 | Sale     | 2,290,895                               | 1.41                             |
|       |                              |                              | 500                                       | 0                                | 11/05/2018 | Purchase | 2,291,395                               | 1.41                             |
|       |                              |                              | 144,666                                   | 0.09                             | 18/05/2018 | Purchase | 2,436,061                               | 1.5                              |
|       |                              |                              | -184,795                                  | 0.11                             | 18/05/2018 | Sale     | 2,251,266                               | 1.38                             |
|       |                              |                              | 8,800                                     | 0.01                             | 25/05/2018 | Purchase | 2,260,066                               | 1.39                             |
|       |                              |                              | -140,241                                  | 0.09                             | 25/05/2018 | Sale     | 2,119,825                               | 1.3                              |
|       |                              |                              | -11,700                                   | 0.01                             | 01/06/2018 | Sale     | 2,108,125                               | 1.3                              |
|       |                              |                              | 225,793                                   | 0.14                             | 08/06/2018 | Purchase | 2,333,918                               | 1.43                             |
|       |                              |                              | -60,124                                   | 0.04                             | 08/06/2018 | Sale     | 2,273,794                               | 1.4                              |
|       |                              |                              | 3,000                                     | 0                                | 15/06/2018 | Purchase | 2,276,794                               | 1.4                              |
|       |                              |                              | 100                                       | 0                                | 22/06/2018 | Purchase | 2,276,894                               | 1.4                              |
|       |                              |                              | -20,000                                   | 0.01                             | 22/06/2018 | Sale     | 2,256,894                               | 1.39                             |
|       |                              |                              | 178,171                                   | 0.11                             | 29/06/2018 | Purchase | 2,435,065                               | 1.5                              |
|       |                              |                              | -205,793                                  | 0.13                             | 29/06/2018 | Sale     | 2,229,272                               | 1.37                             |



| S.No.    | Type                                | Name of the Share Holder                     | Shareholding at the beginning of the year |                                  | Date       | Reason   | Cumulative Shareholding during the year |                                  |
|----------|-------------------------------------|--|---|----------------------------------|------------|----------|---|----------------------------------|
|          |                                     |  | No. of Shares                             | % of total Shares of the Company |            |          | No. of Shares                           | % of total shares of the Company |
|          |                                     |  | -40,900                                   | 0.03                             | 06/07/2018 | Sale     | 2,188,372                               | 1.35                             |
|          |                                     |  | -49,095                                   | 0.03                             | 13/07/2018 | Sale     | 2,139,277                               | 1.31                             |
|          |                                     |  | 138,165                                   | 0.08                             | 20/07/2018 | Purchase | 2,277,442                               | 1.4                              |
|          |                                     |  | 13,150                                    | 0.01                             | 27/07/2018 | Purchase | 2,290,592                               | 1.41                             |
|          |                                     |  | -245,000                                  | 0.15                             | 03/08/2018 | Sale     | 2,045,592                               | 1.26                             |
|          |                                     |  | 160,800                                   | 0.1                              | 10/08/2018 | Purchase | 2,206,392                               | 1.36                             |
|          |                                     |  | -160,200                                  | 0.1                              | 10/08/2018 | Sale     | 2,046,192                               | 1.26                             |
|          |                                     |  | 7,100                                     | 0                                | 17/08/2018 | Purchase | 2,053,292                               | 1.26                             |
|          |                                     |  | -68,500                                   | 0.04                             | 24/08/2018 | Sale     | 1,984,792                               | 1.22                             |
|          |                                     |  | 60,227                                    | 0.04                             | 31/08/2018 | Purchase | 2,045,019                               | 1.26                             |
|          |                                     |  | -40,250                                   | 0.02                             | 31/08/2018 | Sale     | 2,004,769                               | 1.23                             |
|          |                                     |  | 11,277                                    | 0.01                             | 07/09/2018 | Purchase | 2,016,046                               | 1.24                             |
|          |                                     |  | -11,027                                   | 0.01                             | 07/09/2018 | Sale     | 2,005,019                               | 1.23                             |
|          |                                     |  | -93,128                                   | 0.06                             | 14/09/2018 | Sale     | 1,911,891                               | 1.18                             |
|          |                                     |  | 278,338                                   | 0.17                             | 21/09/2018 | Purchase | 2,190,229                               | 1.35                             |
|          |                                     |  | 51,185                                    | 0.03                             | 28/09/2018 | Purchase | 2,241,414                               | 1.38                             |
|          |                                     |  | -465,235                                  | 0.29                             | 05/10/2018 | Sale     | 1,776,179                               | 1.09                             |
|          |                                     |  | -1,308,537                                | 0.8                              | 12/10/2018 | Sale     | 467,642                                 | 0.29                             |
|          |                                     |  | -100,648                                  | 0.06                             | 19/10/2018 | Sale     | 366,994                                 | 0.23                             |
|          |                                     |  | -5,460                                    | 0                                | 26/10/2018 | Sale     | 361,534                                 | 0.22                             |
|          |                                     |  | -44,650                                   | 0.03                             | 02/11/2018 | Sale     | 316,884                                 | 0.19                             |
|          |                                     |  | 65,150                                    | 0.04                             | 09/11/2018 | Purchase | 382,034                                 | 0.23                             |
|          |                                     |  | -350                                      | 0                                | 16/11/2018 | Sale     | 381,684                                 | 0.23                             |
|          |                                     |  | -50                                       | 0                                | 23/11/2018 | Sale     | 381,634                                 | 0.23                             |
|          |                                     |  | -1,185                                    | 0                                | 30/11/2018 | Sale     | 380,449                                 | 0.23                             |
|          |                                     |  | -7,450                                    | 0                                | 07/12/2018 | Sale     | 372,999                                 | 0.23                             |
|          |                                     |  | -27,627                                   | 0.02                             | 14/12/2018 | Sale     | 345,372                                 | 0.21                             |
|          |                                     |  | 300                                       | 0                                | 28/12/2018 | Purchase | 345,672                                 | 0.21                             |
|          |                                     |  | -400                                      | 0                                | 04/01/2019 | Sale     | 345,272                                 | 0.21                             |
|          |                                     |  | 24,200                                    | 0.01                             | 11/01/2019 | Purchase | 369,472                                 | 0.23                             |
|          |                                     |  | 70,500                                    | 0.04                             | 18/01/2019 | Purchase | 439,972                                 | 0.27                             |
|          |                                     |  | -700                                      | 0                                | 25/01/2019 | Sale     | 439,272                                 | 0.27                             |
|          |                                     |  | 250                                       | 0                                | 01/02/2019 | Purchase | 439,522                                 | 0.27                             |
|          |                                     |  | 20,000                                    | 0.01                             | 08/02/2019 | Purchase | 459,522                                 | 0.28                             |
|          |                                     |  | 119,900                                   | 0.07                             | 15/02/2019 | Purchase | 579,422                                 | 0.36                             |
|          |                                     |  | 100                                       | 0                                | 22/02/2019 | Purchase | 579,522                                 | 0.36                             |
|          |                                     |  | -2,000                                    | 0                                | 01/03/2019 | Sale     | 577,522                                 | 0.35                             |
|          |                                     |  | -11,196                                   | 0.01                             | 08/03/2019 | Sale     | 566,326                                 | 0.35                             |
|          |                                     |  | -18,904                                   | 0.01                             | 15/03/2019 | Sale     | 547,422                                 | 0.34                             |
|          |                                     |  | 279,200                                   | 0.17                             | 22/03/2019 | Purchase | 826,622                                 | 0.51                             |
|          |                                     |  | -300,700                                  | 0.18                             | 22/03/2019 | Sale     | 525,922                                 | 0.32                             |
|          |                                     |  | 200                                       | 0                                | 29/03/2019 | Purchase | 526,122                                 | 0.32                             |
|          |                                     |  | -25,100                                   | 0.02                             | 29/03/2019 | Sale     | 501,022                                 | 0.31                             |
|          | <b>Closing Balance - 30/03/2019</b> |  |   |                                  |            |          | <b>501,022</b>                          | <b>0.31</b>                      |
| <b>2</b> | <b>Opening Balance - 31/03/2018</b> | <b>IL AND FS SECURITIES SERVICES LIMITED</b> | 1,711,795                                 | 1.05                             |            |          | <b>1,711,795</b>                        | <b>1.05</b>                      |
|          |                                     |  | 65,112                                    | 0.04                             | 06/04/2018 | Purchase | 1,776,907                               | 1.09                             |
|          |                                     |  | -134,577                                  | 0.08                             | 13/04/2018 | Sale     | 1,642,330                               | 1.01                             |
|          |                                     |  | 179,775                                   | 0.11                             | 20/04/2018 | Purchase | 1,822,105                               | 1.12                             |
|          |                                     |  | -135,602                                  | 0.08                             | 27/04/2018 | Sale     | 1,686,503                               | 1.04                             |
|          |                                     |  | 69,522                                    | 0.04                             | 04/05/2018 | Purchase | 1,756,025                               | 1.08                             |
|          |                                     |  | 6,287                                     | 0                                | 11/05/2018 | Purchase | 1,762,312                               | 1.08                             |
|          |                                     |  | -30,527                                   | 0.02                             | 11/05/2018 | Sale     | 1,731,785                               | 1.06                             |
|          |                                     |  | 85,659                                    | 0.05                             | 18/05/2018 | Purchase | 1,817,444                               | 1.12                             |
|          |                                     |  | 23,009                                    | 0.01                             | 25/05/2018 | Purchase | 1,840,453                               | 1.13                             |
|          |                                     |  | -250,978                                  | 0.15                             | 01/06/2018 | Sale     | 1,589,475                               | 0.98                             |
|          |                                     |  | -311,208                                  | 0.19                             | 08/06/2018 | Sale     | 1,278,267                               | 0.79                             |
|          |                                     |  | 57,150                                    | 0.04                             | 15/06/2018 | Purchase | 1,335,417                               | 0.82                             |

| S.No.    | Type                                | Name of the Share Holder       | Shareholding at the beginning of the year |                                  | Date       | Reason   | Cumulative Shareholding during the year |                                  |
|----------|-------------------------------------|--------------------------------|---|----------------------------------|------------|----------|---|----------------------------------|
|          |                                     |                                | No. of Shares                             | % of total Shares of the Company |            |          | No. of Shares                           | % of total shares of the Company |
|          |                                     |                                | 73,185                                    | 0.04                             | 22/06/2018 | Purchase | 1,408,602                               | 0.87                             |
|          |                                     |                                | -41,338                                   | 0.03                             | 29/06/2018 | Sale     | 1,367,264                               | 0.84                             |
|          |                                     |                                | 150,973                                   | 0.09                             | 06/07/2018 | Purchase | 1,518,237                               | 0.93                             |
|          |                                     |                                | 52,684                                    | 0.03                             | 13/07/2018 | Purchase | 1,570,921                               | 0.97                             |
|          |                                     |                                | 61,181                                    | 0.04                             | 20/07/2018 | Purchase | 1,632,102                               | 1                                |
|          |                                     |                                | 23,055                                    | 0.01                             | 27/07/2018 | Purchase | 1,655,157                               | 1.02                             |
|          |                                     |                                | 17,363                                    | 0.01                             | 03/08/2018 | Purchase | 1,672,520                               | 1.03                             |
|          |                                     |                                | -66,796                                   | 0.04                             | 10/08/2018 | Sale     | 1,605,724                               | 0.99                             |
|          |                                     |                                | -7,705                                    | 0                                | 17/08/2018 | Sale     | 1,598,019                               | 0.98                             |
|          |                                     |                                | -50,276                                   | 0.03                             | 24/08/2018 | Sale     | 1,547,743                               | 0.95                             |
|          |                                     |                                | -286,954                                  | 0.18                             | 31/08/2018 | Sale     | 1,260,789                               | 0.77                             |
|          |                                     |                                | -30,654                                   | 0.02                             | 07/09/2018 | Sale     | 1,230,135                               | 0.76                             |
|          |                                     |                                | -154,312                                  | 0.09                             | 14/09/2018 | Sale     | 1,075,823                               | 0.66                             |
|          |                                     |                                | -50,454                                   | 0.03                             | 21/09/2018 | Sale     | 1,025,369                               | 0.63                             |
|          |                                     |                                | 225,100                                   | 0.14                             | 28/09/2018 | Purchase | 1,250,469                               | 0.77                             |
|          |                                     |                                | -29,501                                   | 0.02                             | 29/09/2018 | Sale     | 1,220,968                               | 0.75                             |
|          |                                     |                                | 56,196                                    | 0.03                             | 05/10/2018 | Purchase | 1,277,164                               | 0.78                             |
|          |                                     |                                | -133,930                                  | 0.08                             | 12/10/2018 | Sale     | 1,143,234                               | 0.7                              |
|          |                                     |                                | -82,729                                   | 0.05                             | 19/10/2018 | Sale     | 1,060,505                               | 0.65                             |
|          |                                     |                                | 12,144                                    | 0.01                             | 26/10/2018 | Purchase | 1,072,649                               | 0.66                             |
|          |                                     |                                | -154,934                                  | 0.1                              | 02/11/2018 | Sale     | 917,715                                 | 0.56                             |
|          |                                     |                                | -3,343                                    | 0                                | 09/11/2018 | Sale     | 914,372                                 | 0.56                             |
|          |                                     |                                | 11,244                                    | 0.01                             | 16/11/2018 | Purchase | 925,616                                 | 0.57                             |
|          |                                     |                                | 2,590                                     | 0                                | 23/11/2018 | Purchase | 928,206                                 | 0.57                             |
|          |                                     |                                | 17,210                                    | 0.01                             | 30/11/2018 | Purchase | 945,416                                 | 0.58                             |
|          |                                     |                                | 243,845                                   | 0.15                             | 07/12/2018 | Purchase | 1,189,261                               | 0.73                             |
|          |                                     |                                | 802,410                                   | 0.49                             | 14/12/2018 | Purchase | 1,991,671                               | 1.22                             |
|          |                                     |                                | -5,343                                    | 0                                | 21/12/2018 | Sale     | 1,986,328                               | 1.22                             |
|          |                                     |                                | 9,497                                     | 0.01                             | 28/12/2018 | Purchase | 1,995,825                               | 1.23                             |
|          |                                     |                                | -11                                       | 0                                | 31/12/2018 | Sale     | 1,995,814                               | 1.23                             |
|          |                                     |                                | 301,778                                   | 0.19                             | 04/01/2019 | Purchase | 2,297,592                               | 1.41                             |
|          |                                     |                                | -908,886                                  | 0.56                             | 04/01/2019 | Sale     | 1,388,706                               | 0.85                             |
|          |                                     |                                | -573,123                                  | 0.35                             | 11/01/2019 | Sale     | 815,583                                 | 0.5                              |
|          |                                     |                                | 275,923                                   | 0.17                             | 18/01/2019 | Purchase | 1,091,506                               | 0.67                             |
|          |                                     |                                | 98,826                                    | 0.06                             | 25/01/2019 | Purchase | 1,190,332                               | 0.73                             |
|          |                                     |                                | -33,425                                   | 0.02                             | 01/02/2019 | Sale     | 1,156,907                               | 0.71                             |
|          |                                     |                                | 42,193                                    | 0.03                             | 08/02/2019 | Purchase | 1,199,100                               | 0.74                             |
|          |                                     |                                | -32,271                                   | 0.02                             | 08/02/2019 | Sale     | 1,166,829                               | 0.72                             |
|          |                                     |                                | -46,850                                   | 0.03                             | 15/02/2019 | Sale     | 1,119,979                               | 0.69                             |
|          |                                     |                                | 24,768                                    | 0.02                             | 22/02/2019 | Purchase | 1,144,747                               | 0.7                              |
|          |                                     |                                | 2,844                                     | 0                                | 01/03/2019 | Purchase | 1,147,591                               | 0.71                             |
|          |                                     |                                | 156,902                                   | 0.1                              | 08/03/2019 | Purchase | 1,304,493                               | 0.8                              |
|          |                                     |                                | -308,240                                  | 0.19                             | 08/03/2019 | Sale     | 996,253                                 | 0.61                             |
|          |                                     |                                | -19,247                                   | 0.01                             | 15/03/2019 | Sale     | 977,006                                 | 0.6                              |
|          |                                     |                                | -207,830                                  | 0.13                             | 22/03/2019 | Sale     | 769,176                                 | 0.47                             |
|          |                                     |                                | -89,043                                   | 0.05                             | 29/03/2019 | Sale     | 680,133                                 | 0.42                             |
|          |                                     |                                | -3,986                                    | 0                                | 30/03/2019 | Sale     | 676,147                                 | 0.42                             |
|          | <b>Closing Balance - 30/03/2019</b> |                                |   |                                  |            |          | <b>676,147</b>                          | <b>0.42</b>                      |
| <b>3</b> | <b>Opening Balance - 31/03/2018</b> | <b>KARVY STOCK BROKING LTD</b> | <b>1,454,856</b>                          | <b>0.89</b>                      |            |          | <b>1,454,856</b>                        | <b>0.89</b>                      |
|          |                                     |                                | 440,000                                   | 0.27                             | 06/04/2018 | Purchase | 1,894,856                               | 1.16                             |
|          |                                     |                                | -522,441                                  | 0.32                             | 06/04/2018 | Sale     | 1,372,415                               | 0.84                             |
|          |                                     |                                | 8,199                                     | 0.01                             | 13/04/2018 | Purchase | 1,380,614                               | 0.85                             |
|          |                                     |                                | -202,522                                  | 0.12                             | 13/04/2018 | Sale     | 1,178,092                               | 0.72                             |
|          |                                     |                                | 19,803                                    | 0.01                             | 20/04/2018 | Purchase | 1,197,895                               | 0.74                             |
|          |                                     |                                | -8,455                                    | 0.01                             | 20/04/2018 | Sale     | 1,189,440                               | 0.73                             |
|          |                                     |                                | 108,467                                   | 0.07                             | 27/04/2018 | Purchase | 1,297,907                               | 0.8                              |
|          |                                     |                                | -103,433                                  | 0.06                             | 27/04/2018 | Sale     | 1,194,474                               | 0.73                             |

| S.No. | Type | Name of the Share Holder | Shareholding at the beginning of the year |                                  | Date       | Reason   | Cumulative Shareholding during the year |                                  |
|-------|------|--------------------------|---|----------------------------------|------------|----------|---|----------------------------------|
|       |      |                          | No. of Shares                             | % of total Shares of the Company |            |          | No. of Shares                           | % of total shares of the Company |
|       |      |                          | -157,117                                  | 0.1                              | 04/05/2018 | Sale     | 1,037,357                               | 0.64                             |
|       |      |                          | 131,770                                   | 0.08                             | 11/05/2018 | Purchase | 1,169,127                               | 0.72                             |
|       |      |                          | -12,670                                   | 0.01                             | 11/05/2018 | Sale     | 1,156,457                               | 0.71                             |
|       |      |                          | 11,550                                    | 0.01                             | 18/05/2018 | Purchase | 1,168,007                               | 0.72                             |
|       |      |                          | -97,456                                   | 0.06                             | 18/05/2018 | Sale     | 1,070,551                               | 0.66                             |
|       |      |                          | 68,115                                    | 0.04                             | 25/05/2018 | Purchase | 1,138,666                               | 0.7                              |
|       |      |                          | -75,421                                   | 0.05                             | 25/05/2018 | Sale     | 1,063,245                               | 0.65                             |
|       |      |                          | 104,508                                   | 0.06                             | 01/06/2018 | Purchase | 1,167,753                               | 0.72                             |
|       |      |                          | -53,794                                   | 0.03                             | 01/06/2018 | Sale     | 1,113,959                               | 0.68                             |
|       |      |                          | 29,825                                    | 0.02                             | 08/06/2018 | Purchase | 1,143,784                               | 0.7                              |
|       |      |                          | -104,513                                  | 0.06                             | 08/06/2018 | Sale     | 1,039,271                               | 0.64                             |
|       |      |                          | 257                                       | 0                                | 15/06/2018 | Purchase | 1,039,528                               | 0.64                             |
|       |      |                          | -31,552                                   | 0.02                             | 15/06/2018 | Sale     | 1,007,976                               | 0.62                             |
|       |      |                          | 12,493                                    | 0.01                             | 22/06/2018 | Purchase | 1,020,469                               | 0.63                             |
|       |      |                          | -128,106                                  | 0.08                             | 22/06/2018 | Sale     | 892,363                                 | 0.55                             |
|       |      |                          | 7,251                                     | 0                                | 29/06/2018 | Purchase | 899,614                                 | 0.55                             |
|       |      |                          | -104,326                                  | 0.06                             | 29/06/2018 | Sale     | 795,288                                 | 0.49                             |
|       |      |                          | 10,603                                    | 0.01                             | 06/07/2018 | Purchase | 805,891                                 | 0.5                              |
|       |      |                          | -34,009                                   | 0.02                             | 06/07/2018 | Sale     | 771,882                                 | 0.47                             |
|       |      |                          | 12,929                                    | 0.01                             | 13/07/2018 | Purchase | 784,811                                 | 0.48                             |
|       |      |                          | -127,085                                  | 0.08                             | 13/07/2018 | Sale     | 657,726                                 | 0.4                              |
|       |      |                          | 4,739                                     | 0                                | 20/07/2018 | Purchase | 662,465                                 | 0.41                             |
|       |      |                          | -20,150                                   | 0.01                             | 20/07/2018 | Sale     | 642,315                                 | 0.39                             |
|       |      |                          | 1,873                                     | 0                                | 27/07/2018 | Purchase | 644,188                                 | 0.4                              |
|       |      |                          | -5,653                                    | 0                                | 27/07/2018 | Sale     | 638,535                                 | 0.39                             |
|       |      |                          | 5,562                                     | 0                                | 03/08/2018 | Purchase | 644,097                                 | 0.4                              |
|       |      |                          | -540                                      | 0                                | 03/08/2018 | Sale     | 643,557                                 | 0.4                              |
|       |      |                          | 7,921                                     | 0                                | 10/08/2018 | Purchase | 651,478                                 | 0.4                              |
|       |      |                          | -14,937                                   | 0.01                             | 10/08/2018 | Sale     | 636,541                                 | 0.39                             |
|       |      |                          | 42,957                                    | 0.03                             | 17/08/2018 | Purchase | 679,498                                 | 0.42                             |
|       |      |                          | -24,345                                   | 0.01                             | 17/08/2018 | Sale     | 655,153                                 | 0.4                              |
|       |      |                          | 2,050                                     | 0                                | 24/08/2018 | Purchase | 657,203                                 | 0.4                              |
|       |      |                          | -37,760                                   | 0.02                             | 24/08/2018 | Sale     | 619,443                                 | 0.38                             |
|       |      |                          | 1,295                                     | 0                                | 31/08/2018 | Purchase | 620,738                                 | 0.38                             |
|       |      |                          | -17,264                                   | 0.01                             | 31/08/2018 | Sale     | 603,474                                 | 0.37                             |
|       |      |                          | 8,365                                     | 0.01                             | 07/09/2018 | Purchase | 611,839                                 | 0.38                             |
|       |      |                          | -3,806                                    | 0                                | 07/09/2018 | Sale     | 608,033                                 | 0.37                             |
|       |      |                          | 4,982                                     | 0                                | 14/09/2018 | Purchase | 613,015                                 | 0.38                             |
|       |      |                          | -23,499                                   | 0.01                             | 14/09/2018 | Sale     | 589,516                                 | 0.36                             |
|       |      |                          | 5,016                                     | 0                                | 21/09/2018 | Purchase | 594,532                                 | 0.37                             |
|       |      |                          | -1,693                                    | 0                                | 21/09/2018 | Sale     | 592,839                                 | 0.36                             |
|       |      |                          | 44,774                                    | 0.03                             | 28/09/2018 | Purchase | 637,613                                 | 0.39                             |
|       |      |                          | -298                                      | 0                                | 28/09/2018 | Sale     | 637,315                                 | 0.39                             |
|       |      |                          | 7,254                                     | 0                                | 05/10/2018 | Purchase | 644,569                                 | 0.4                              |
|       |      |                          | -40,191                                   | 0.02                             | 05/10/2018 | Sale     | 604,378                                 | 0.37                             |
|       |      |                          | 20,991                                    | 0.01                             | 12/10/2018 | Purchase | 625,369                                 | 0.38                             |
|       |      |                          | -7,178                                    | 0                                | 12/10/2018 | Sale     | 618,191                                 | 0.38                             |
|       |      |                          | 10,895                                    | 0.01                             | 19/10/2018 | Purchase | 629,086                                 | 0.39                             |
|       |      |                          | -3,448                                    | 0                                | 19/10/2018 | Sale     | 625,638                                 | 0.38                             |
|       |      |                          | 29,816                                    | 0.02                             | 26/10/2018 | Purchase | 655,454                                 | 0.4                              |
|       |      |                          | -26,953                                   | 0.02                             | 26/10/2018 | Sale     | 628,501                                 | 0.39                             |
|       |      |                          | 11,718                                    | 0.01                             | 02/11/2018 | Purchase | 640,219                                 | 0.39                             |
|       |      |                          | -35,037                                   | 0.02                             | 02/11/2018 | Sale     | 605,182                                 | 0.37                             |
|       |      |                          | 6,058                                     | 0                                | 09/11/2018 | Purchase | 611,240                                 | 0.38                             |
|       |      |                          | -1,797                                    | 0                                | 09/11/2018 | Sale     | 609,443                                 | 0.37                             |
|       |      |                          | 1,521                                     | 0                                | 16/11/2018 | Purchase | 610,964                                 | 0.38                             |
|       |      |                          | -25,661                                   | 0.02                             | 16/11/2018 | Sale     | 585,303                                 | 0.36                             |
|       |      |                          | 3,935                                     | 0                                | 23/11/2018 | Purchase | 589,238                                 | 0.36                             |
|       |      |                          | -2,722                                    | 0                                | 23/11/2018 | Sale     | 586,516                                 | 0.36                             |

| S.No.    | Type                                | Name of the Share Holder                       | Shareholding at the beginning of the year |                                  | Date       | Reason   | Cumulative Shareholding during the year |                                  |
|----------|-------------------------------------|--|---|----------------------------------|------------|----------|---|----------------------------------|
|          |                                     |  | No. of Shares                             | % of total Shares of the Company |            |          | No. of Shares                           | % of total shares of the Company |
|          |                                     |  | 682                                       | 0                                | 30/11/2018 | Purchase | 587,198                                 | 0.36                             |
|          |                                     |  | -10,181                                   | 0.01                             | 30/11/2018 | Sale     | 577,017                                 | 0.35                             |
|          |                                     |  | 10,062                                    | 0.01                             | 07/12/2018 | Purchase | 587,079                                 | 0.36                             |
|          |                                     |  | -372                                      | 0                                | 07/12/2018 | Sale     | 586,707                                 | 0.36                             |
|          |                                     |  | 9,445                                     | 0.01                             | 14/12/2018 | Purchase | 596,152                                 | 0.37                             |
|          |                                     |  | -5,301                                    | 0                                | 14/12/2018 | Sale     | 590,851                                 | 0.36                             |
|          |                                     |  | 3,786                                     | 0                                | 21/12/2018 | Purchase | 594,637                                 | 0.37                             |
|          |                                     |  | -3,792                                    | 0                                | 21/12/2018 | Sale     | 590,845                                 | 0.36                             |
|          |                                     |  | 12,875                                    | 0.01                             | 28/12/2018 | Purchase | 603,720                                 | 0.37                             |
|          |                                     |  | -1,638                                    | 0                                | 28/12/2018 | Sale     | 602,082                                 | 0.37                             |
|          |                                     |  | 2,515                                     | 0                                | 31/12/2018 | Purchase | 604,597                                 | 0.37                             |
|          |                                     |  | -1,833                                    | 0                                | 31/12/2018 | Sale     | 602,764                                 | 0.37                             |
|          |                                     |  | 1,001                                     | 0                                | 04/01/2019 | Purchase | 603,765                                 | 0.37                             |
|          |                                     |  | -16,275                                   | 0.01                             | 04/01/2019 | Sale     | 587,490                                 | 0.36                             |
|          |                                     |  | 8,750                                     | 0.01                             | 11/01/2019 | Purchase | 596,240                                 | 0.37                             |
|          |                                     |  | -5,896                                    | 0                                | 11/01/2019 | Sale     | 590,344                                 | 0.36                             |
|          |                                     |  | 10,462                                    | 0.01                             | 18/01/2019 | Purchase | 600,806                                 | 0.37                             |
|          |                                     |  | -9,512                                    | 0.01                             | 18/01/2019 | Sale     | 591,294                                 | 0.36                             |
|          |                                     |  | 776                                       | 0                                | 25/01/2019 | Purchase | 592,070                                 | 0.36                             |
|          |                                     |  | -9,997                                    | 0.01                             | 25/01/2019 | Sale     | 582,073                                 | 0.36                             |
|          |                                     |  | 8,754                                     | 0.01                             | 01/02/2019 | Purchase | 590,827                                 | 0.36                             |
|          |                                     |  | -650                                      | 0                                | 01/02/2019 | Sale     | 590,177                                 | 0.36                             |
|          |                                     |  | 379                                       | 0                                | 08/02/2019 | Purchase | 590,556                                 | 0.36                             |
|          |                                     |  | -5,219                                    | 0                                | 08/02/2019 | Sale     | 585,337                                 | 0.36                             |
|          |                                     |  | 85,001                                    | 0.05                             | 15/02/2019 | Purchase | 670,338                                 | 0.41                             |
|          |                                     |  | -5,469                                    | 0                                | 15/02/2019 | Sale     | 664,869                                 | 0.41                             |
|          |                                     |  | 9,845                                     | 0.01                             | 22/02/2019 | Purchase | 674,714                                 | 0.41                             |
|          |                                     |  | -57,272                                   | 0.04                             | 22/02/2019 | Sale     | 617,442                                 | 0.38                             |
|          |                                     |  | 1,640                                     | 0                                | 01/03/2019 | Purchase | 619,082                                 | 0.38                             |
|          |                                     |  | -16,463                                   | 0.01                             | 01/03/2019 | Sale     | 602,619                                 | 0.37                             |
|          |                                     |  | 14,648                                    | 0.01                             | 08/03/2019 | Purchase | 617,267                                 | 0.38                             |
|          |                                     |  | -11,169                                   | 0.01                             | 08/03/2019 | Sale     | 606,098                                 | 0.37                             |
|          |                                     |  | 8,333                                     | 0.01                             | 15/03/2019 | Purchase | 614,431                                 | 0.38                             |
|          |                                     |  | -7,470                                    | 0                                | 15/03/2019 | Sale     | 606,961                                 | 0.37                             |
|          |                                     |  | 12,549                                    | 0.01                             | 22/03/2019 | Purchase | 619,510                                 | 0.38                             |
|          |                                     |  | -8,400                                    | 0.01                             | 22/03/2019 | Sale     | 611,110                                 | 0.38                             |
|          |                                     |  | 1,021                                     | 0                                | 29/03/2019 | Purchase | 612,131                                 | 0.38                             |
|          |                                     |  | -22,981                                   | 0.01                             | 29/03/2019 | Sale     | 589,150                                 | 0.36                             |
|          | <b>Closing Balance - 30/03/2019</b> |  |   |                                  |            |          | <b>589,150</b>                          | <b>0.36</b>                      |
| <b>4</b> | <b>Opening Balance - 31/03/2018</b> | <b>MORGAN SECURITIES &amp; CREDITS PVT LTD</b> | <b>1,180,000</b>                          | <b>0.73</b>                      |            |          | <b>1,180,000</b>                        | <b>0.73</b>                      |
|          | <b>Closing Balance - 30/03/2019</b> |  |   |                                  |            |          | <b>1,180,000</b>                        | <b>0.73</b>                      |
| <b>5</b> | <b>Opening Balance - 31/03/2018</b> | <b>ANGEL BROKING PRIVATE LIMITED</b>           | <b>841,053</b>                            | <b>0.52</b>                      |            |          | <b>841,053</b>                          | <b>0.52</b>                      |
|          |                                     |  | 9,800                                     | 0.01                             | 06/04/2018 | Purchase | 850,853                                 | 0.52                             |
|          |                                     |  | -105,159                                  | 0.06                             | 06/04/2018 | Sale     | 745,694                                 | 0.46                             |
|          |                                     |  | 66,166                                    | 0.04                             | 13/04/2018 | Purchase | 811,860                                 | 0.5                              |
|          |                                     |  | -72,824                                   | 0.04                             | 13/04/2018 | Sale     | 739,036                                 | 0.45                             |
|          |                                     |  | 66,221                                    | 0.04                             | 20/04/2018 | Purchase | 805,257                                 | 0.49                             |
|          |                                     |  | -67,910                                   | 0.04                             | 20/04/2018 | Sale     | 737,347                                 | 0.45                             |
|          |                                     |  | 60,206                                    | 0.04                             | 27/04/2018 | Purchase | 797,553                                 | 0.49                             |
|          |                                     |  | -35,890                                   | 0.02                             | 27/04/2018 | Sale     | 761,663                                 | 0.47                             |
|          |                                     |  | 30,865                                    | 0.02                             | 04/05/2018 | Purchase | 792,528                                 | 0.49                             |
|          |                                     |  | -36,865                                   | 0.02                             | 04/05/2018 | Sale     | 755,663                                 | 0.46                             |
|          |                                     |  | 5,396                                     | 0                                | 11/05/2018 | Purchase | 761,059                                 | 0.47                             |
|          |                                     |  | -80,934                                   | 0.05                             | 11/05/2018 | Sale     | 680,125                                 | 0.42                             |
|          |                                     |  | 70,197                                    | 0.04                             | 18/05/2018 | Purchase | 750,322                                 | 0.46                             |



| S.No. | Type | Name of the Share Holder | Shareholding at the beginning of the year |                                  | Date       | Reason   | Cumulative Shareholding during the year |                                  |
|-------|------|--------------------------|---|----------------------------------|------------|----------|---|----------------------------------|
|       |      |                          | No. of Shares                             | % of total Shares of the Company |            |          | No. of Shares                           | % of total shares of the Company |
|       |      |                          | -28,572                                   | 0.02                             | 18/05/2018 | Sale     | 721,750                                 | 0.44                             |
|       |      |                          | 56,569                                    | 0.03                             | 25/05/2018 | Purchase | 778,319                                 | 0.48                             |
|       |      |                          | -47,508                                   | 0.03                             | 25/05/2018 | Sale     | 730,811                                 | 0.45                             |
|       |      |                          | 22,013                                    | 0.01                             | 01/06/2018 | Purchase | 752,824                                 | 0.46                             |
|       |      |                          | -94,526                                   | 0.06                             | 01/06/2018 | Sale     | 658,298                                 | 0.4                              |
|       |      |                          | 182,322                                   | 0.11                             | 08/06/2018 | Purchase | 840,620                                 | 0.52                             |
|       |      |                          | -83,478                                   | 0.05                             | 08/06/2018 | Sale     | 757,142                                 | 0.47                             |
|       |      |                          | 65,895                                    | 0.04                             | 15/06/2018 | Purchase | 823,037                                 | 0.51                             |
|       |      |                          | -39,915                                   | 0.02                             | 15/06/2018 | Sale     | 783,122                                 | 0.48                             |
|       |      |                          | 45,182                                    | 0.03                             | 22/06/2018 | Purchase | 828,304                                 | 0.51                             |
|       |      |                          | -53,677                                   | 0.03                             | 22/06/2018 | Sale     | 774,627                                 | 0.48                             |
|       |      |                          | 75,297                                    | 0.05                             | 29/06/2018 | Purchase | 849,924                                 | 0.52                             |
|       |      |                          | -46,522                                   | 0.03                             | 29/06/2018 | Sale     | 803,402                                 | 0.49                             |
|       |      |                          | 40,697                                    | 0.03                             | 06/07/2018 | Purchase | 844,099                                 | 0.52                             |
|       |      |                          | -70,362                                   | 0.04                             | 06/07/2018 | Sale     | 773,737                                 | 0.48                             |
|       |      |                          | 3,425                                     | 0                                | 13/07/2018 | Purchase | 777,162                                 | 0.48                             |
|       |      |                          | -65,545                                   | 0.04                             | 13/07/2018 | Sale     | 711,617                                 | 0.44                             |
|       |      |                          | 12,487                                    | 0.01                             | 20/07/2018 | Purchase | 724,104                                 | 0.45                             |
|       |      |                          | -36,685                                   | 0.02                             | 20/07/2018 | Sale     | 687,419                                 | 0.42                             |
|       |      |                          | 28,223                                    | 0.02                             | 27/07/2018 | Purchase | 715,642                                 | 0.44                             |
|       |      |                          | -21,436                                   | 0.01                             | 27/07/2018 | Sale     | 694,206                                 | 0.43                             |
|       |      |                          | 80,616                                    | 0.05                             | 03/08/2018 | Purchase | 774,822                                 | 0.48                             |
|       |      |                          | -34,610                                   | 0.02                             | 03/08/2018 | Sale     | 740,212                                 | 0.45                             |
|       |      |                          | 51,744                                    | 0.03                             | 10/08/2018 | Purchase | 791,956                                 | 0.49                             |
|       |      |                          | -53,741                                   | 0.03                             | 10/08/2018 | Sale     | 738,215                                 | 0.45                             |
|       |      |                          | 68,245                                    | 0.04                             | 17/08/2018 | Purchase | 806,460                                 | 0.5                              |
|       |      |                          | -26,417                                   | 0.02                             | 17/08/2018 | Sale     | 780,043                                 | 0.48                             |
|       |      |                          | 41,180                                    | 0.03                             | 24/08/2018 | Purchase | 821,223                                 | 0.5                              |
|       |      |                          | -76,264                                   | 0.05                             | 24/08/2018 | Sale     | 744,959                                 | 0.46                             |
|       |      |                          | 85,691                                    | 0.05                             | 31/08/2018 | Purchase | 830,650                                 | 0.51                             |
|       |      |                          | -12,858                                   | 0.01                             | 31/08/2018 | Sale     | 817,792                                 | 0.5                              |
|       |      |                          | 28,401                                    | 0.02                             | 07/09/2018 | Purchase | 846,193                                 | 0.52                             |
|       |      |                          | -129,399                                  | 0.08                             | 07/09/2018 | Sale     | 716,794                                 | 0.44                             |
|       |      |                          | 9,201                                     | 0.01                             | 14/09/2018 | Purchase | 725,995                                 | 0.45                             |
|       |      |                          | -18,541                                   | 0.01                             | 14/09/2018 | Sale     | 707,454                                 | 0.43                             |
|       |      |                          | 22,934                                    | 0.01                             | 21/09/2018 | Purchase | 730,388                                 | 0.45                             |
|       |      |                          | -10,805                                   | 0.01                             | 21/09/2018 | Sale     | 719,583                                 | 0.44                             |
|       |      |                          | 11,316                                    | 0.01                             | 28/09/2018 | Purchase | 730,899                                 | 0.45                             |
|       |      |                          | -99,077                                   | 0.06                             | 28/09/2018 | Sale     | 631,822                                 | 0.39                             |
|       |      |                          | 20,151                                    | 0.01                             | 05/10/2018 | Purchase | 651,973                                 | 0.4                              |
|       |      |                          | -58,402                                   | 0.04                             | 05/10/2018 | Sale     | 593,571                                 | 0.36                             |
|       |      |                          | 69,364                                    | 0.04                             | 12/10/2018 | Purchase | 662,935                                 | 0.41                             |
|       |      |                          | -53,985                                   | 0.03                             | 12/10/2018 | Sale     | 608,950                                 | 0.37                             |
|       |      |                          | 21,528                                    | 0.01                             | 19/10/2018 | Purchase | 630,478                                 | 0.39                             |
|       |      |                          | -67,287                                   | 0.04                             | 19/10/2018 | Sale     | 563,191                                 | 0.35                             |
|       |      |                          | 54,838                                    | 0.03                             | 26/10/2018 | Purchase | 618,029                                 | 0.38                             |
|       |      |                          | -10,325                                   | 0.01                             | 26/10/2018 | Sale     | 607,704                                 | 0.37                             |
|       |      |                          | 36,319                                    | 0.02                             | 02/11/2018 | Purchase | 644,023                                 | 0.4                              |
|       |      |                          | -79,519                                   | 0.05                             | 02/11/2018 | Sale     | 564,504                                 | 0.35                             |
|       |      |                          | 14,637                                    | 0.01                             | 09/11/2018 | Purchase | 579,141                                 | 0.36                             |
|       |      |                          | -13,090                                   | 0.01                             | 09/11/2018 | Sale     | 566,051                                 | 0.35                             |
|       |      |                          | 12,635                                    | 0.01                             | 16/11/2018 | Purchase | 578,686                                 | 0.36                             |
|       |      |                          | -55,028                                   | 0.03                             | 16/11/2018 | Sale     | 523,658                                 | 0.32                             |
|       |      |                          | 14,938                                    | 0.01                             | 23/11/2018 | Purchase | 538,596                                 | 0.33                             |
|       |      |                          | -17,508                                   | 0.01                             | 23/11/2018 | Sale     | 521,088                                 | 0.32                             |
|       |      |                          | 37,633                                    | 0.02                             | 30/11/2018 | Purchase | 558,721                                 | 0.34                             |
|       |      |                          | -36,005                                   | 0.02                             | 30/11/2018 | Sale     | 522,716                                 | 0.32                             |
|       |      |                          | 51,840                                    | 0.03                             | 07/12/2018 | Purchase | 574,556                                 | 0.35                             |
|       |      |                          | -40,946                                   | 0.03                             | 07/12/2018 | Sale     | 533,610                                 | 0.33                             |

| S.No.    | Type                                | Name of the Share Holder                 | Shareholding at the beginning of the year |                                  | Date       | Reason   | Cumulative Shareholding during the year |                                  |
|----------|-------------------------------------|--|---|----------------------------------|------------|----------|---|----------------------------------|
|          |                                     |  | No. of Shares                             | % of total Shares of the Company |            |          | No. of Shares                           | % of total shares of the Company |
|          |                                     |  | 13,855                                    | 0.01                             | 14/12/2018 | Purchase | 547,465                                 | 0.34                             |
|          |                                     |  | -33,909                                   | 0.02                             | 14/12/2018 | Sale     | 513,556                                 | 0.32                             |
|          |                                     |  | 51,345                                    | 0.03                             | 21/12/2018 | Purchase | 564,901                                 | 0.35                             |
|          |                                     |  | -9,172                                    | 0.01                             | 21/12/2018 | Sale     | 555,729                                 | 0.34                             |
|          |                                     |  | 2,266                                     | 0                                | 28/12/2018 | Purchase | 557,995                                 | 0.34                             |
|          |                                     |  | -45,819                                   | 0.03                             | 28/12/2018 | Sale     | 512,176                                 | 0.31                             |
|          |                                     |  | 2,270                                     | 0                                | 31/12/2018 | Purchase | 514,446                                 | 0.32                             |
|          |                                     |  | -12,802                                   | 0.01                             | 31/12/2018 | Sale     | 501,644                                 | 0.31                             |
|          |                                     |  | 3,924                                     | 0                                | 04/01/2019 | Purchase | 505,568                                 | 0.31                             |
|          |                                     |  | -28,552                                   | 0.02                             | 04/01/2019 | Sale     | 477,016                                 | 0.29                             |
|          |                                     |  | 16,986                                    | 0.01                             | 11/01/2019 | Purchase | 494,002                                 | 0.3                              |
|          |                                     |  | -22,573                                   | 0.01                             | 11/01/2019 | Sale     | 471,429                                 | 0.29                             |
|          |                                     |  | 53,715                                    | 0.03                             | 18/01/2019 | Purchase | 525,144                                 | 0.32                             |
|          |                                     |  | -17,706                                   | 0.01                             | 18/01/2019 | Sale     | 507,438                                 | 0.31                             |
|          |                                     |  | 25,014                                    | 0.02                             | 25/01/2019 | Purchase | 532,452                                 | 0.33                             |
|          |                                     |  | -11,876                                   | 0.01                             | 25/01/2019 | Sale     | 520,576                                 | 0.32                             |
|          |                                     |  | 26,588                                    | 0.02                             | 01/02/2019 | Purchase | 547,164                                 | 0.34                             |
|          |                                     |  | -8,879                                    | 0.01                             | 01/02/2019 | Sale     | 538,285                                 | 0.33                             |
|          |                                     |  | 60,262                                    | 0.04                             | 08/02/2019 | Purchase | 598,547                                 | 0.37                             |
|          |                                     |  | -6,078                                    | 0                                | 08/02/2019 | Sale     | 592,469                                 | 0.36                             |
|          |                                     |  | 128,354                                   | 0.08                             | 15/02/2019 | Purchase | 720,823                                 | 0.44                             |
|          |                                     |  | -30,603                                   | 0.02                             | 15/02/2019 | Sale     | 690,220                                 | 0.42                             |
|          |                                     |  | 35,652                                    | 0.02                             | 22/02/2019 | Purchase | 725,872                                 | 0.45                             |
|          |                                     |  | -200,415                                  | 0.12                             | 22/02/2019 | Sale     | 525,457                                 | 0.32                             |
|          |                                     |  | 47,411                                    | 0.03                             | 01/03/2019 | Purchase | 572,868                                 | 0.35                             |
|          |                                     |  | -14,367                                   | 0.01                             | 01/03/2019 | Sale     | 558,501                                 | 0.34                             |
|          |                                     |  | 86,873                                    | 0.05                             | 08/03/2019 | Purchase | 645,374                                 | 0.4                              |
|          |                                     |  | -2,601                                    | 0                                | 08/03/2019 | Sale     | 642,773                                 | 0.4                              |
|          |                                     |  | 12,699                                    | 0.01                             | 15/03/2019 | Purchase | 655,472                                 | 0.4                              |
|          |                                     |  | -26,112                                   | 0.02                             | 15/03/2019 | Sale     | 629,360                                 | 0.39                             |
|          |                                     |  | 244,078                                   | 0.15                             | 22/03/2019 | Purchase | 873,438                                 | 0.54                             |
|          |                                     |  | -277,800                                  | 0.17                             | 22/03/2019 | Sale     | 595,638                                 | 0.37                             |
|          |                                     |  | 44,076                                    | 0.03                             | 29/03/2019 | Purchase | 639,714                                 | 0.39                             |
|          |                                     |  | -8,055                                    | 0                                | 29/03/2019 | Sale     | 631,659                                 | 0.39                             |
|          |                                     |  | 1,096                                     | 0                                | 30/03/2019 | Purchase | 632,755                                 | 0.39                             |
|          |                                     |  | -1,596                                    | 0                                | 30/03/2019 | Sale     | 631,159                                 | 0.39                             |
|          | <b>Closing Balance - 30/03/2019</b> |  |   |                                  |            |          | <b>631,159</b>                          | <b>0.39</b>                      |
| <b>6</b> | <b>Opening Balance - 31/03/2018</b> | <b>QUANTUM WEALTH SOLUTIONS (P) LTD.</b> | <b>803,726</b>                            | <b>0.49</b>                      |            |          | <b>803,726</b>                          | <b>0.49</b>                      |
|          |                                     |  | 134,255                                   | 0.08                             | 13/07/2018 | Purchase | 937,981                                 | 0.58                             |
|          |                                     |  | -139,030                                  | 0.09                             | 10/08/2018 | Sale     | 798,951                                 | 0.49                             |
|          |                                     |  | -13,793                                   | 0.01                             | 17/08/2018 | Sale     | 785,158                                 | 0.48                             |
|          |                                     |  | 20,000                                    | 0.01                             | 07/09/2018 | Purchase | 805,158                                 | 0.49                             |
|          | <b>Closing Balance - 30/03/2019</b> |  |   |                                  |            |          | <b>805,158</b>                          | <b>0.49</b>                      |
| <b>7</b> | <b>Opening Balance - 31/03/2018</b> | <b>MUKUL MAHAVIR AGRAWAL</b>             | <b>780,000</b>                            | <b>0.48</b>                      |            |          | <b>780,000</b>                          | <b>0.48</b>                      |
|          |                                     |  | -261,000                                  | 0.16                             | 11/05/2018 | Sale     | 519,000                                 | 0.32                             |
|          |                                     |  | -54,116                                   | 0.03                             | 18/05/2018 | Sale     | 464,884                                 | 0.29                             |
|          |                                     |  | -10,228                                   | 0.01                             | 25/05/2018 | Sale     | 454,656                                 | 0.28                             |
|          |                                     |  | -354,656                                  | 0.22                             | 01/06/2018 | Sale     | 100,000                                 | 0.06                             |
|          |                                     |  | -100,000                                  | 0.06                             | 09/11/2018 | Sale     | -                                       | 0                                |
|          | <b>Closing Balance - 30/03/2019</b> |  |   |                                  |            |          | -                                       | 0                                |
| <b>8</b> | <b>Opening Balance - 31/03/2018</b> | <b>ASHIKA CREDIT CAPITAL LIMITED</b>     | <b>760,000</b>                            | <b>0.47</b>                      |            |          | <b>760,000</b>                          | <b>0.47</b>                      |
|          |                                     |  | 42,000                                    | 0.03                             | 06/04/2018 | Purchase | 802,000                                 | 0.49                             |
|          |                                     |  | -52,000                                   | 0.03                             | 04/05/2018 | Sale     | 750,000                                 | 0.46                             |

| S.No.    | Type                                | Name of the Share Holder  | Shareholding at the beginning of the year |                                  | Date       | Reason   | Cumulative Shareholding during the year |                                  |
|----------|-------------------------------------|---------------------------|---|----------------------------------|------------|----------|---|----------------------------------|
|          |                                     |                           | No. of Shares                             | % of total Shares of the Company |            |          | No. of Shares                           | % of total shares of the Company |
|          |                                     |                           | 87,984                                    | 0.05                             | 11/05/2018 | Purchase | 837,984                                 | 0.52                             |
|          |                                     |                           | -86,500                                   | 0.05                             | 18/05/2018 | Sale     | 751,484                                 | 0.46                             |
|          |                                     |                           | -984                                      | 0                                | 01/06/2018 | Sale     | 750,500                                 | 0.46                             |
|          |                                     |                           | 22,471                                    | 0.01                             | 08/06/2018 | Purchase | 772,971                                 | 0.48                             |
|          |                                     |                           | -22,600                                   | 0.01                             | 15/06/2018 | Sale     | 750,371                                 | 0.46                             |
|          |                                     |                           | -77,400                                   | 0.05                             | 22/06/2018 | Sale     | 672,971                                 | 0.41                             |
|          |                                     |                           | 4,029                                     | 0                                | 29/06/2018 | Purchase | 677,000                                 | 0.42                             |
|          |                                     |                           | 10,200                                    | 0.01                             | 13/07/2018 | Purchase | 687,200                                 | 0.42                             |
|          |                                     |                           | -53,903                                   | 0.03                             | 20/07/2018 | Sale     | 633,297                                 | 0.39                             |
|          |                                     |                           | 5,800                                     | 0                                | 03/08/2018 | Purchase | 639,097                                 | 0.39                             |
|          |                                     |                           | -632,997                                  | 0.39                             | 03/08/2018 | Sale     | 6,100                                   | 0                                |
|          |                                     |                           | -5,800                                    | 0                                | 10/08/2018 | Sale     | 300                                     | 0                                |
|          |                                     |                           | 8,469                                     | 0.01                             | 31/08/2018 | Purchase | 8,769                                   | 0.01                             |
|          |                                     |                           | -5,000                                    | 0                                | 07/09/2018 | Sale     | 3,769                                   | 0                                |
|          |                                     |                           | 580,821                                   | 0.36                             | 14/09/2018 | Purchase | 584,590                                 | 0.36                             |
|          |                                     |                           | -527,596                                  | 0.32                             | 21/09/2018 | Sale     | 56,994                                  | 0.04                             |
|          |                                     |                           | -30,204                                   | 0.02                             | 28/09/2018 | Sale     | 26,790                                  | 0.02                             |
|          |                                     |                           | -26,490                                   | 0.02                             | 12/10/2018 | Sale     | 300                                     | 0                                |
|          |                                     |                           | 300                                       | 0                                | 30/11/2018 | Purchase | 600                                     | 0                                |
|          |                                     |                           | -300                                      | 0                                | 30/11/2018 | Sale     | 300                                     | 0                                |
|          |                                     |                           | 53,194                                    | 0.03                             | 14/12/2018 | Purchase | 53,494                                  | 0.03                             |
|          |                                     |                           | -8,469                                    | 0.01                             | 31/12/2018 | Sale     | 45,025                                  | 0.03                             |
|          |                                     |                           | -45,025                                   | 0.03                             | 04/01/2019 | Sale     | -                                       | 0                                |
|          | <b>Closing Balance - 30/03/2019</b> |                           |   |                                  |            |          | -                                       | <b>0</b>                         |
| <b>9</b> | <b>Opening Balance - 31/03/2018</b> | <b>ICICI BANK LIMITED</b> | <b>730,232</b>                            | <b>0.45</b>                      |            |          | <b>730,232</b>                          | <b>0.45</b>                      |
|          |                                     |                           | -313,965                                  | 0.19                             | 06/04/2018 | Sale     | 416,267                                 | 0.26                             |
|          |                                     |                           | -300                                      | 0                                | 13/04/2018 | Sale     | 415,967                                 | 0.26                             |
|          |                                     |                           | -56,144                                   | 0.03                             | 20/04/2018 | Sale     | 359,823                                 | 0.22                             |
|          |                                     |                           | 84,844                                    | 0.05                             | 27/04/2018 | Purchase | 444,667                                 | 0.27                             |
|          |                                     |                           | -83,830                                   | 0.05                             | 04/05/2018 | Sale     | 360,837                                 | 0.22                             |
|          |                                     |                           | 2,549                                     | 0                                | 11/05/2018 | Purchase | 363,386                                 | 0.22                             |
|          |                                     |                           | 126,665                                   | 0.08                             | 18/05/2018 | Purchase | 490,051                                 | 0.3                              |
|          |                                     |                           | -15,115                                   | 0.01                             | 25/05/2018 | Sale     | 474,936                                 | 0.29                             |
|          |                                     |                           | -279,868                                  | 0.17                             | 01/06/2018 | Sale     | 195,068                                 | 0.12                             |
|          |                                     |                           | 325                                       | 0                                | 08/06/2018 | Purchase | 195,393                                 | 0.12                             |
|          |                                     |                           | -11,041                                   | 0.01                             | 15/06/2018 | Sale     | 184,352                                 | 0.11                             |
|          |                                     |                           | 293,251                                   | 0.18                             | 22/06/2018 | Purchase | 477,603                                 | 0.29                             |
|          |                                     |                           | -53,769                                   | 0.03                             | 29/06/2018 | Sale     | 423,834                                 | 0.26                             |
|          |                                     |                           | 157,720                                   | 0.1                              | 06/07/2018 | Purchase | 581,554                                 | 0.36                             |
|          |                                     |                           | 5,812                                     | 0                                | 13/07/2018 | Purchase | 587,366                                 | 0.36                             |
|          |                                     |                           | 46,682                                    | 0.03                             | 20/07/2018 | Purchase | 634,048                                 | 0.39                             |
|          |                                     |                           | -4,781                                    | 0                                | 27/07/2018 | Sale     | 629,267                                 | 0.39                             |
|          |                                     |                           | -1,486                                    | 0                                | 03/08/2018 | Sale     | 627,781                                 | 0.39                             |
|          |                                     |                           | -7,445                                    | 0                                | 10/08/2018 | Sale     | 620,336                                 | 0.38                             |
|          |                                     |                           | 201                                       | 0                                | 17/08/2018 | Purchase | 620,537                                 | 0.38                             |
|          |                                     |                           | -15,064                                   | 0.01                             | 24/08/2018 | Sale     | 605,473                                 | 0.37                             |
|          |                                     |                           | -234,603                                  | 0.14                             | 31/08/2018 | Sale     | 370,870                                 | 0.23                             |
|          |                                     |                           | 384,403                                   | 0.24                             | 07/09/2018 | Purchase | 755,273                                 | 0.46                             |
|          |                                     |                           | 29,082                                    | 0.02                             | 14/09/2018 | Purchase | 784,355                                 | 0.48                             |
|          |                                     |                           | 16,612                                    | 0.01                             | 21/09/2018 | Purchase | 800,967                                 | 0.49                             |
|          |                                     |                           | -606,812                                  | 0.37                             | 28/09/2018 | Sale     | 194,155                                 | 0.12                             |
|          |                                     |                           | 484,603                                   | 0.3                              | 05/10/2018 | Purchase | 678,758                                 | 0.42                             |
|          |                                     |                           | 5,084                                     | 0                                | 12/10/2018 | Purchase | 683,842                                 | 0.42                             |
|          |                                     |                           | -8,369                                    | 0.01                             | 19/10/2018 | Sale     | 675,473                                 | 0.42                             |
|          |                                     |                           | -13,702                                   | 0.01                             | 26/10/2018 | Sale     | 661,771                                 | 0.41                             |
|          |                                     |                           | 4,816                                     | 0                                | 02/11/2018 | Purchase | 666,587                                 | 0.41                             |
|          |                                     |                           | -4,244                                    | 0                                | 09/11/2018 | Sale     | 662,343                                 | 0.41                             |

| S.No.     | Type                                | Name of the Share Holder            | Shareholding at the beginning of the year |                                  | Date       | Reason   | Cumulative Shareholding during the year |                                  |
|-----------|-------------------------------------|-------------------------------------|---|----------------------------------|------------|----------|---|----------------------------------|
|           |                                     |                                     | No. of Shares                             | % of total Shares of the Company |            |          | No. of Shares                           | % of total shares of the Company |
|           |                                     |                                     | -1,564                                    | 0                                | 16/11/2018 | Sale     | 660,779                                 | 0.41                             |
|           |                                     |                                     | 328                                       | 0                                | 23/11/2018 | Purchase | 661,107                                 | 0.41                             |
|           |                                     |                                     | -463,533                                  | 0.28                             | 30/11/2018 | Sale     | 197,574                                 | 0.12                             |
|           |                                     |                                     | 452,599                                   | 0.28                             | 07/12/2018 | Purchase | 650,173                                 | 0.4                              |
|           |                                     |                                     | -3,808                                    | 0                                | 14/12/2018 | Sale     | 646,365                                 | 0.4                              |
|           |                                     |                                     | -3,826                                    | 0                                | 21/12/2018 | Sale     | 642,539                                 | 0.39                             |
|           |                                     |                                     | -1,347                                    | 0                                | 28/12/2018 | Sale     | 641,192                                 | 0.39                             |
|           |                                     |                                     | -391,126                                  | 0.24                             | 31/12/2018 | Sale     | 250,066                                 | 0.15                             |
|           |                                     |                                     | 392,161                                   | 0.24                             | 04/01/2019 | Purchase | 642,227                                 | 0.39                             |
|           |                                     |                                     | 12,232                                    | 0.01                             | 11/01/2019 | Purchase | 654,459                                 | 0.4                              |
|           |                                     |                                     | 11,900                                    | 0.01                             | 18/01/2019 | Purchase | 666,359                                 | 0.41                             |
|           |                                     |                                     | 17,362                                    | 0.01                             | 25/01/2019 | Purchase | 683,721                                 | 0.42                             |
|           |                                     |                                     | -170,331                                  | 0.1                              | 01/02/2019 | Sale     | 513,390                                 | 0.32                             |
|           |                                     |                                     | 240,212                                   | 0.15                             | 08/02/2019 | Purchase | 753,602                                 | 0.46                             |
|           |                                     |                                     | -119,675                                  | 0.07                             | 15/02/2019 | Sale     | 633,927                                 | 0.39                             |
|           |                                     |                                     | 9,320                                     | 0.01                             | 22/02/2019 | Purchase | 643,247                                 | 0.4                              |
|           |                                     |                                     | -399,446                                  | 0.25                             | 01/03/2019 | Sale     | 243,801                                 | 0.15                             |
|           |                                     |                                     | 395,397                                   | 0.24                             | 08/03/2019 | Purchase | 639,198                                 | 0.39                             |
|           |                                     |                                     | -1,304                                    | 0                                | 15/03/2019 | Sale     | 637,894                                 | 0.39                             |
|           |                                     |                                     | 3,001                                     | 0                                | 22/03/2019 | Purchase | 640,895                                 | 0.39                             |
|           |                                     |                                     | -462,262                                  | 0.28                             | 29/03/2019 | Sale     | 178,633                                 | 0.11                             |
|           | <b>Closing Balance - 30/03/2019</b> |                                     |   |                                  |            |          | <b>178,633</b>                          | <b>0.11</b>                      |
| <b>10</b> | <b>Opening Balance - 31/03/2018</b> | <b>GLOBE CAPITAL MARKET LIMITED</b> | <b>722,084</b>                            | <b>0.44</b>                      |            |          | <b>722,084</b>                          | <b>0.44</b>                      |
|           |                                     |                                     | 47,475                                    | 0.03                             | 06/04/2018 | Purchase | 769,559                                 | 0.47                             |
|           |                                     |                                     | -47,799                                   | 0.03                             | 06/04/2018 | Sale     | 721,760                                 | 0.44                             |
|           |                                     |                                     | 74,434                                    | 0.05                             | 13/04/2018 | Purchase | 796,194                                 | 0.49                             |
|           |                                     |                                     | -234,581                                  | 0.14                             | 13/04/2018 | Sale     | 561,613                                 | 0.35                             |
|           |                                     |                                     | 54,900                                    | 0.03                             | 20/04/2018 | Purchase | 616,513                                 | 0.38                             |
|           |                                     |                                     | -24,769                                   | 0.02                             | 20/04/2018 | Sale     | 591,744                                 | 0.36                             |
|           |                                     |                                     | 15,761                                    | 0.01                             | 27/04/2018 | Purchase | 607,505                                 | 0.37                             |
|           |                                     |                                     | -24,269                                   | 0.01                             | 27/04/2018 | Sale     | 583,236                                 | 0.36                             |
|           |                                     |                                     | 31,947                                    | 0.02                             | 04/05/2018 | Purchase | 615,183                                 | 0.38                             |
|           |                                     |                                     | -33,433                                   | 0.02                             | 04/05/2018 | Sale     | 581,750                                 | 0.36                             |
|           |                                     |                                     | 3,025                                     | 0                                | 11/05/2018 | Purchase | 584,775                                 | 0.36                             |
|           |                                     |                                     | -9,185                                    | 0.01                             | 11/05/2018 | Sale     | 575,590                                 | 0.35                             |
|           |                                     |                                     | 33,916                                    | 0.02                             | 18/05/2018 | Purchase | 609,506                                 | 0.37                             |
|           |                                     |                                     | 167,263                                   | 0.1                              | 25/05/2018 | Purchase | 776,769                                 | 0.48                             |
|           |                                     |                                     | -160,908                                  | 0.1                              | 25/05/2018 | Sale     | 615,861                                 | 0.38                             |
|           |                                     |                                     | 3,984                                     | 0                                | 01/06/2018 | Purchase | 619,845                                 | 0.38                             |
|           |                                     |                                     | -1,500                                    | 0                                | 01/06/2018 | Sale     | 618,345                                 | 0.38                             |
|           |                                     |                                     | 174,068                                   | 0.11                             | 08/06/2018 | Purchase | 792,413                                 | 0.49                             |
|           |                                     |                                     | -171,945                                  | 0.11                             | 08/06/2018 | Sale     | 620,468                                 | 0.38                             |
|           |                                     |                                     | 9,885                                     | 0.01                             | 15/06/2018 | Purchase | 630,353                                 | 0.39                             |
|           |                                     |                                     | 6,400                                     | 0                                | 22/06/2018 | Purchase | 636,753                                 | 0.39                             |
|           |                                     |                                     | -10,100                                   | 0.01                             | 22/06/2018 | Sale     | 626,653                                 | 0.39                             |
|           |                                     |                                     | 34,459                                    | 0.02                             | 29/06/2018 | Purchase | 661,112                                 | 0.41                             |
|           |                                     |                                     | -3,305                                    | 0                                | 30/06/2018 | Sale     | 657,807                                 | 0.4                              |
|           |                                     |                                     | 52,011                                    | 0.03                             | 06/07/2018 | Purchase | 709,818                                 | 0.44                             |
|           |                                     |                                     | -12,243                                   | 0.01                             | 06/07/2018 | Sale     | 697,575                                 | 0.43                             |
|           |                                     |                                     | 47,615                                    | 0.03                             | 13/07/2018 | Purchase | 745,190                                 | 0.46                             |
|           |                                     |                                     | -9,089                                    | 0.01                             | 13/07/2018 | Sale     | 736,101                                 | 0.45                             |
|           |                                     |                                     | 810                                       | 0                                | 20/07/2018 | Purchase | 736,911                                 | 0.45                             |
|           |                                     |                                     | -17,717                                   | 0.01                             | 20/07/2018 | Sale     | 719,194                                 | 0.44                             |
|           |                                     |                                     | 7,791                                     | 0                                | 27/07/2018 | Purchase | 726,985                                 | 0.45                             |
|           |                                     |                                     | -250                                      | 0                                | 27/07/2018 | Sale     | 726,735                                 | 0.45                             |
|           |                                     |                                     | 8,836                                     | 0.01                             | 03/08/2018 | Purchase | 735,571                                 | 0.45                             |
|           |                                     |                                     | -49,885                                   | 0.03                             | 03/08/2018 | Sale     | 685,686                                 | 0.42                             |



| S.No. | Type | Name of the Share Holder | Shareholding at the beginning of the year |                                  | Date       | Reason   | Cumulative Shareholding during the year |                                  |
|-------|------|--------------------------|---|----------------------------------|------------|----------|---|----------------------------------|
|       |      |                          | No. of Shares                             | % of total Shares of the Company |            |          | No. of Shares                           | % of total shares of the Company |
|       |      |                          | 30,206                                    | 0.02                             | 10/08/2018 | Purchase | 715,892                                 | 0.44                             |
|       |      |                          | -411                                      | 0                                | 10/08/2018 | Sale     | 715,481                                 | 0.44                             |
|       |      |                          | 16,580                                    | 0.01                             | 17/08/2018 | Purchase | 732,061                                 | 0.45                             |
|       |      |                          | -79,515                                   | 0.05                             | 17/08/2018 | Sale     | 652,546                                 | 0.4                              |
|       |      |                          | 4,504                                     | 0                                | 24/08/2018 | Purchase | 657,050                                 | 0.4                              |
|       |      |                          | -13,650                                   | 0.01                             | 24/08/2018 | Sale     | 643,400                                 | 0.4                              |
|       |      |                          | 10,100                                    | 0.01                             | 31/08/2018 | Purchase | 653,500                                 | 0.4                              |
|       |      |                          | -8,989                                    | 0.01                             | 31/08/2018 | Sale     | 644,511                                 | 0.4                              |
|       |      |                          | 5,859                                     | 0                                | 07/09/2018 | Purchase | 650,370                                 | 0.4                              |
|       |      |                          | -8,551                                    | 0.01                             | 07/09/2018 | Sale     | 641,819                                 | 0.39                             |
|       |      |                          | 10,000                                    | 0.01                             | 14/09/2018 | Purchase | 651,819                                 | 0.4                              |
|       |      |                          | -13,185                                   | 0.01                             | 14/09/2018 | Sale     | 638,634                                 | 0.39                             |
|       |      |                          | 21,121                                    | 0.01                             | 21/09/2018 | Purchase | 659,755                                 | 0.41                             |
|       |      |                          | -12,250                                   | 0.01                             | 21/09/2018 | Sale     | 647,505                                 | 0.4                              |
|       |      |                          | 15,174                                    | 0.01                             | 28/09/2018 | Purchase | 662,679                                 | 0.41                             |
|       |      |                          | -1,400                                    | 0                                | 28/09/2018 | Sale     | 661,279                                 | 0.41                             |
|       |      |                          | -100                                      | 0                                | 29/09/2018 | Sale     | 661,179                                 | 0.41                             |
|       |      |                          | -1,021                                    | 0                                | 05/10/2018 | Sale     | 660,158                                 | 0.41                             |
|       |      |                          | 9,611                                     | 0.01                             | 12/10/2018 | Purchase | 669,769                                 | 0.41                             |
|       |      |                          | -2,561                                    | 0                                | 12/10/2018 | Sale     | 667,208                                 | 0.41                             |
|       |      |                          | 41,399                                    | 0.03                             | 19/10/2018 | Purchase | 708,607                                 | 0.44                             |
|       |      |                          | -87                                       | 0                                | 19/10/2018 | Sale     | 708,520                                 | 0.44                             |
|       |      |                          | 47,255                                    | 0.03                             | 26/10/2018 | Purchase | 755,775                                 | 0.46                             |
|       |      |                          | -46,467                                   | 0.03                             | 26/10/2018 | Sale     | 709,308                                 | 0.44                             |
|       |      |                          | 6,045                                     | 0                                | 02/11/2018 | Purchase | 715,353                                 | 0.44                             |
|       |      |                          | -5,841                                    | 0                                | 02/11/2018 | Sale     | 709,512                                 | 0.44                             |
|       |      |                          | -4,961                                    | 0                                | 09/11/2018 | Sale     | 704,551                                 | 0.43                             |
|       |      |                          | 7,500                                     | 0                                | 16/11/2018 | Purchase | 712,051                                 | 0.44                             |
|       |      |                          | -3,962                                    | 0                                | 16/11/2018 | Sale     | 708,089                                 | 0.44                             |
|       |      |                          | -18,993                                   | 0.01                             | 23/11/2018 | Sale     | 689,096                                 | 0.42                             |
|       |      |                          | 20,359                                    | 0.01                             | 30/11/2018 | Purchase | 709,455                                 | 0.44                             |
|       |      |                          | -5,859                                    | 0                                | 30/11/2018 | Sale     | 703,596                                 | 0.43                             |
|       |      |                          | 33,204                                    | 0.02                             | 07/12/2018 | Purchase | 736,800                                 | 0.45                             |
|       |      |                          | 6,726                                     | 0                                | 14/12/2018 | Purchase | 743,526                                 | 0.46                             |
|       |      |                          | -507                                      | 0                                | 14/12/2018 | Sale     | 743,019                                 | 0.46                             |
|       |      |                          | 69,743                                    | 0.04                             | 21/12/2018 | Purchase | 812,762                                 | 0.5                              |
|       |      |                          | -9,558                                    | 0.01                             | 21/12/2018 | Sale     | 803,204                                 | 0.49                             |
|       |      |                          | 144,960                                   | 0.09                             | 28/12/2018 | Purchase | 948,164                                 | 0.58                             |
|       |      |                          | -158,764                                  | 0.1                              | 28/12/2018 | Sale     | 789,400                                 | 0.49                             |
|       |      |                          | 162                                       | 0                                | 31/12/2018 | Purchase | 789,562                                 | 0.49                             |
|       |      |                          | -362                                      | 0                                | 31/12/2018 | Sale     | 789,200                                 | 0.49                             |
|       |      |                          | 2,844                                     | 0                                | 04/01/2019 | Purchase | 792,044                                 | 0.49                             |
|       |      |                          | -15,247                                   | 0.01                             | 04/01/2019 | Sale     | 776,797                                 | 0.48                             |
|       |      |                          | 3,206                                     | 0                                | 11/01/2019 | Purchase | 780,003                                 | 0.48                             |
|       |      |                          | -46,538                                   | 0.03                             | 11/01/2019 | Sale     | 733,465                                 | 0.45                             |
|       |      |                          | 4,937                                     | 0                                | 18/01/2019 | Purchase | 738,402                                 | 0.45                             |
|       |      |                          | -5,030                                    | 0                                | 18/01/2019 | Sale     | 733,372                                 | 0.45                             |
|       |      |                          | 259,685                                   | 0.16                             | 25/01/2019 | Purchase | 993,057                                 | 0.61                             |
|       |      |                          | -34,989                                   | 0.02                             | 25/01/2019 | Sale     | 958,068                                 | 0.59                             |
|       |      |                          | 250                                       | 0                                | 01/02/2019 | Purchase | 958,318                                 | 0.59                             |
|       |      |                          | -9,346                                    | 0.01                             | 01/02/2019 | Sale     | 948,972                                 | 0.58                             |
|       |      |                          | 9,692                                     | 0.01                             | 08/02/2019 | Purchase | 958,664                                 | 0.59                             |
|       |      |                          | -4,500                                    | 0                                | 08/02/2019 | Sale     | 954,164                                 | 0.59                             |
|       |      |                          | 36,046                                    | 0.02                             | 15/02/2019 | Purchase | 990,210                                 | 0.61                             |
|       |      |                          | -33,677                                   | 0.02                             | 15/02/2019 | Sale     | 956,533                                 | 0.59                             |
|       |      |                          | 59,261                                    | 0.04                             | 22/02/2019 | Purchase | 1,015,794                               | 0.62                             |
|       |      |                          | -34,741                                   | 0.02                             | 22/02/2019 | Sale     | 981,053                                 | 0.6                              |
|       |      |                          | 17,435                                    | 0.01                             | 01/03/2019 | Purchase | 998,488                                 | 0.61                             |
|       |      |                          | -6,247                                    | 0                                | 01/03/2019 | Sale     | 992,241                                 | 0.61                             |

| S.No. | Type                                | Name of the Share Holder | Shareholding at the beginning of the year |                                  | Date       | Reason   | Cumulative Shareholding during the year |                                  |
|-------|-------------------------------------|--------------------------|---|----------------------------------|------------|----------|---|----------------------------------|
|       |                                     |                          | No. of Shares                             | % of total Shares of the Company |            |          | No. of Shares                           | % of total shares of the Company |
|       |                                     |                          | 18,052                                    | 0.01                             | 08/03/2019 | Purchase | 1,010,293                               | 0.62                             |
|       |                                     |                          | -41,385                                   | 0.03                             | 08/03/2019 | Sale     | 968,908                                 | 0.6                              |
|       |                                     |                          | 7,513                                     | 0                                | 15/03/2019 | Purchase | 976,421                                 | 0.6                              |
|       |                                     |                          | -36,070                                   | 0.02                             | 15/03/2019 | Sale     | 940,351                                 | 0.58                             |
|       |                                     |                          | 762                                       | 0                                | 22/03/2019 | Purchase | 941,113                                 | 0.58                             |
|       |                                     |                          | -6,282                                    | 0                                | 22/03/2019 | Sale     | 934,831                                 | 0.57                             |
|       |                                     |                          | 1,515                                     | 0                                | 29/03/2019 | Purchase | 936,346                                 | 0.58                             |
|       |                                     |                          | -73,776                                   | 0.05                             | 29/03/2019 | Sale     | 862,570                                 | 0.53                             |
|       | <b>Closing Balance - 30/03/2019</b> |                          |   |                                  |            |          | <b>862,570</b>                          | <b>0.53</b>                      |

The above information is based on the weekly beneficiary position received from Depositories.

#### ATTACHMENT- G

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

(5) Shareholding of Directors and Key Managerial Personnel:

| S.No. | Shareholding of each Directors and each Key Managerial Personnel | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|-------|--|---|----------------------------------|---|----------------------------------|
|       |  | No. of Shares                             | % of total Shares of the Company | No. of Shares                           | % of total shares of the Company |
| 1     | Dr. Kailash S. Choudhari<br>(Chairman)                           |   |                                  |   |                                  |
|       | <b>At the beginning of the year</b>                              | <b>20,205,678</b>                         | <b>12.42</b>                     | <b>20,205,678</b>                       | <b>12.42</b>                     |
|       | Increase/ Decrease   | -   | -                                | -                                       | -                                |
|       | <b>At the end of the year</b>                                    | -   | -                                | <b>20,205,678</b>                       | <b>12.42</b>                     |
| 2     | Mr. Satyendra Gupta (KMP)  |   |                                  |   |                                  |
|       | <b>At the beginning of the year</b>                              | <b>100</b>                                | <b>0.00</b>                      | <b>100</b>                              | <b>0.00</b>                      |
|       | Increase/ Decrease   | -   | -                                | -                                       | -                                |
|       | <b>At the end of the year</b>                                    | -   | -                                | <b>100</b>                              | <b>0.00</b>                      |

#### ATTACHMENT- H

#### V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(₹ In Lakhs)

|  | Secured Loans excluding deposits | Unsecured Loans   | Deposits | Total Indebtedness |
|--|----------------------------------|-------------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year(01.04.2018)</b> |                                  |                   |          |                    |
| i) Principal Amount  | 17,065.81                        | 5,935.47          | -        | <b>23,001.28</b>   |
| ii) Interest due but not paid  | -                                | -                 | -        | -                  |
| iii) Interest accrued but not due                                      | 1.23                             | 2.29              | -        | <b>3.52</b>        |
| <b>Total (i+ii+iii)</b>  | <b>17,067.04</b>                 | <b>5,937.76</b>   | -        | <b>23,004.80</b>   |
| <b>Change in Indebtedness during the financial year</b>                |                                  |                   |          |                    |
| * Addition   | 2,905.61                         | 211.32            | -        | <b>3,116.93</b>    |
| * Reduction  | (2,088.47)                       | (3,723.28)        | -        | <b>(5,811.75)</b>  |
| <b>Net Change</b>  | <b>817.14</b>                    | <b>(3,511.96)</b> | -        | <b>(2,694.82)</b>  |
| <b>Indebtedness at the end of the financial year (31.03.2019)</b>      |                                  |                   |          |                    |
| i) Principal Amount  | <b>17,817.71</b>                 | <b>2412.19</b>    | -        | <b>20,229.90</b>   |
| ii) Interest due but not paid  | <b>66.47</b>                     | <b>6.66</b>       | -        | <b>73.13</b>       |
| iii) Interest accrued but not due                                      | -                                | <b>6.95</b>       | -        | <b>6.95</b>        |
| <b>Total (i+ii+iii)</b>  | <b>17,884.18</b>                 | <b>2,425.80</b>   | -        | <b>20,309.98</b>   |

## ATTACHMENT- I

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ In Lakhs)

| S.No. | Particulars of Remuneration paid to Managing Director                               | Mr. Satyendra Gupta | Dr. Kailash S Choudhari* | Total Amount  |
|-------|---|---------------------|--------------------------|---------------|
| 1     | Gross Salary  | 115.61              | -                        | 115.61        |
|       | (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  | 26.27               | -                        | 26.27         |
|       | - others, (On Dividend)   | -                   | -                        | -             |
| 5     | Others, please specify  | -                   | 2.70                     | 2.70          |
|       | -Fee for attending Board & Committee meetings                                       |                     |                          |               |
|       | <b>Total (A)</b>  | <b>141.88</b>       | <b>2.70</b>              | <b>144.58</b> |
|       | Ceiling as per the Act  |                     |                          | <b>236.00</b> |

\*Dr. Kailash S. Choudhari was appointed as Chairman w.e.f. 01.06.2018 on NIL remuneration. However he received the remuneration of Rs. 547.22 Lakhs from AOL FZE and AOL Technologies FZE (Wholly Owned Subsidiaries) during the financial year 2018-19.

## ATTACHMENT- J

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## B. Remuneration to other Directors

(₹ In Lakhs)

| S.No. | Particulars of Remuneration                                     | Name of Directors |               |                  |               | Total Amount |
|-------|---|-------------------|---------------|------------------|---------------|--------------|
|       |   | Amrit Nath        | Gauri Shankar | Devika Ravindran | B.R. Rakhecha |              |
| 1     | <b>Independent Directors</b>                                    |                   |               |                  |               |              |
|       | Fee for attending Board & Committee meetings                    | 3.70              | 3.90          | 3.20             | -             | 10.80        |
|       | Commission  | -                 | -             | -                | -             | -            |
|       | Others, please specify  | -                 | -             | -                | -             | -            |
|       | <b>Total (1)</b>  | <b>3.70</b>       | <b>3.90</b>   | <b>3.20</b>      | -             | <b>10.80</b> |
| 2     | <b>Other Non-Executive Directors</b>                            |                   |               |                  |               |              |
|       | Fee for attending Board & Committee meetings                    | -                 | -             | -                | 2.80          | 2.80         |
|       | Commission  | -                 | -             | -                | -             | -            |
|       | Others (please specify)   | -                 | -             | -                | -             | -            |
|       | <b>Professional Consultancy Charges (Including perquisites)</b> | -                 | -             | -                | 72.00*        | 72.00        |
|       | Total (2)   | -                 | -             | -                | -             | -            |
|       | <b>Total (B)=(1+2)</b>  | <b>3.70</b>       | <b>3.90</b>   | <b>3.20</b>      | <b>74.80</b>  | <b>85.60</b> |
|       | Overall Ceiling as per the Act                                  |                   |               |                  |               | <b>47.20</b> |

\* Excluded from the overall ceiling of remuneration to Non-Executive Directors.

## ATTACHMENT- K

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

## C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTM

(₹ In Lakhs)

| S.No. | Particulars of Remuneration   | Key Managerial Personnel                            |                      |               |
|-------|---|---|----------------------|---------------|
|       |   | (CFO)<br>Pawan Kumar Gambhir<br>(from May 28, 2016) | (CS)<br>Gaurav Mehta | Total Amount  |
| 1     | <b>Gross salary</b>   |   |                      |               |
|       | (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 | 62.60   | 51.81                | 114.41        |
|       | (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     | <b>Commission</b>   |   |                      |               |
|       | - as % of profit  | -   | -                    | -             |
|       | others, [On Dividend]   | -   | -                    | -             |
| 5     | Others, please specify  | -   | -                    | -             |
|       | <b>Total</b>  | <b>62.60</b>  | <b>51.81</b>         | <b>114.41</b> |

## ATTACHMENT- L

## VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties/punishment/compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

# CORPORATE GOVERNANCE REPORT

## CONTINUED DEDICATION TO CORPORATE FAIRNESS, TRANSPARENCY AND ACCOUNTABILITY

Your Company believes in conducting its affairs with the highest levels of integrity, proper authorizations, accountability, disclosure and transparency. The Company strongly believes in maintaining a simple and transparent corporate structure driven solely by business needs. Shareholders' interests are on utmost priority and the management is only a trustee to carry out the activities in a truthful and fruitful manner.

The details of the Corporate Governance compliance by the Company as per the Regulation 34(3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations, 2015") entered into with Stock Exchanges are as under:

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

AKSH is committed to attain the highest levels of transparency, accountability and equity in all facets of its operations and in all its interactions with its shareholders, employees, government, lenders and the society at large. The underlying goal of the Company is to enhance its overall enterprise value and retain the trust and faith of all its valuable stakeholders, over a sustainable tenure.

Good Governance is an essential and integral part of corporate success and sustainable economic growth encouraging the efficient use of resources and equally to require accountability for the stewardship of those resources.

In addition to the adherence to its philosophy and values, the Company has also complied with the Regulations & Schedule as per Listing Regulations, 2015, which deals with the compliance of Corporate Governance requirements. A detail, in line with the same is as follows:

### 2. THE BOARD OF DIRECTORS

#### Composition

The Company's policy is to maintain an optimum balance of Executive & Non-Executive Directors as per Regulation 17(1) of the Listing Regulations, 2015. The Composition of the Board held as on March 31, 2019 are as follows:

| Name of Director        | Category of Directorship               |
|-------------------------|--|
| Dr. Kailash S Choudhari | Promoter (Chairman)                    |
| Mr. Satyendra Gupta*    | Executive Director (Managing Director) |
| Mr. B. R. Rakhecha      | Non-Executive Non Independent Director |
| Mr. Amrit Nath**        | Non-Executive - Independent Director   |
| Ms. Devika Raveendran   | Non-Executive - Independent Director   |
| Mr. Gauri Shankar       | Non-Executive - Independent Director   |

\*Elevated from Deputy Managing Director to Managing Director of the Company for a period of three (3) years w.e.f. February 12, 2019

\*\*Resigned from the directorship of the Company w.e.f. July 22, 2019 in view of the order passed by SEBI on June 28, 2019 in the matter of the GDR issue completed by the Company in the year 2010. Mr. Amrit Nath further confirmed that there is no other material reason for his resignation.

No Director holds directorship in any other listed entity except Mr. Gauri Shankar, who holds directorship in Paisalo Digital Limited and PNC Infratech Ltd as Non-Executive - Independent Director of the Company.

As per the statutory requirements of Regulation 26(1) of the Listing Regulations 2015, none of the Directors on the Board of your Company are holding directorships in more than 10 Public Companies and memberships of more than 10 Committees along with the Chairmanships of not more than 5 Committees across all the Companies in which they are Directors. All the Non- Executive Directors except Independent Directors, on the Board of your Company are liable to retire by rotation unless otherwise specifically approved by the shareholders.

As per the statutory requirements of the Listing Regulations, 2015 all the Independent Directors on the Board of your Company are experienced and renowned in their respective fields. They take active part in the Board and Committee meetings which add value in the decision making process of the Board of Directors.

#### Key Board qualifications, Expertise and attributes

The Board of the Company comprises of the members who bring the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The following key qualifications, skills and attributes which were taken in to consideration while nominating candidates to serve on the Board of the Company in the context of its business(es) and sector(s) for it to function effectively:

| S.No. | Key Qualification                 |
|-------|-----------------------------------|
| 1     | Industry Experience and Knowledge |
| 2     | Legal                             |
| 3     | Finance                           |
| 4     | Marketing                         |
| 5     | Human Resource                    |
| 6     | Operations                        |



## Board Functioning & Procedure

The Company believes that the core of its Corporate Governance practice is the Board, which oversees how the management serves and protects the long-term interests of all stakeholders of the company. An active, well-informed and Independent Board is necessary to ensure the highest standards of Corporate Governance. The Company believes that composition of Board is conducive for making decisions expediently, with the benefit of a variety of perspectives and skills, and in the best interests of the Company as a whole rather than of individual shareholders or interest groups.

In accordance with the provisions of Regulation 17(2) of the Listing Regulations 2015, the Board meets at least once in every quarter to review the quarterly results and other items of agenda as required under Listing Regulations 2015, and if necessary, additional meetings are held. The Chairman of the Board and the Company Secretary deliberate the items to be included in the agenda and the agenda is sent in advance to the Directors along with the draft of relevant documents and explanatory notes.

During the financial year ended on March 31, 2019, the Board of Directors held 4 (Four) meetings with not more than one hundred and twenty days' gap between any two meetings. The Board Meetings were held during the year on the following dates:

(i) May 30, 2018 (ii) August 9, 2018 (iii) October 23, 2018 (iv) February 12, 2019

The Board of Directors granted leave of absence to the absentee Directors, whenever requested, in the respective Board Meetings.

The shareholding of the Board of Directors, attendance in Board Meeting and at the last Annual General Meeting, Number of other Directorships, Committee memberships and Chairmanships held by them as on March 31, 2019 are given below:

| Name                             | Shares held | No. of other Directorships* | No of other Committee positions held** |        | No. of Board Meetings attended during 18-19 | Attendance at the 31st AGM held on September 22, 2018 |
|----------------------------------|-------------|-----------------------------|--|--------|---|---|
|                                  |             |                             | Chairman                               | Member |   |   |
| Dr. Kailash S. Choudhari         | 20,205,678  | Nil                         | Nil                                    | Nil    | 4   | Yes   |
| Mr. Satyendra Gupta <sup>^</sup> | 100         | Nil                         | Nil                                    | Nil    | 4   | Yes   |
| Mr. B. R. Rakhecha               | Nil         | 1                           | Nil                                    | Nil    | 3   | Yes   |
| Mr. Amrit Nath#                  | Nil         | Nil                         | Nil                                    | Nil    | 4   | Yes   |
| Ms. Devika Raveendran            | Nil         | Nil                         | Nil                                    | Nil    | 4   | Yes   |
| Mr. Gauri Shankar                | Nil         | 5                           | 1                                      | 3      | 4   | Yes   |

<sup>^</sup> Elevated from Deputy Managing Director to Managing Director of the Company for a period of three (3) years w.e.f. February 12, 2019

# Resigned from the directorship of the Company w.e.f. July 22, 2019.

\*Directorships in private companies, foreign companies & Section 8 companies are excluded.

\*\*Only Audit and Stakeholders Relationship Committee of other Companies are considered.

No Director is related to any other Director/Key Managerial Personnel of the Company as on March 31, 2019.

## Separate Independent Directors' Meetings

As per the provisions of the Companies Act 2013 & Regulation 25(3) of Listing Regulations 2015, the Independent Directors have to meet at least once in a year, without the presence of Executive Directors or Management representatives.

The Independent Directors met once, i.e. on May 29, 2018 during the Financial Year ended March 31, 2019 and the following activities were undertaken by them

- the performance review of non-Independent Directors and the Board as a whole;
- the performance review of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- reviewed the parameters for evaluation of Independent Directors; and
- assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## Directors' Induction and Familiarization

The provision of an appropriate induction programme for new Directors and ongoing training for existing Directors is a major contributor to the maintenance of high Corporate Governance standards of the Company. The Company Secretary is responsible for ensuring that such induction and training programmes are provided to Directors. The Independent Directors, from time to time request management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise.

The induction process is designed to:

- a. build an understanding of the Company, its businesses and the markets and regulatory environment in which it operates;
- b. provide an appreciation of the role and responsibilities of the Director;
- c. fully equip Directors to perform their role on the Board effectively; and
- d. develop understanding of Company's people and its key stakeholder relationships.

Upon appointment, Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments.

In addition to the induction and training provided as part of the familiarization programme, the Independent Directors are also taken through business activities of the Company in the Board meetings to discuss future strategy.

The details of Director's induction and familiarization are available on the Company's website at <http://www.akshoptifibre.com/corporate-governance.php>

## Board Evaluation

The Nomination and Remuneration Committee of the Company has approved an Evaluation Policy, adopted by the Board of Directors. The policy provides for evaluation of the Board, the Committees of the Board and individual Directors, including the Chairman of the Board.

Upon conclusion of the F.Y. 2018-19, the evaluation was completed by the Company which included the evaluation of the Board as a whole, Board Committees and Directors. The Evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgment.

The results of the evaluation were shared with the Board, Chairman of respective Committees and individual Directors. Based on the outcome of the evaluation, the Board and Committees have agreed on the action plan to improve on the identified parameters.

### Performance Evaluation of Independent Directors:

Pursuant to Regulation 17 of Listing Regulations, 2015 and Schedule IV of Companies Act, 2013, the Board had carried out the evaluation of Independent Directors as per the criteria laid by the Nomination and Remuneration Committee and adopted by the Board.

Further, evaluation process was based on the affirmation received from the Independent Directors that they meet the independence criteria as required under Listing Regulations.

## Certification of Company Secretary in Practice

M/s Pooja Anand & Associates, Company Secretary in Practice, has issued a certificate as required under Listing Regulations, confirming that none of the Directors on the Board of the company has been debarred or disqualified from being appointed or continuing as a director of the Company by SEBI/ Ministry of Corporate Affairs or any such authority. The certificate is enclosed as **Annexure – A**.

### Code of Conduct

The Board of Directors has adopted the Code of Conduct and Ethics for Directors and Senior Management personnel. The Code has also been posted on the Company's website [www.akshoptifibre.com](http://www.akshoptifibre.com)

The Code has been circulated to all the members of the Board and senior management personnel and the compliance with the Code of Conduct and Ethics is affirmed by them annually.

A declaration signed by the Chairman of the Company is given below:

This is to certify that, to the best of my knowledge and belief, for the financial year ended on March 31, 2019, all Board members and Senior Management Personnel have affirmed compliance with the code of Conduct for Directors and Senior Management respectively.

Date: August 8, 2019

Satyendra Gupta  
Managing Director  
DIN No. 00035141

## 3. COMMITTEES OF DIRECTORS & POLICIES

### Meetings of Board Committees held during the year and Director's Attendance as on March 31, 2019:

| Board Committees             | Audit Committee | Stakeholders Relationship Committee | CSR Committee | Nomination & Remuneration Committee | Finance Committee |
|------------------------------|-----------------|-------------------------------------|---------------|-------------------------------------|-------------------|
| <b>Meetings held</b>         | <b>4</b>        | <b>1</b>                            | <b>2</b>      | <b>4</b>                            | <b>9</b>          |
| <b>Director's Attendance</b> |                 |                                     |               |                                     |                   |
| Dr. Kailash S. Choudhari     | NA              | NA                                  | NA            | 4                                   | NA                |
| Satyendra Gupta              | NA              | 1                                   | 2             | NA                                  | 9                 |
| B. R. Rakhecha               | NA              | 1                                   | 2             | 4                                   | 9                 |
| Amrit Nath*                  | 4               | 1                                   | NA            | 4                                   | NA                |
| Devika Raveendran            | 4               | NA                                  | 2             | NA                                  | NA                |
| Gauri Shankar                | 4               | NA                                  | 2             | 4                                   | NA                |

\*Resigned from the Directorship of the Company w.e.f. July 22, 2019

NA- Not a member of the Committee

### A. AUDIT COMMITTEE

The terms of reference, role and scope are in line with those prescribed by Regulation 18 of Listing Regulations 2015. The Company also complies with the provisions of Section 177 of the Companies Act, 2013 pertaining to Audit Committee and its functioning. The terms of reference of the Audit Committee and the powers vested in this committee as mentioned in the Corporate Governance Report for 2018-19 are wide in scope and allow it the necessary latitude to discharge its duties efficiently and independently.

The Audit Committee is responsible for the effective supervision of the financial reporting process, reviewing with the management the financial statements and ensuring their compliance with accounting standards, Listing Regulations and other legal requirements, reviewing with the external auditors the internal control system, assessing their adequacy and ensuring compliance with internal controls; reviewing finding of internal audit and ensuring follow up action on significant findings and reviewing quarterly, half yearly and annual accounts.

### ROLE OF AUDIT COMMITTEE

The broad terms of reference of Audit Committee, as revised by the Listing Regulation 2015 include inter-alia the following:-

- (1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

- (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
- (b) changes, if any, in accounting policies and practices and reasons for the same;
- (c) major accounting entries involving estimates based on the exercise of judgment by management;
- (d) significant adjustments made in the financial statements arising out of audit findings;
- (e) compliance with listing and other legal requirements relating to financial statements;
- (f) disclosure of any related party transactions;
- (g) modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) scrutiny of inter-corporate loans and investments;
- (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- (21) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision

#### MEETING OF AUDIT COMMITTEE

During the period under review, 4 meetings of the Audit Committee were held on the following dates:

- (i) May 30, 2018 (ii) August 8, 2018 (iii) October 18, 2018 (iv) February 12, 2019

The composition of Audit Committee as on March 31, 2019 was as under:

| S.No. | Name                  | Category             | Position |
|-------|-----------------------|----------------------|----------|
| 1     | Mr. Amrit Nath*       | Independent Director | Member   |
| 2     | Ms. Devika Raveendran | Independent Director | Member   |
| 3     | Mr. Gauri Shankar     | Independent Director | Member   |

\*Resigned from the directorship of the Company w.e.f. July 22, 2019

The attendance of the meeting of Audit Committee is given in consolidated manner mentioned above under the head, Committees of Directors.

All the members of the Audit Committee are Independent and Non-Executive Directors. All the members have sound knowledge of accounts, audit, finance, internal controls, law etc.

The Audit Committee invites such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at its meetings. The Chief Financial Officer attends the meetings. The Statutory Auditors are also invited to the meetings. There being no permanent Chairman of the Committee, the members elect one amongst themselves as Chairman of the meeting to preside over the same.

#### B. NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of the Nomination and Remuneration Committee includes the matters as specified under Section 178 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder and Regulation 19 of Listing Regulations 2015. The Composition of the Committee as on March 31, 2019 is as below:

| S.No. | Name of Director         | Category               | Position |
|-------|--------------------------|------------------------|----------|
| 1     | Mr. Amrit Nath*          | Independent Director   | Chairman |
| 2     | Dr. Kailash S. Choudhari | Chairman               | Member   |
| 3     | Mr. B. R. Rakhecha       | Non-Executive Director | Member   |
| 4     | Mr. Gauri Shankar        | Independent Director   | Member   |

\*Resigned from the directorship of the Company w.e.f. July 22, 2019

During the period under review, four meeting of the Nomination and Remuneration Committee was held on April 6, 2018, May 29, 2018, August 8, 2018 and February 12, 2019. The Company has a Nomination & Remuneration Policy in place. The same is available on the website of the company <http://www.akshoptifibre.com/corporate-governance.php>

The attendance of the meeting of Nomination and Remuneration Committee is given in consolidated manner mentioned above under the head Committees of Directors

#### Details of Director's Remuneration

During the Financial Year, the Company has paid the following remuneration/Sitting Fees to the Executive Director and Non-Executive Directors:

#### Executive Director

| Managing Director | Salary (in Rs.) | Commission (in Rs.) | Value of Perquisites as per Income Tax Act 1961 | Other retirement benefits- other perquisites |
|-------------------|-----------------|---------------------|---|--|
| Satyendra Gupta   | 11,561,081      | 2,626,626           | -   | *  |

\*As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts are not included above.

- Mr. Satyendra Gupta, Deputy Managing Director of the Company was appointed as Managing Director for a period of 3 years w.e.f. February 12, 2019 till February 11, 2022 subject to the approval of shareholders in the ensuing Annual General Meeting.
- No sitting fee is payable to Managing Director.
- The Commission paid by the Company to Managing Director is decided by the Board of Directors considering the recommendations of the Nomination and Remuneration Committee.
- The Company had not granted any stock options to the Managing Director.

## Non-Executive Director

During the period under review, the Non-Executive Directors of the Company were paid sitting fees only per meeting for attending meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility (CSR) Committee Meetings.

The shareholders of the Company, at the Annual General Meeting held on September 22, 2018, had approved payment of Professional Fees of Rs. 6,00,000/- per month plus GST and subject to TDS, to Mr. B R Rakhecha, Non-Executive Director for a period of 1 year with effect from October 1, 2018 till September 30, 2019.

The details of sitting fee paid to the Directors is as follows:

| S.No. | Name of Director        | Sitting Fees paid (Rs.) |
|-------|-------------------------|-------------------------|
| 1     | Dr. Kailash S Choudhari | 2,70,000                |
| 2     | Mr. B R Rakhecha        | 2,80,000                |
| 3     | Mr. Amrit Nath          | 3,70,000                |
| 4     | Ms. Devika Raveendran   | 3,20,000                |
| 5     | Mr. Gauri Shankar       | 3,90,000                |

## C. STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with the requirement of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations 2015, the Company has in place a 'Stakeholders Relationship Committee' to look into complaints and grievances of the stakeholders of the Company.

The composition of the Committee as on March 31, 2019 is as below:

| S.No. | Name of Director      | Category               | Position |
|-------|-----------------------|------------------------|----------|
| 1     | Mr. B. R. Rakhecha    | Non-Executive Director | Chairman |
| 2     | Mr. Amrit Nath*       | Independent Director   | Member   |
| 3     | Mr. Satyendra Gupta** | Managing Director      | Member   |

\* Resigned from the directorship of the Company w.e.f. July 22, 2019

\*\* Elevated from Deputy Managing Director to Managing Director of the Company for a period of three (3) years w.e.f. February 12, 2019

The Stakeholder's Relationship Committee's composition and the terms of reference meet with the requirements of Regulation 20 of the Listing Regulations 2015 and provisions of the Companies Act, 2013.

Mr. Gaurav Mehta, Chief Corporate Affairs & Company Secretary of the Company, has been designated as the Compliance Officer for resolution of Shareholders/Investors Complaints.

The Company has duly appointed share transfer agents (R & T Agents) for servicing the shareholder's holding shares in physical and dematerialized form. All requests for dematerialization of shares are processed and confirmations thereof are communicated to the investors within the prescribed time.

**Investors' Services** – complaints received till March 31, 2019

| Particulars   | Received | Attended to | Pending |
|---|----------|-------------|---------|
| Revalidation/Correction/<br>Non-Receipt of Dividend Warrant | Nil      | NA          | NA      |
| Annual Reports  | Nil      | NA          | NA      |
| Other   | 2        | 2           | Nil     |

## D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

With the belief in the philosophy of responsible corporate citizenship and sustainable growth, Aksh considers social institution building as one of its main purposes. The terms of reference of the Corporate Social Responsibility Committee includes the matters as specified under section 135 of the Companies Act, 2013. The Composition of the Committee is as below:

| S.No. | Name of Director      | Category               | Position |
|-------|-----------------------|------------------------|----------|
| 1     | Mr. B. R. Rakhecha    | Non-Executive Director | Chairman |
| 2     | Ms. Devika Raveendran | Independent Director   | Member   |
| 3     | Mr. Satyendra Gupta*  | Managing Director      | Member   |
| 4     | Mr. Gauri Shankar     | Independent Director   | Member   |

\* Elevated from Deputy Managing Director to Managing Director of the Company for a period of three (3) years w.e.f. February 12, 2019

The Company Secretary acts as the Secretary of all the Committees.

## POLICIES

### i. Nomination and Remuneration Policy

In order to attract the right kind of talent and to guide the Board in relation to appointment, evaluation of performance and recommendation of the remuneration of the Directors, Key Managerial Personnel & Senior Management, the Company has devised a Nomination and Remuneration Policy, to aid & help the Nomination and Remuneration Committee. The policy on Nomination and Remuneration Policy is available on the website of the company [www.akshoptifibre.com/corporate-governance.php](http://www.akshoptifibre.com/corporate-governance.php).

### ii. Policy on dealing with Related Party Transactions

The Company in compliance with the provisions of Companies Act, 2013, read with relevant rules and Listing Regulations, has adopted a Policy on dealing with Related Party Transactions, for approval of all the related party transactions entered into by the Company. The policy on dealing with Related Party Transaction is available on the website of the company [www.akshoptifibre.com/corporate-governance.php](http://www.akshoptifibre.com/corporate-governance.php).

### iii. Policy on Material Subsidiary

The Company has adopted a Material Subsidiary policy in line with the requirements of Listing Regulations. The objective of this policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The policy on material subsidiary is available on the website of the company [www.akshoptifibre.com/corporate-governance.php](http://www.akshoptifibre.com/corporate-governance.php).

### iv. Insider Trading Code

In compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, Promoters, Designated Employees and other employees who could have access to the unpublished price sensitive information of the company are governed by this code. The Company has appointed Mr. Gaurav Mehta as Compliance Officer who is responsible for setting forth procedures and implementation of the code of conduct for trading in company's securities and during the under review there has been due compliance with the said code.

A copy of the said code is available to all employees of the Company and compliance of the same is ensured. The Code is available on the website of the company at <http://www.akshoptifibre.com/code-of-conduct.php>

### v. Vigil Mechanism and Whistle Blower Policy

The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to immediate supervisor or such other person as may be notified by the management to the workgroups. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. No personnel was denied access to the Audit Committee. The whistle blower policy is available on the website of the company [www.akshoptifibre.com/corporate-governance.php](http://www.akshoptifibre.com/corporate-governance.php).

### vi. Corporate Social Responsibility Policy

With the belief in the philosophy of responsible corporate citizenship and sustainable growth, the Company considers social institution building as one of its main purposes. To attain this, the Company has formulated and adopted a Corporate Social Responsibility Policy. The Corporate Social Responsibility Policy is available on the website of the company [www.akshoptifibre.com/corporate-governance.php](http://www.akshoptifibre.com/corporate-governance.php).

### vii. Risk Management Policy

The Company has a risk management policy in place to take care of various risks to which the company is exposed to and to ensure Implementation of Risk Management Systems and Framework; Reviewing the Company's financial and risk management policies; Assessing risk and minimizing the procedures; Framing, implementing and monitoring the risk management plan for the Company. The risk management policy is available on the website of the company [www.akshoptifibre.com/corporate-governance.php](http://www.akshoptifibre.com/corporate-governance.php).



**Viii. Policy on Preservation and Retrieval of Documents and Records**

The Company in compliance with the provisions of Regulation 9 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, has adopted a Preservation and Retrieval of Documents and Records Policy, for all the relevant documents and records maintained by the Company. The Preservation and Retrieval of Documents and Records Policy is available on the website of the company [www.akshoptifibre.com/corporate-governance.php](http://www.akshoptifibre.com/corporate-governance.php).

**4. GENERAL BODY MEETINGS**

The location and time of the last three Annual General Meetings held by the Company are as under: -

| Year    | Date of AGM | Venue  | Time     | Special Resolutions passed |
|---------|-------------|--|----------|----------------------------|
| 2017-18 | 22.09.2018  | F-1080, RIICO Industrial Area, Phase-III, Bhiwadi - 19 (Rajasthan) | 11.30 AM | Four                       |
| 2016-17 | 26.12.2017  | F-1080, RIICO Industrial Area, Phase-III, Bhiwadi - 19 (Rajasthan) | 11.30 AM | Two                        |
| 2015-16 | 24.09.2016  | F-1080, RIICO Industrial Area, Phase-III, Bhiwadi - 19 (Rajasthan) | 11.30 AM | One                        |

**Postal Ballot**

No resolution was passed through postal ballot mechanism during the financial year.

**5. DISCLOSURES**

- a) During the financial year under review there was no instance of non-compliance by the Company of any formalities of Stock Exchange, SEBI or any Statutory Authority, nor any penalty imposed on the Company from the Stock Exchange, SEBI or any Statutory Authority.

However, after the closure of the financial year Company has received an Order No. WTM/AB/EFD-1/DRA-1/11/2019-20 dated June 28, 2019 passed by Whole Time Member of Securities and Exchange Board of India, Pursuant to the said SEBI Order:

- The Company and Dr. Kailash S. Choudhari are restrained from accessing the securities market and further prohibited from buying, selling or otherwise dealing in securities including units of mutual funds, directly or indirectly, or being associated with the securities market in any manner, for a period of five years from the date of the order.
- The other Noticees i.e. Mr. P.F. Sundesha, Mr. B.R. Rakhecha, Mr. Narendra Kumbhat and Mr. Arun Sood are prohibited from buying, selling or otherwise dealing in securities including units of mutual funds, directly or indirectly, or being associated with the securities market in any manner, whatsoever, for a period of six months from the date of the order.

The Company and Directors have filed an appeal in Hon'ble Securities Appellate Tribunal, Mumbai for challenging the above said order.

- b) All Mandatory requirements as per Listing Regulations, 2015 have been complied with by the Company.
- c) The Company has in place a risk management mechanism to inform the Board members about the risk assessment & minimization procedures, the Board reviews the same from time to time.
- d) Other than transactions entered into in the normal course of business, the Company has not entered into any materially significant related party transactions during the period, which could have a potential conflict interest with the Company at large.
- e) In terms of Regulation 17(8) of the Listing Regulations 2015, the Chief Financial Officer made a certification to the Board of Directors in the prescribed format for the year under review which has been reviewed by the Audit Committee and taken on record by the Board.
- f) The Company has taken cognizance of discretionary requirements under Regulation 27(1) of the Listing Regulations, 2015 and accordingly there is separate post of Chairman and Managing Director. Further Internal Auditor report directly to Audit Committee and financial statements of the Company are with Unmodified audit opinion.
- g) As regards the other Non-Mandatory requirements, the Board has taken cognizance of the same and shall adopt the same as and when necessary.

**ix. Policy on Determination of Materiality of Events & Information (Archival Policy)**

The Company has adopted a Determination of Materiality of Events & Information policy (Archival Policy) in line with the requirements of Regulation 30 of Listing Regulations, 2015. The objective of this policy is to lay down criteria for identification and determination of Material Events/Information required to be disclosed to the Stock Exchanges. The policy on Determination of Materiality of Events & Information is available on the website of the company [www.akshoptifibre.com/corporate-governance.php](http://www.akshoptifibre.com/corporate-governance.php).

**6. MEANS OF COMMUNICATION**

The information like Quarterly/Half Yearly/Annual Financial Results, Notices of Board Meetings are promptly submitted to the Stock Exchanges to enable them to put them on their websites and for the information of the members and investors. The financial results of the company, in the prescribed format, as per Regulation 33 of the Listing Regulations 2015 are also posted on the Company's website [www.akshoptifibre.com](http://www.akshoptifibre.com).

The Company has also published its quarterly and annually financial results in "The Financial Express" (all editions) and "Dainik Lokmat" (Hindi - Jaipur Edition) as per details given below: -

| Particulars                           | Date of Board Meeting | Date of Publication |
|---------------------------------------|-----------------------|---------------------|
| Quarter ended June 30, 2018           | August 9, 2018        | August 10, 2018     |
| Quarter ended September 30, 2018      | October 23, 2018      | October 24, 2018    |
| Quarter ended December 31, 2018       | February 12, 2019     | February 14, 2019   |
| Quarter and year ended March 31, 2019 | May 25, 2019          | May 26, 2019        |

Further in line with the circular no. NSE/LIST/C/2011 dated 29th September, 2011 of The National Stock ("NSE"), the Company is uploading its quarterly Corporate Governance Report, quarterly Shareholding Patterns etc. through NSE Electronic Application System ("NEAPS"), a web based initiative taken by National Stock Exchanges for Listed Entities, and on Listing. bseindia, the web based portal of Bombay Stock Exchange, Mumbai, in order to achieve the paperless documentation and to mitigate the time and cost factors involved in physical filings to the exchange.

**7. SUBSIDIARY COMPANIES**

As on March 31, 2019, Company has One Indian Wholly Owned Subsidiary namely Aksh Composites Private Limited and three Overseas Wholly Owned Subsidiaries namely AOL-FZE, incorporated in SAIF Zone, Sharjah (U.A.E) (Material Subsidiary), AOL Technologies FZE, incorporated in Jafza, UAE and Aksh Technologies (Mauritius) Limited, incorporated in Mauritius.

The Company also has one Step Down Subsidiary namely AOL Composites (Jiangsu) Co. Ltd, incorporated in China (Subsidiary of AOL-FZE, UAE).

As per the provisions of the Listing Regulations, the financial Statements of the Subsidiary Companies are reviewed by the Audit Committee of the Company. The Resolution/ Minutes of all the unlisted subsidiary companies are placed in the Board Meetings of the Company. The other requirements of the Listing Regulations with regard to subsidiary companies have been complied with.

**8. DIRECTOR AND KMP'S INFORMATION**

In terms of Regulation 36(3) of the Listing Regulations 2015, the particulars of Director(s) seeking re-appointments and appointment at the forthcoming Annual General Meeting are given hereunder:-

## Profile of Director seeking re-appointment/appointment:

### Mr. Satyendra Gupta

Mr. Satyendra Gupta aged about 58 years, is a Fellow Member of the Institute of Chartered Accountants of India (ICAI) with an overall experience of 3 decades at various positions. He joined Aksh as Process Leader w.e.f. May 04, 2006 and was promoted as CFO in the year 2008. In the year 2016 he was appointed as Deputy Managing Director of the Company.

Mr. Gupta was appointed as Deputy Managing Director (KMP) of the Company for a term of 3 years w.e.f. May 28, 2016 to May 27, 2019 with approval of shareholders in their meeting held on September 24, 2016. Considering his vast experience, the Board on the recommendation of Nomination and Remuneration Committee, subject to the approval of shareholders, appointed Mr. Gupta as Managing Director of the Company for a period of 3 years with effect from February 12, 2019 till February 11, 2022.

Mr. Gupta is also a Director on the Board of Deep Telecables Private Limited, AOL FZE, UAE, AOL Technologies, FZE, UAE. Aksh Technologies (Mauritius) Limited, Mauritius and AOL Composites (Jiangsu) Co. Ltd, China. He is a member of Corporate Social Responsibility Committee, Finance Committee and Stakeholders Relationship Committee. He holds 100 shares of the Company under his name.

## 9. GENERAL SHAREHOLDERS INFORMATION

### Registered Office

F – 1080, RIICO Industrial Area, Phase – III, Bhiwadi – 301 019, Rajasthan.

### Address of Correspondence

A-25 2nd Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044.

### Compliance Officer and Contact Address:

Mr. Gaurav Mehta

Chief-Corporate Affairs & Company Secretary

A-25 2nd Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044

Telephone: 91-11-26991508/1509, Fax: 91-11-26991510

E-mail: gaurav@akshoptifibre.com, Email for Investor Grievances: investor.relations@akshoptifibre.com

## 9.1 Annual General Meeting

|            |  |   |
|------------|--|---|
| <b>1</b>   | <b>Date, Time and Venue of the Annual General Meeting</b>  | <b>Monday, September 30, 2019 at 11:30 A.M., at the Registered Office of the Company, at F-1080, RIICO Industrial. Area, Phase-III, Bhiwadi – 301 019 (Rajasthan)</b>   |
| <b>2</b>   | <b>Financial Calendar</b>  | April 01, 2018 to March 31, 2019  |
| <b>3</b>   | <b>Book Closure Dates</b>  | September 24, 2019, to September 30, 2019 (Both days inclusive)   |
| <b>4</b>   | <b>Dividend Payment Date</b>   | Not Applicable  |
| <b>5</b>   | <b>Listing on Stock Exchanges</b>  |   |
| <b>(A)</b> | <b>Equity Shares</b>   | <b>Stock Code/Symbol</b>  |
|            | The Bombay Stock Exchange Limited<br>Phiroze Jeejeebhoy Towers, Dalal Street,<br>Mumbai – 400001. Website: www.bseindia.com  | <b>'532351'</b>   |
|            | The National Stock Exchange of India Ltd.<br>Exchange Plaza, 5th Floor, Plot No. C/1,<br>"G Block" Bandra Kurla Complex, Bandra (E),<br>Mumbai – 400051. Website: www.nseindia.com | <b>'AKSHOPTFBR'</b>   |
| <b>6</b>   | <b>ISIN Code for the Company's Equity Shares</b>   | <b>INE523B01011</b>   |
| <b>7</b>   | <b>Corporate Identification Number(CIN)</b>  | <b>L24305RJ1986PLC016132</b>  |
| <b>8</b>   | <b>Listing Fees</b>  | The Company has paid listing fees to the BSE Limited and The National Stock Exchange of India Ltd (NSE), where the Shares of the Company are Listed.  |
| <b>9</b>   | <b>Share Transfer System</b>   | <b>M/s. Karvy Fintech Pvt. Ltd is your Company's Share Transfer Agent. Share transfers in physical form and other communications regarding shares, dividends, change of address, etc., may be addressed to:</b><br><b>Karvy Fintech Pvt. Ltd.</b><br>Karvy Selenium, Tower-B, Plot no. 31-32,<br>Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032 |
| <b>10</b>  | <b>Investor queries/request for transfer, transmission, issue of duplicate certificates etc to be sent</b>   | <b>Karvy Fintech Pvt. Ltd.</b>  |
| <b>11</b>  | <b>Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, if any.</b>   | <b>Not Applicable</b>   |

### Dr. Kailash S. Choudhari

As per the Companies Act, 2013, Dr. Kailash S. Choudhari will retire in the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

Dr. Kailash S. Choudhari, is a key founding member of Aksh Optifibre Ltd. He is responsible for spearheading the Company to its current levels of success. He also brings with him more than three decades experience of enabling mobility and future technologies.

Dr. Choudhari is also a Director of AOL FZE, UAE, AOL Technologies, FZE, UAE. Aksh Technologies (Mauritius) Limited, Mauritius and AOL Composites (Jiangsu) Co. Ltd, China. Dr. Choudhari is the member of Nomination and Remuneration Committee of Aksh Optifibre Limited. He holds 20,205,678 shares of the Company under his name.

**12 Plant Locations**

- 1. Fibre & Cable Division, Bhiwadi**  
F-1075 – 1081, RIICO Industrial Area, Phase – III, Bhiwadi, Rajasthan – 301019
- 2. FRP & Cable Division, Reengus**  
SP-47, Shree Khatu Shyamji Industrial Complex, Reengus, District Sikar (Rajasthan)
- 3. Ophthalmic Lens Division, Kahrani**  
A-56, Kahrani, Bhiwadi – 301019, Rajasthan
- 4. FRP Manufacturing Facility, Silvassa**  
Survey No. : 2/2/1, Village Karad, Madhuban Dam Road, Silvassa – 396230, U.T. of Dadra & Nagar Haveli, India (Manufacturing division of Aksh Composites Private Limited (Wholly Owned Subsidiary of the Company))
- 5. AOL FRP Division, JAFZA, UAE**  
Plot No. S10914, PO Box. 17267, Jabel Ali, Free Trade Zone, UAE (Manufacturing division of AOL FZE, Wholly Owned Subsidiary of the Company)
- 6. Optical Fibre Cable Manufacturing Division, Mauritius.**  
Industrial Zone Trianon -1721-10, Mauritius
- 7. AOL COMPOSITES (JIANGSU) CO. LTD.**  
Factory No. 01 , Machinery industrial park , the east of bajing road, Danyang Economic Development Zone. Jiangsu Province China.
- 8. Optical Fibre Manufacturing Division**  
Plot No. S-30121B, Jabel Ali, Free Trade Zone, Dubai (UAE)  
(Manufacturing division of AOL Technologies FZE, Wholly Owned Subsidiary of Company) ( Yet to be operational)

**13 Service Division**

- 1. 1Stop Aksh Division & Network Operating Centre**  
The Diamond, 4th Floor, Urban Jewels, Opp. SEZ Road, Muhana Terminal Market, Sanganer, Jaipur - 302026

**14 Demat Suspense Account / Unclaimed Suspense Account**

There are no shares lying under Demat Suspense Account / Unclaimed Suspense Account and hence the Company does not have any Demat Suspense Account / Unclaimed Suspense Account

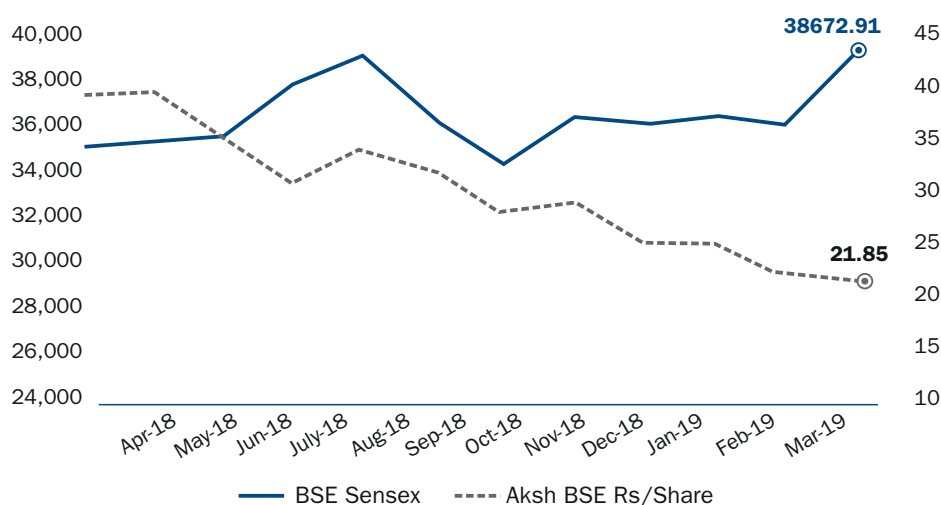
Members holding shares in electronic mode are requested to intimate the change in their address, bank details, etc. to their respective Depository Participants (DPs) and those holding shares in physical mode are requested to intimate the above details to the Share Transfer Agent of the Company, M/s Karvy Fintech (P) Limited quoting their Folio Number(s).

**9.2 Market Price Data**

Monthly high/ low prices and volume of the shares of the Company as traded at The Bombay Stock Exchange, Limited, Mumbai (BSE) and National Stock Exchange (NSE) during the financial year under review.

| Month           | AKSH BSE PRICE (Rs.) |       |           | AKSH NSE PRICE (Rs.) |       |            |
|-----------------|----------------------|-------|-----------|----------------------|-------|------------|
|                 | High                 | Low   | Volume    | High                 | Low   | Volume     |
| April, 2018     | 38.85                | 31.8  | 5,850,613 | 38.8                 | 31.75 | 18,748,020 |
| May, 2018       | 38.8                 | 32.05 | 4,993,878 | 37.85                | 32.1  | 17,451,786 |
| June, 2018      | 34.55                | 23.65 | 4,708,437 | 34.5                 | 23.2  | 17,883,776 |
| July, 2018      | 31.4                 | 25.05 | 4,950,726 | 31.35                | 25    | 21,662,875 |
| August, 2018    | 34.2                 | 28.4  | 6,022,921 | 36.3                 | 28.2  | 24,729,891 |
| September, 2018 | 32.3                 | 23.1  | 4,901,753 | 32.3                 | 23    | 20,041,617 |
| October, 2018   | 28.55                | 22.7  | 5,000,126 | 28.6                 | 22.6  | 30,936,180 |
| November, 2018  | 29.6                 | 25.2  | 3,229,783 | 29.65                | 25.3  | 16,562,961 |
| December, 2018  | 26.15                | 22.3  | 2,122,375 | 26.2                 | 22.1  | 9,809,216  |
| January, 2019   | 26.1                 | 20.1  | 2,194,843 | 26.1                 | 20.05 | 15,138,083 |
| February, 2019  | 22.65                | 18.1  | 1,775,052 | 22.7                 | 18.05 | 12,336,025 |
| March, 2019     | 21.85                | 18.3  | 1,805,590 | 21.9                 | 18.25 | 14,330,083 |

### Performance Comparison of Aksh Scrip V/s BSE Sensex



### 9.3 Distribution of Shareholding as on March 31, 2019

| No. of Equity Shares held | No. of Shareholders | % to Total shareholders | No. of Shares held | % to Total shares |
|---------------------------|---------------------|-------------------------|--------------------|-------------------|
| 1 - 500                   | 44413               | 63.33                   | 9,573,905          | 5.88              |
| 501 - 1000                | 11468               | 16.35                   | 9,957,753          | 6.12              |
| 1001 - 2000               | 6346                | 9.05                    | 10,217,562         | 6.28              |
| 2001 - 3000               | 2487                | 3.55                    | 6,561,926          | 4.03              |
| 3001 - 4000               | 1106                | 1.58                    | 4,033,372          | 2.48              |
| 4001 - 5000               | 1242                | 1.77                    | 5,991,377          | 3.68              |
| 5001 - 10000              | 1674                | 2.39                    | 12,768,878         | 7.85              |
| 10001 - 20000             | 693                 | 0.99                    | 9,998,078          | 6.15              |
| 20001 - 100000            | 597                 | 0.85                    | 23,853,179         | 14.66             |
| 100001 and above          | 101                 | 0.14                    | 69,741,941         | 42.87             |
| <b>TOTAL</b>              | <b>70126</b>        | <b>100.00</b>           | <b>162,697,971</b> | <b>100.00</b>     |

### 9.4 Shareholding Pattern

The Shareholding of different categories of the Shareholders as on March 31, 2019 is given below:

| Category                            | No. of Shares         | % age      |
|-------------------------------------|-----------------------|------------|
| <b>Promoters</b>                    | 45,470,335.00         | 27.95      |
| <b>Corporate Bodies</b>             | 15,266,791.00         | 9.38       |
| <b>Mutual Funds/ Banks/ FIs</b>     | 1,495,426.00          | 0.92       |
| <b>FII's/NRIs/OCBs</b>              | 3,780,840.00          | 2.32       |
| <b>Trusts &amp; Co-op Societies</b> | 525,620.00            | 0.32       |
| <b>Public</b>                       | 96,158,959.00         | 59.11      |
| <b>TOTAL</b>                        | <b>162,697,971.00</b> | <b>100</b> |

### 9.5 Dematerialization of Shares

The Shares of the Company are in Compulsory Demat Mode. The breakup of Equity Share Capital held with the depositories and in physical form as on March 31, 2019 is as follows:

| Category        | No. of Equity Shares Held | % age of Capital |
|-----------------|---------------------------|------------------|
| <b>NSDL</b>     | 104,963,122               | 64.51            |
| <b>CDSL</b>     | 57,239,027                | 35.18            |
| <b>Physical</b> | 495,822                   | 0.31             |
| <b>Total</b>    | <b>162,697,971</b>        | <b>100.00</b>    |



## 9.6 Reconciliation of the Share Capital Audit Report

As stipulated by Securities and Exchange Board of India (SEBI), Reconciliation of the Share Capital Audit is required to be carried out by a qualified Company Secretary to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out at the end of each Quarter and the report thereon is submitted to the Stock Exchanges and also placed before the Board of Directors.

## 9.7 Details of total fees paid to Statutory Auditors

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis to the Statutory Auditors, are as follows:

| Type of Services | (₹ In Lakhs) |            |
|------------------|--------------|------------|
|                  | FY 2018-19   | FY 2017-18 |
| Audit Fee        | 52.10        | 44.03      |
| Tax Fee          | -            | 0.20       |
| Others           | 4.45         | 5.32       |

## 9.8 Complaint pertaining to sexual harassment

During the year, no case was filed as well as pending with the Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## 10. Management Responsibility Statement

The Management confirms that the financial statements are in full conformity with the requirements of the Companies Act, 2013 and the Accounting Standards issued by the Institute of Chartered Accountants of India. The management accepts responsibility for the integrity and objectivity of these financial statements. The management believes that the financial statements of operations reflect fairly the Company's financial position and the results of the operations. The company has a system of Internal Control, which is reviewed and updated on the regular basis.

The Financial Statements have been audited by M/s. BGG & Associates., Chartered Accountants and have been approved by the Audit Committee.

## COMPLIANCE

**The certificate dated August 8, 2019 obtained from M/s. Pooja Anand & Associates forms part of this Annual Report and the same is given herein below:**

### To the Members of Aksh Optifibre Limited,

We have examined the compliance of conditions of Corporate Governance by Aksh Optifibre Limited, for the financial year ended 31st March, 2019 as per the relevant regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (hereinafter called "Listing Regulations 2015") and as referred to in Schedule V of the Listing Regulations 2015.

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

In our opinion and to best of our information and according to the explanations given to us and representations made by the Directors and the Management, we certify that the company has complied with the condition of Corporate Governance as stipulated in regulations and Schedule V of the Listing Regulations 2015.

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

**for Pooja Anand & Associates.**  
**Company Secretaries**

**CS Mukul Tyagi**  
Partner  
**M. No.: 33949**

Date : August 8, 2019  
Place : New Delhi

## MD/CFO CERTIFICATE

The Board of Directors  
**Aksh Optifibre Limited**

We have reviewed financial statements and the cash flow statement for the year ended March 31, 2019 and that to the best of our knowledge and belief, we state that:-

- (a)
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee :-
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Yours sincerely,

Satyendra Gupta  
**Managing Director**  
**DIN No.00035141**

Pawan Kumar Gambhir  
**Chief Financial Officer**

Date: May 25, 2019  
Place: New Delhi

**Annexure-A**

### Certificate of Non-Disqualification of Directors

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i)  
of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
Aksh Optifibre Limited  
F- 1080, RIICO Industrial Area,  
Phase- III, Bhiwadi- 301019

We have examined the relevant registers, records, forms, returns and disclosures received from Aksh Optifibre Limited having **CIN L24305RJ1986PLC016132** and having registered office at F- 1080, RIICO Industrial Area, Phase- III, Bhiwadi- 301019 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers. We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

| S. No. | Name of the Director            | DIN      | Date of Appointment in Company |
|--------|---------------------------------|----------|--------------------------------|
| 1      | Dr. Kailash Shantilal Choudhari | 00023824 | 05/04/1986                     |
| 2      | Mr. Bachh Raj Rakhecha          | 00026729 | 22/07/2003                     |
| 3      | Mr. Satyendra Kumar Gupta       | 00035141 | 28/05/2016                     |
| 4      | Mr. Gauri Shankar               | 06764026 | 08/04/2017                     |
| 5      | Ms. Devika Raveendran           | 07191153 | 26/09/2015                     |
| 6      | Mr. Amrit Nath                  | 00431866 | 17/09/2010                     |

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**for Pooja Anand & Associates.**  
**Company Secretaries**

**CS Mukul Tyagi**  
Partner  
**M. No.: 33949**  
**CP No.: 16631**

Date : August 8, 2019  
Place : New Delhi

# Independent Auditor's Report

To

The Members of AKSH OPTIFIBRE LIMITED

## Report on the Audit of the Standalone Financial Statements

### Opinion

We have audited the accompanying standalone financial statements of Aksh Optifibre Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2019, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### Trade Receivables from a Central Government Entity

The Company has trade receivables of Rs. 8,565.30 lakhs from a Public Sector Entity, owned by the Government of India, in the telecommunications sector. The Company has taken necessary steps for the recovery of the amount due.

Considering that the amount is due from a Central Government Entity, and based on past experience of realisation and steps taken by the Company for recovery, it is confident of recovering the balance amount in due course.

This matter has been considered as a key audit matter considering the significance of recoverability of such trade receivable to the Company's financial statements.

The management of the Company has assessed that a provision for impairment is not required towards the amount recoverable from the Central Government Entity.

Our procedures included, but were not limited to, the following:

- Evaluated various correspondences made by the Company with the Central Government Entity and other follow up actions taken by the Company, including but not limited to legal process, meetings, notices, etc.
- Evaluated the underlying documents against which these amounts are accrued as per eligibility criteria.
- Obtained representation from the management regarding recoverability of these amounts.

As a result of the above audit procedures, the management's assessment of impairment in the amount recoverable from the Central Government Entity was considered to be appropriate.

#### Revenue Recognition on transition to Ind AS 115

Effective April 1, 2018, on account of adoption of new revenue standard Ind AS 115 - Revenue from contracts with customer, the company has changed its revenue recognition policy with regard to timing of revenue recognition based on satisfaction of the identified performance obligations. Additionally, the new revenue accounting standard contains disclosures which involve collation of information in respect of disaggregated revenue and period over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

We focused on this area because a significant portion of the revenue generated requires management to exercise judgement and therefore could be subject to material misstatement due to fraud or error.

In addition, first time disclosures required under Ind AS 115 have been identified as an area of focus for the current year.

Our procedures included, but were not limited to, the following:

- Obtained an understanding and assessed the design, implementation and operating effectiveness of management's key internal controls with regard to recognition of revenue.
- Read selected contracts to identify significant terms of the contracts and evaluation of contract terms.
- Assessing appropriateness of management's significant judgements in accounting for identified contracts.
- Testing of timing of recognition of revenue (including procedures related to cut off) in line with the terms of contracts.
- Testing the key management assumptions used to estimate contract cost, contract risks, claims, etc.
- Consideration of the adequacy of the disclosures as required to be made by Management under the new standard.

Based on above procedures, we did not note any significant exceptions in the estimates and judgements applied by the Management in revenue recognition including those relating to presentation and disclosures.

### Information other than the standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

### Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- i. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

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

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

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

### Report on Other Legal and Regulatory Requirements

- 1) As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its director during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
- 2) As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 3) Further to our comments in Annexure A, 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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- 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:
- The Company has disclosed the impact of pending litigations on its financial position in the standalone financial statements- Refer note no 40 of the standalone financial statement;
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2019;
  - The reporting on disclosures relating to the Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For B G G & Associates  
**Chartered Accountants**  
 FRN 016874N

CA Alok Kumar Bansal  
**Partner**  
 Membership No. 092854

Place: New Delhi  
 Date: May 25, 2019

**"Annexure A" to the Independent Auditor's Report**  
**(Referred to in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of our report to the**  
**Member of Aksh Optifibre Limited of even date)**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - According to the information and explanation given to us, fixed assets except the assets installed at customer premises have been physically verified by the management during the year. No material discrepancies were noticed on such verification. In our opinion, frequency of physical verification of fixed assets is reasonable. The fixed assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
  - According to the Information and explanation given to us and on the basis of examination of books of account and other documents, the title deeds of immovable properties owned by the Company are held in the name of the Company.
- According to the information & explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the management during the year except for goods in transit. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the book of accounts.
- According to the information and explanation given to us, the Company had granted unsecured loan to its four wholly owned subsidiaries, covered in the register maintained under Section 189 of Companies Act 2013.
  - In our opinion, the rate of interest and other terms and conditions on which the loan has been granted to its subsidiaries, covered in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interests of the Company.
  - In respect of loans granted to subsidiaries covered under section 189 of the Act, the terms of arrangement for payment of principal and interest are not due. Accordingly, the provisions of paragraph 3 (iii) (b) of the Order are not applicable to the Company
  - In respect of the aforesaid loan, as per the information made available to us, there is no overdue amount as at year end.
- According to the information & explanation given to us, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, to the extent applicable.
- According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provision of clause 3(v) of the Order are not applicable.
- We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub section (1) of section 148 of the Companies, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- The Company is regular in depositing undisputed statutory dues including employees' state insurance, duty of customs, duty of excise, cess and other material statutory dues, as applicable, with the appropriate authorities except in case of payment of goods and services tax on CIF value of import under reverse charge mechanism, provident fund & in payment of advance income tax installments on due dates.  
  
According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, Goods & Service Tax, Service Tax, sales tax, custom duty, excise duty and Cess were in arrears, as at 31st March, 2019 for a period of more than six months from the date they became payable except excise duty of Rs.6.06 lakhs & sales tax of Rs.44.01 lakhs.
  - According to the information and explanations given to us, there are no dues of income tax or Goods & Service Tax or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute except of the following amounts:

| Name of Statute          | Nature of Dues         | Disputed Amount in Lakhs | Period to which amount relates | Forum where dispute is pending                   |
|--------------------------|------------------------|--------------------------|--------------------------------|--|
| Central Excise Act, 1944 | Excise Duty            | 22.35                    | 2010-11                        | Asst. Commissioner, Bhiwadi                      |
| Central Excise Act, 1944 | Excise duty            | 32.79                    | 2011-12                        | Asst. Commissioner, Bhiwadi                      |
| Central Excise Act, 1944 | Excise duty & Penalty  | 23.76                    | 2012-14                        | Assistant Commissioner, CGST Division-C, Bhiwadi |
| Central Excise Act, 1944 | Excise duty & Penalty  | 3.37                     | 2000-01                        | CESTAT, New Delhi                                |
| Central Excise Act, 1944 | Excise duty            | 4.02                     | 2013-14                        | Assistant Commissioner, Sikar                    |
| Finance Act, 1994        | Service tax & Interest | 31.20                    | November 2006 to August 2008   | Hon'ble High Court, Jaipur                       |
| Finance Act, 1994        | Service Tax            | 0.91                     | January 2011 to November 2011  | Assistant Commissioner, Bhiwadi                  |
| Finance Act, 1994        | Service Tax            | 28.99                    | October 2014 to June 2017      | Assistant Commissioner, Bhiwadi                  |
| Income Tax Act, 1961     | Income tax             | 91.01                    | A.Y 2010-11                    | CIT (Appeals), Alwar (Rajasthan)                 |
| Income Tax Act, 1961     | Income tax             | 1.71                     | A.Y 2015-16                    | CIT (Appeals), Delhi                             |
| Provident Fund Act       | Provident Fund         | 7.60                     | 2004-05                        | Hon'ble High Court, Jaipur                       |

viii. (a) The Company has defaulted in repayment of following dues to the financial institution and banks during the year, which were not paid as at Balance Sheet date

| Name of Lender       | Amount in Lakhs (Principal) | Amount in Lakhs (Interest) | Period of Default -Maximum days (Principal) | Period of Default -Maximum days (Interest) |
|----------------------|-----------------------------|----------------------------|---|--|
| HDFC Bank            | 988.83                      | 32.32                      | 59  | 26   |
| Punjab National Bank | 116.75                      | 5.07                       | 15  | 22   |
| Union Bank of India  | 440.92                      | 29.08                      | 20  | 10   |

(b) The Company has defaulted in repayment of following dues to the financial institution and banks, which were paid on or before the Balance Sheet date:

| Name of Lender       | Amount in Lakhs (Principal) | Amount in Lakhs (Interest) | Period of Default -Maximum days (Principal) | Period of Default -Maximum days (Interest) |
|----------------------|-----------------------------|----------------------------|---|--|
| HDFC Bank            | 3,477.58                    | 45.55                      | 80  | 58   |
| Punjab National Bank | -                           | 9.69                       | -   | 4  |
| Union Bank of India  | 110.00                      | 56.70                      | 20  | 5  |

- ix. According to the information and explanation given to us and our examination of the records of the Company, the term loans have been applied for the purposes for which they were obtained. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments).
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration 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 and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian accounting standards.
- xiv. According to the information & explanation provide to us, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year, hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors. Accordingly, the provision of paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause (xvi) of the Order are not applicable to the Company.

For B G G & Associates  
Chartered Accountants  
FRN 016874N

Place: New Delhi  
Date: May 25, 2019

CA Alok Kumar Bansal  
Partner  
Membership No. 092854

# Standalone Balance Sheet

as at March 31, 2019

(₹ In Lakhs)

|  | Notes | 31-Mar-2019      | 31-Mar-2018      |
|--|-------|------------------|------------------|
| <b>Assets</b>  |       |                  |                  |
| <b>Non-current assets</b>  |       |                  |                  |
| Property, Plant and Equipment  | 3(a)  | 16,891.92        | 17,367.81        |
| Capital work-in-progress   | 3(b)  | 15,342.24        | 15,186.31        |
| Intangible assets  | 4     | 156.16           | 251.48           |
| Financial assets   |       |                  |                  |
| Investments  | 5     | 16,010.97        | 15,609.10        |
| Loans  | 6     | 9,695.85         | 226.04           |
| Other Financial Assets   | 7     | 628.74           | 512.49           |
| Deferred Tax Assets (net)  | 8     | -                | 253.97           |
| Other non-current assets   | 9     | 334.63           | 934.62           |
|  |       | <b>59,060.51</b> | <b>50,341.82</b> |
| <b>Current assets</b>  |       |                  |                  |
| Inventories  | 10    | 6,556.45         | 4,753.29         |
| Financial Assets   |       |                  |                  |
| Trade receivables  | 11    | 18,315.54        | 21,267.14        |
| Cash and cash equivalents  | 12    | 119.30           | 427.01           |
| Other Bank Balances  | 13    | 1,308.76         | 1,878.45         |
| Loans  | 6     | 1,138.31         | 7,329.12         |
| Other Financial Assets   | 7     | 148.51           | 384.43           |
| Other current assets   | 9     | 1,551.64         | 3,124.33         |
|  |       | <b>29,138.51</b> | <b>39,163.77</b> |
| <b>Total Assets</b>  |       | <b>88,199.02</b> | <b>89,505.59</b> |
| <b>Equity and liabilities</b>  |       |                  |                  |
| <b>Equity</b>  |       |                  |                  |
| Equity Share capital   | 14    | 8,134.90         | 8,134.90         |
| Other Equity   | 15    | 43,266.06        | 41,047.60        |
|  |       | <b>51,400.96</b> | <b>49,182.50</b> |
| <b>Non-current liabilities</b>   |       |                  |                  |
| Financial Liabilities  |       |                  |                  |
| Borrowings   | 16    | 6,708.78         | 7,985.60         |
| Trade Payables   | 17    | -                | -                |
| (a) total outstanding dues to micro & small enterprises                        |       | -                | -                |
| (b) total outstanding dues other than above                                    |       | -                | 138.90           |
| Other Financial liabilities  | 18    | 126.83           | 183.87           |
| Deferred tax liabilities (net)   |       | 222.04           | -                |
| Provisions   | 19    | 296.22           | 247.76           |
|  |       | <b>7,353.87</b>  | <b>8,556.13</b>  |
| <b>Current liabilities</b>   |       |                  |                  |
| Financial liabilities  |       |                  |                  |
| Borrowings   | 20    | 10,713.17        | 12,818.29        |
| Trade payables   | 17    | -                | -                |
| (a) total outstanding dues to micro & small enterprises                        |       | 386.92           | 107.52           |
| (b) total outstanding dues other than above                                    |       | 8,882.97         | 10,285.24        |
| Other financial liabilities  | 18    | 6,299.40         | 6,476.73         |
| Other Current liabilities  | 21    | 2,071.12         | 1,709.21         |
| Provisions   | 19    | 31.67            | 15.13            |
| Current tax liabilities (net)  |       | 1,058.94         | 354.84           |
|  |       | <b>29,444.19</b> | <b>31,766.96</b> |
| <b>Total Equity and liabilities</b>  |       | <b>88,199.02</b> | <b>89,505.59</b> |
| Summary of significant Accounting policies                                     | 2.1   |                  |                  |
| The accompanying notes (1-46) are an integral part of the financial statements |       |                  |                  |

**As per our report of even date**

For **B G G & Associates**  
Firm Registration Number: 016874N  
Chartered Accountants

CA Alok Kumar Bansal  
**Partner**  
Membership no.: 092854

Place: New Delhi  
Date : May 25, 2019

Satyendra Gupta  
**Managing Director**  
DIN : 00035141

Gaurav Mehta  
**Chief- Corporate Affairs  
and Company Secretary**

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

Dr. Kailash S. Choudhari  
**Chairman**  
DIN : 00023824

Pawan Kumar Gambhir  
**Chief Financial Officer**

## Standalone statement of Profit and Loss

for the year ended March 31,2019

(₹ In Lakhs)

|  | Notes | 31-Mar-2019      | 31-Mar-2018      |
|--|-------|------------------|------------------|
| <b>Income</b>  |       |                  |                  |
| Revenue from operations  | 22    | 52,872.84        | 58,939.15        |
| Other income   | 23    | 742.32           | 446.56           |
| <b>Total revenue (I)</b>   |       | <b>53,615.16</b> | <b>59,385.71</b> |
| <b>Expenses</b>  |       |                  |                  |
| Cost of raw material and components consumed   | 24    | 31,639.08        | 36,597.40        |
| Purchase of traded goods   | 25    | 1,755.97         | 1,366.67         |
| (Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods | 26    | (1,962.74)       | 97.04            |
| Excise duty on sale of goods   |       | -                | 606.48           |
| Employee benefits expense  | 27    | 3,752.87         | 3,573.36         |
| Finance costs  | 28    | 2,837.89         | 1,792.25         |
| Depreciation and amortisation expense  | 29    | 2,446.39         | 2,119.38         |
| Other expense  | 30    | 8,852.88         | 9,703.22         |
| <b>Total expense (II)</b>  |       | <b>49,322.34</b> | <b>55,855.80</b> |
| <b>Earnings before exceptional items and tax, (I) – (II)</b>                             |       | <b>4,292.82</b>  | <b>3,529.91</b>  |
| Exceptional (expense)/income   | 31    | 363.43           | (50.11)          |
| <b>Profit before tax</b>   |       | <b>4,656.25</b>  | <b>3,479.80</b>  |
| <b>Tax expenses</b>  |       |                  |                  |
| Current tax  |       | 1,363.04         | 1,043.38         |
| Deferred tax (including MAT utilisation)   |       | 479.62           | 158.42           |
| Adjustment of tax relating to earlier periods  |       | -                | (2.71)           |
| <b>Income tax expense</b>  |       | <b>1,842.66</b>  | <b>1,199.09</b>  |
| <b>Profit for the year</b>   |       | <b>2,813.59</b>  | <b>2,280.71</b>  |
| <b>Other comprehensive income</b>  |       |                  |                  |
| i) items that will not be reclassified to Profit or (Loss) in subsequent periods         |       | (10.31)          | 2.78             |
| ii) Income Tax relating to these items   |       | 3.60             | (0.96)           |
| <b>Other comprehensive income for the year, net of tax</b>                               |       | <b>(6.71)</b>    | <b>1.82</b>      |
| <b>Total comprehensive income for the year</b>   |       | <b>2,806.88</b>  | <b>2,282.53</b>  |
| <b>Earnings per equity share</b>   | 36    |                  |                  |
| Basic earnings per equity share  |       | 1.73             | 1.40             |
| Diluted earnings per equity share  |       | 1.73             | 1.40             |
| Summary of significant Accounting policies   | 2.1   |                  |                  |
| The accompanying notes (1-46) are an integral part of the financial statements           |       |                  |                  |

### As per our report of even date

For **B G G & Associates**  
Firm Registration Number: 016874N  
Chartered Accountants

CA Alok Kumar Bansal  
**Partner**  
Membership no.: 092854

Satyendra Gupta  
**Managing Director**  
DIN : 00035141

Gaurav Mehta  
**Chief- Corporate Affairs  
and Company Secretary**

### For and on behalf of the Board of Directors

Dr. Kailash S. Choudhari  
**Chairman**  
DIN : 00023824

Pawan Kumar Gambhir  
**Chief Financial Officer**

Place: New Delhi  
Date : May 25,2019



# Standalone Cash Flow statement

for the year ended March 31,2019

(₹ In Lakhs)

| Particulars  | 31-Mar-2019       | 31-Mar-2018       |
|--|-------------------|-------------------|
| <b>Cash flow from operating activities</b>   |                   |                   |
| <b>Profit before tax</b>   | <b>4,656.25</b>   | <b>3,479.80</b>   |
| Adjustment to reconcile profit before tax to net cash flows :                                    |                   |                   |
| Depreciation/amortization  | 2,446.39          | 2,119.38          |
| (Profit)/Loss on sale of property, plant and equipment   | 0.92              | (21.97)           |
| Interest expense   | 2,837.89          | 1,792.25          |
| Other comprehensive income   | (10.31)           | 2.78              |
| Interest income  | (742.32)          | (446.55)          |
| <b>Operating profit before working capital changes</b>   | <b>9,188.82</b>   | <b>6,925.69</b>   |
| <b>Movements in working capital:</b>   |                   |                   |
| Increase / (decrease) in trade payables, financial and other liabilities                         | (1,471.09)        | 2,874.79          |
| Increase in provisions   | 65.01             | 14.58             |
| (Increase) / decrease in trade receivable  | 2,951.60          | (5,702.00)        |
| (Increase) in inventories  | (1,803.16)        | (373.48)          |
| (Increase) in loan & advances to related party   | -                 | (2,163.82)        |
| (Increase) / decrease in other assets  | 2,175.62          | (653.93)          |
| <b>Cash generated from operations</b>  | <b>11,106.80</b>  | <b>921.83</b>     |
| Direct taxes paid  | (658.95)          | (610.96)          |
| <b>Net cash flow from in operating activities (A)</b>  | <b>10,447.85</b>  | <b>310.87</b>     |
| <b>Cash flows from investing activities</b>  |                   |                   |
| Purchase of property, plant and equipment, including intangible assets, capital work in progress | (2,052.75)        | (9,525.68)        |
| Proceeds from sale of plant and equipment  | 20.72             | 247.52            |
| Decrease in capital advances/ payable for capital goods  | 235.17            | 1,219.64          |
| Purchase of non-current investments  | (401.87)          | (304.25)          |
| Interest received  | 145.68            | 348.55            |
| <b>Net cash flow (used in) investing activities (B)</b>  | <b>(2,053.05)</b> | <b>(8,014.22)</b> |
| <b>Cash flow from financing activities</b>   |                   |                   |
| Proceeds from long-term borrowings   | 1,389.23          | 7,973.36          |
| (Repayment) of Term borrowings   | (2,055.48)        | (4,034.74)        |
| (Increase) in loan & advances to related party   | (2,555.89)        | -                 |
| Proceeds / (repayment) from short-term borrowings  | (2,105.12)        | 5,942.60          |
| Dividend and tax thereon paid on equity shares   | (585.92)          | -                 |
| Interest paid  | (2,789.33)        | (1,874.55)        |
| <b>Net cash from financing activities (C)</b>  | <b>(8,702.51)</b> | <b>8,006.67</b>   |
| <b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>                          | <b>(307.71)</b>   | <b>303.32</b>     |
| Cash and cash equivalents at the beginning of the year   | 427.01            | 123.69            |
| <b>Cash and cash equivalents at the end of the year</b>  | <b>119.30</b>     | <b>427.01</b>     |
| <b>Components of cash and cash equivalents</b>   |                   |                   |
| Cash on hand   | 7.97              | 11.49             |
| With banks on current account  | 107.37            | 414.06            |
| Unpaid dividend accounts   | 3.96              | 1.46              |
| <b>Total cash and cash equivalents [Refer note no. 12]</b>                                       | <b>119.30</b>     | <b>427.01</b>     |
| Summary of significant Accounting policies   | 2.1               |                   |
| The accompanying notes (1-46) are an integral part of the financial statements                   |                   |                   |

**Note :** The above Cash flow statement has been prepared under the Indirect method setout in Ind AS-7 'Statement of Cash Flow'.

## As per our report of even date

For **B G G & Associates**  
Firm Registration Number: 016874N  
Chartered Accountants

Satyendra Gupta  
**Managing Director**  
DIN : 00035141

## For and on behalf of the Board of Directors

Dr. Kailash S. Choudhari  
**Chairman**  
DIN : 00023824

CA Alok Kumar Bansal  
**Partner**  
Membership no.: 092854

Gaurav Mehta  
**Chief- Corporate Affairs  
and Company Secretary**

Pawan Kumar Gambhir  
**Chief Financial Officer**

Place: New Delhi  
Date : May 25,2019

## Statement of Changes in Equity

for the year ended March 31, 2019

### A. Equity share capital (refer note no. 14)

|                                 | NOS                 | (₹ In Lakhs)    |
|---------------------------------|---------------------|-----------------|
| <b>As at 1 April 2017</b>       | 16,26,65,070        | 8,133.25        |
| Changes in equity share capital | 32,901              | 1.65            |
| <b>As at 31 March 2018</b>      | 16,26,97,971        | 8,134.90        |
| Changes in equity share capital | -                   | -               |
| <b>As at 31 March 2019</b>      | <b>16,26,97,971</b> | <b>8,134.90</b> |

### B. Other Equity (refer note no. 15)

|  | Securities premium | Capital reserve | Other reserve - Shares pending for allotment | Retained earnings | Total other equity |
|--|--------------------|-----------------|--|-------------------|--------------------|
| <b>As at 1 April 2017</b>                      | <b>33,064.11</b>   | <b>2,223.35</b> | <b>1.65</b>                                  | <b>3,477.61</b>   | <b>38,766.72</b>   |
| Profit for the year                            | -                  | -               | -  | 2,280.71          | <b>2,280.71</b>    |
| Other comprehensive income                     | -                  | -               | -  | 1.82              | <b>1.82</b>        |
| Shares allotted                                | -                  | -               | (1.65)                                       | -                 | <b>(1.65)</b>      |
| <b>Total comprehensive income for the year</b> | -                  | -               | -  | <b>2,282.53</b>   | <b>2,282.53</b>    |
| <b>Balance as at 31 March 2018</b>             | <b>33,064.11</b>   | <b>2,223.35</b> | -  | <b>5,760.14</b>   | <b>41,047.60</b>   |
| <b>Balance as at 1 April 2018</b>              | <b>33,064.11</b>   | <b>2,223.35</b> | -  | <b>5,760.14</b>   | <b>41,047.60</b>   |
| Profit for the year                            | -                  | -               | -  | 2,813.59          | <b>2,813.59</b>    |
| Less: Equity dividend and tax thereon          | -                  | -               | -  | (588.42)          | <b>(588.42)</b>    |
| Other comprehensive income                     | -                  | -               | -  | (6.71)            | <b>(6.71)</b>      |
| <b>Total comprehensive income for the year</b> | -                  | -               | -  | <b>2,218.46</b>   | <b>2,218.46</b>    |
| <b>As at 31 March 2019</b>                     | <b>33,064.11</b>   | <b>2,223.35</b> | -  | <b>7,978.60</b>   | <b>43,266.06</b>   |

The accompanying notes (1-46) are an integral part of the financial statements

#### As per our report of even date

For **B G G & Associates**  
Firm Registration Number: 016874N  
Chartered Accountants

Satyendra Gupta  
**Managing Director**  
DIN : 00035141

CA Alok Kumar Bansal  
**Partner**  
Membership no.: 092854

Gaurav Mehta  
**Chief - Corporate Affairs and Company Secretary**

#### For and on behalf of the Board of Directors

Dr. Kailash S. Choudhari  
**Chairman**  
DIN : 00023824

Pawan Kumar Gambhir  
**Chief Financial Officer**

Place: New Delhi  
Date : May 25, 2019

# Notes to standalone financial statements

## for the year ended March 31, 2019

### 1. Corporate information

Aksh Optifibre Limited is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. Its shares are listed at The Bombay Stock Exchange Limited and The National Stock Exchange Ltd. in India. The registered office of the Company is located at F-1080, RIICO Industrial area, Phase- III Bhiwadi (Alwar) Rajasthan-301019, India.

The Company is engaged in the manufacturing and selling of Optical Fibre, Optical Fibre Cable, Fibre Reinforced Plastic Rods, Impregnated Glass Roving Reinforcement and ophthalmic lens. The Company caters to both domestic and international markets. The Company also provides the e-Governance services and FTTH services.

### 2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by ministry of Corporate affairs pursuant to section 133 of Companies Act, 2013 (Act) read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The accounting policies are applied consistently to all the periods presented in the financial statements.

The financial statements have been prepared on a historical cost convention, except for certain financial assets and financial liabilities (including derivative instruments) that are measured at fair value as required under relevant Ind AS.

The financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest lakhs, except otherwise stated.

### 3. Summary of significant accounting policies

#### a) Current v/s non-current Classification

The significant accounting policies adopted by Company in respect of these Standalone Financial Statements, are set out below.

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

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

All other assets are classified as non-current.

A liability is current when:

- Expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### b) Foreign currencies

The Company's financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

#### Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

#### c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received from sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell an asset or transfer the liability takes place either:

- In the principal market for the asset or liability
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

## Notes to standalone financial statements

for the year ended March 31, 2019

- Level 2 — The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable the instrument is included in level 2
- Level 3 — If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### d) Revenue recognition

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

Effective 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue have not been retrospectively adjusted.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. Revenue from the sale of goods is measured at the fair value of consideration received/receivable, net of returns & allowances, Liquidation damage, trade discount & volume rebates. Further Revenue from sale of goods should be presented net of GST.

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

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract.

#### Interest

Interest income, is recorded using the effective interest rate ("EIR"). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

### e) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials, work-in-process, finished goods, trading stock, packing material and stores and spares parts are valued at the lower of cost and net realizable value except scrap which is valued at net realizable value.
- Cost of inventories of items that are not ordinarily interchangeable or are meant for specific projects is assigned by specific identification of their individual cost. Cost of other inventories is ascertained on the Weighted average basis. In determining the cost of work-in-process and finished goods, fixed production overheads are allocated on the basis of normal capacity of production facilities.
- The comparison of cost and realizable value is made on an item-by-item basis.
- Net realizable value of work-in-process is determined on the basis of selling prices of related finished products.
- Raw Material and other supplies held for use in production of inventories are not written down below cost unless their prices have declined and it is estimated that the cost of related finished goods will exceed their net realizable value.

### f) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that company incurs in connection with the borrowing of funds.

### g) Income taxes

#### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 outside profit or loss is recognized outside profit or loss [either in other comprehensive income (OCI) or in equity]. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

#### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred income tax is determined using tax rates that have been enacted by the end of reporting period.

Deferred tax liabilities are recognised for all taxable temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences & 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.



## Notes to standalone financial statements

for the year ended March 31, 2019

Deferred tax assets & liability are offset when there is a legally enforceable right to offset when there is a legally enforceable right to offset current tax assets & liabilities & when the deferred tax balances relate to the same taxation authority.

Minimum Alternate Tax credit is recognised as assets only when & to the extent there is convincing evidence that the will pay normal tax during the specified period. Such assets is reviewed at each Balance Sheet date & the carrying amount of the MAT assets is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal tax during the specified period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e., either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

### h) Property, Plant and Equipment

On transition to Ind AS, the Company has adopted optional exception under Ind AS 101 to measure property, plant and equipment at fair value. Consequently, the fair value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Items of Property, Plant and Equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

An item of Property, Plant and Equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss within other income or other expense.

The residual values, useful lives and methods of depreciation of Property, Plant and Equipment are reviewed at each reporting date and adjusted prospectively, if appropriate. Residual value is considered as per the schedule II, where is different than those specified by schedule II, considered on technical evaluation made by management expert's.

The cost of replacing a part of an item of Property, Plant and Equipment is recognised in the carrying amount of the item of Property, Plant and Equipment, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of Property, Plant and Equipment are recognised in Statement of Profit and Loss as and when incurred.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets, based on technical evaluation made by management expert's which is different than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. Useful lives is as follows:

| Category of assets   | Life of asset |
|--|---------------|
| Factory Buildings  | 28 years      |
| Plant and equipment including Telecom Networking, Testing instrument, electrical equipment's, Fork lift and office equipment | 15 years      |
| Furniture and fixtures   | 10 years      |
| Data Processing System   | 3-5 years     |

Leasehold land is amortized over the duration of the lease.

The gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss on the date of disposal or retirement.

### i) Intangible assets

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

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortised over the useful life on a straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a useful life are reviewed at least at the end of each financial year.

Intangible assets are amortized over their estimated useful life on straight line method

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and loss when the asset is derecognised.

### j) Lease

The determination of whether an arrangement is a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### Company as a lessee

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. All other leases are classified as operating leases. Payments made under operating leases are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

### k) Provisions

Provisions are recognised when the Company has a present obligation -

## Notes to standalone financial statements

for the year ended March 31, 2019

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

When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the Statement of Profit and Loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The unwinding of discount is recognised in the Statement of Profit and Loss as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

### l) Employee benefits

#### Short term employee benefits

All employee benefits expected to be settled wholly within twelve months of rendering the service are classified as short-term employee benefits. When an employee has rendered service to the Company during an accounting period, the Company recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense unless another Ind AS requires or permits the inclusion of the benefits in the cost of an asset. Benefits such as salaries, wages and short-term compensated absences and bonus etc. are recognised in Statement of Profit and Loss in the period in which the employee renders the related service.

#### Defined contribution plan

A defined contribution such as Provident Fund etc, are charged to statement of profit & loss as incurred. Further for employees, the monthly contribution for Provident Fund is made to a trust administrated by the company.

#### Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Company's gratuity plan is a defined benefit obligation and the Company's liability is determined based on actuarial valuation (using the Projected Unit Credit method) at the end of each year. The Company funds the benefit through contributions to Insurance Companies.

Remeasurements gains and losses arising from experience adjustment & change in actuarial assumption are recognised in the period in which they occur, directly in other comprehensive Income. They are included in retained earnings in the statement of change in equity & balance sheet.

#### Other long term benefits: Compensated Absences

Compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is determined based on actuarial valuation (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

### m) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### Financial assets

##### Initial recognition and measurement

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

##### Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through Profit and Loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

##### Debt instruments at amortised cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset that give rise on specified dates to cash flows that are Solely Payments of Principal and Interest ("SPPI") on the principal amount outstanding

This category is most relevant to the Company.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The accretion of EIR is recorded as an income/expense in Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

##### Debt instruments and derivatives measured at fair value through profit and loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments and derivatives included within the FVTPL category are measured at fair value with all changes recognized in the Profit and loss.

# Notes to standalone financial statements

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## De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when:

- The contractual rights to receive cash flows from the asset has expired, or
- The Company has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

## Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

## Financial liabilities

### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings, etc.

### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

### Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and loss.

### Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit or loss.

### De-recognition

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

### Offsetting of financial instruments

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

## n) Impairment

### (i) Financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are debt instruments and are initially measured at fair value with subsequent measurement at amortised cost e.g., trade and other receivables, unbilled revenue, security deposits, etc.

The Company follows 'simplified approach' for recognition of impairment loss allowance for trade receivables. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in the subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on a twelve month ECL.

### (ii) Non-financial assets

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

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use or its fair value less costs to sell. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

The Company's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized, if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount and are recognised in Statement of Profit and Loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of goodwill, if any, allocated to the units and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying -

## Notes to standalone financial statements

for the year ended March 31, 2019

amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### o) Derivative financial instrument

The Company uses derivative financial instruments i.e., forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss. The Company has not applied hedge accounting.

### p) Share capital

Ordinary shares are classified as equity. Incremental costs, if any, directly attributable to the issue of ordinary shares, if any, are recognised as a deduction from equity, net of any tax effects.

### q) Cash and cash equivalents

Cash and short-term deposits in the Balance Sheet and Cash Flow Statement comprise cash in hand, cash at banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

### r) Equity investment (in subsidiaries)

Investments in subsidiaries are carried at cost. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries the difference between net disposal proceeds and the carrying amounts are recognized in the statement of profit and loss.

### s) Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year/ period attributable to the shareholders of the Company by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Company (after adjusting the corresponding income/ charge for dilutive potential equity shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

### t) Segment reporting

#### Identification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Only those business activities are identified as operating

segment for which the operating results are regularly reviewed by the CODM to make decisions about resource allocation and performance measurement.

#### Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

### u) Contingencies

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 recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

### v) Dividends

Dividends on equity shares are recorded as a liability on the date of approval by the shareholders.

### w) Export incentive

Export Incentive / credit earned under duty entitlement pass book scheme are treated as income in the year of export at the estimated realizable value / actual credit earned on exports made during the year.

### x) Recent accounting pronouncements

#### Ind AS 116 :

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lease accounting model for lessee and requires the lessee to recognize right of use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is low value in nature. Currently, operating lease expenses are charged to the statement of profit and loss. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

As per Ind AS 116, the lessee needs to recognise depreciation on rights of use assets and finance costs on lease liabilities in the statement of profit and loss. The lease payments made by the lessee under the lease arrangement will be adjusted against the lease liabilities.

The Company is currently evaluating the impact on account of implementation of Ind AS 116 which might have insignificant impact on profit & loss and balance sheet.



## Notes to standalone financial statements for the year ended March 31, 2019

(₹ In Lakhs)

| 3(a). Property, Plant and Equipment | Freehold Land | Leasehold Land | Factory Buildings | Plant and equipment | Telecom Networking | Testing Instruments | Air Conditioners | Furniture and fixtures | Office Equipment's | Data Processing System | Vehicles     | Fork Lift    | Total            |
|-------------------------------------|---------------|----------------|-------------------|---------------------|--------------------|---------------------|------------------|------------------------|--------------------|------------------------|--------------|--------------|------------------|
| Cost or valuation                   |               |                |                   |                     |                    |                     |                  |                        |                    |                        |              |              |                  |
| At April 1, 2017                    | 1.84          | 122.70         | 1,845.10          | 17,842.10           | 3,264.78           | 1,125.72            | 299.92           | 208.71                 | 123.89             | 277.55                 | 22.72        | 41.23        | 25,176.26        |
| Additions                           | -             | 605.67         | 2,262.46          | 7,008.45            | 33.39              | 158.25              | 286.59           | 131.58                 | 241.47             | 26.74                  | -            | -            | 10,754.60        |
| Disposals / adjustments             | -             | -              | -                 | (1,870.88)          | -                  | -                   | -                | (11.51)                | (0.34)             | -                      | -            | -            | (1,882.74)       |
| <b>At March 31, 2018</b>            | 1.84          | 728.37         | 4,107.56          | 22,979.67           | 3,298.17           | 1,283.97            | 586.51           | 328.78                 | 365.02             | 304.29                 | 22.72        | 41.23        | 34,048.12        |
| Additions                           | -             | -              | 405.99            | 1,223.25            | 75.95              | 55.19               | 69.90            | 6.71                   | 14.69              | 5.66                   | -            | -            | 1,857.34         |
| Disposals / adjustments             | -             | (0.31)         | (0.63)            | (51.81)             | -                  | (8.72)              | (0.11)           | (0.03)                 | (0.11)             | (0.36)                 | -            | -            | (62.08)          |
| <b>At March 31, 2019</b>            | <b>1.84</b>   | <b>728.06</b>  | <b>4,512.92</b>   | <b>24,151.11</b>    | <b>3,374.12</b>    | <b>1,330.44</b>     | <b>656.30</b>    | <b>335.46</b>          | <b>379.60</b>      | <b>309.59</b>          | <b>22.72</b> | <b>41.23</b> | <b>35,843.38</b> |
| Accumulated Depreciation            |               |                |                   |                     |                    |                     |                  |                        |                    |                        |              |              |                  |
| At April 1, 2017                    | -             | 22.45          | 729.85            | 12,329.99           | 2,016.52           | 677.69              | 236.63           | 145.18                 | 59.57              | 226.46                 | 22.14        | 18.44        | 16,484.92        |
| Charge for the year                 | -             | 1.50           | 66.79             | 1,527.71            | 156.32             | 42.09               | 11.15            | 15.76                  | 11.67              | 17.10                  | -            | 2.44         | 1,852.54         |
| Disposals / adjustments             | -             | -              | -                 | (1,647.36)          | -                  | -                   | -                | (3.76)                 | 0.50               | -                      | -            | (6.53)       | (1,657.15)       |
| <b>At March 31, 2018</b>            | -             | 23.95          | 796.64            | 12,210.34           | 2,172.84           | 719.78              | 247.78           | 157.18                 | 71.74              | 243.56                 | 22.14        | 14.35        | 16,680.31        |
| Charge for the year                 | -             | 7.38           | 145.01            | 1,794.38            | 160.31             | 50.78               | 58.03            | 19.95                  | 54.84              | 18.49                  | -            | 2.42         | 2,311.59         |
| Disposals / adjustments             | -             | -              | -                 | (38.96)             | -                  | (1.44)              | -                | -                      | -                  | (0.04)                 | -            | -            | (40.44)          |
| <b>At March 31, 2019</b>            | -             | <b>31.33</b>   | <b>941.65</b>     | <b>13,965.76</b>    | <b>2,333.15</b>    | <b>769.12</b>       | <b>305.81</b>    | <b>177.13</b>          | <b>126.58</b>      | <b>262.01</b>          | <b>22.14</b> | <b>16.77</b> | <b>18,951.46</b> |
| Net Block value                     |               |                |                   |                     |                    |                     |                  |                        |                    |                        |              |              |                  |
| <b>At March 31, 2019</b>            | <b>1.84</b>   | <b>696.73</b>  | <b>3,571.27</b>   | <b>10,185.35</b>    | <b>1,040.97</b>    | <b>561.32</b>       | <b>350.49</b>    | <b>158.33</b>          | <b>253.02</b>      | <b>47.58</b>           | <b>0.58</b>  | <b>24.46</b> | <b>16,891.92</b> |
| At March 31, 2018                   | 1.84          | 704.42         | 3,310.92          | 10,769.33           | 1,125.33           | 564.19              | 338.73           | 171.60                 | 293.28             | 60.73                  | 0.58         | 26.88        | 17,367.81        |

## 3 (b). Capital Work-in-progress

(₹ In Lakhs)

|                           |                  |
|---------------------------|------------------|
| <b>At 31st March 2019</b> | <b>15,342.24</b> |
| At 31st March 2018        | 15,186.31        |

## 4. Intangible assets

(₹ In Lakhs)

## Gross block

|                         |          |
|-------------------------|----------|
| At April 1, 2017        | 2,617.45 |
| Additions               | 121.89   |
| Disposals / adjustments | -        |

## At March 31, 2018

2,739.34

## Additions

39.48

## Disposals / adjustments

-

## At March 31, 2019

2,778.82

## Accumulated Amortisation

|                         |          |
|-------------------------|----------|
| At April 1, 2017        | 2,221.02 |
| Charge for the year     | 266.84   |
| Disposals / adjustments | -        |

## At March 31, 2018

2,487.86

## Charge for the year

134.80

## Disposals / adjustments

-

## At March 31, 2019

2,622.66

## Net block value

|                          |               |
|--------------------------|---------------|
| <b>At March 31, 2019</b> | <b>156.16</b> |
| At March 31, 2018        | 251.48        |

## Notes to standalone financial statements

for the year ended March 31, 2019

### 5. Financial assets - Investments

(₹ In Lakhs)

|   | 31-Mar-2019      | 31-Mar-2018      |
|---|------------------|------------------|
| <b>Investment in subsidiaries :</b>   |                  |                  |
| <b>Equity Instruments (Unquoted)</b>  |                  |                  |
| 586 (March 31 2018: 586) equity share of Arab Emirates Dhiram (AED) 150,000 each fully paid-up in AOL FZE (Dubai)     | 14,736.18        | 14,736.18        |
| 3,600,000 (March 31, 2018: 3,600,000) Equity Shares of Rs. 10/- each fully paid up in Aksh Composites Private Limited | 337.42           | 337.42           |
| 100,000 Equity Shares of AED 10/- each fully paid up in AOL Technologies FZE (Dubai) *                                | 180.90           | 180.90           |
| 2,558,053 Equity Shares of MUR 10/- each fully paid up in Aksh Technologies (Mauritius) Limited *                     | 525.27           | 123.35           |
| Deemed investment in subsidiaries # (refer note no.34(e))   | 231.20           | 231.20           |
|   | <b>16,010.97</b> | <b>15,609.05</b> |
| <b>Investment others :</b>  |                  |                  |
| " National Saving Certificates (Deposited with government department as security) "                                   | -                | 0.05             |
|   | -                | <b>0.05</b>      |
|   | <b>16,010.97</b> | <b>15,609.10</b> |
| <b>Other Details</b>  |                  |                  |
| Investment in subsidiaries  | 16,010.97        | 15,609.05        |
| Investment in others  | -                | 0.05             |
| * Pending for allotment in 31st March 2018  |                  |                  |

# The Company has provided corporate guarantee against credit facilities availed by its wholly owned subsidiaries. As no payment is made by the wholly owned subsidiaries to the Company, the same has been considered as a deemed capital contribution by AOL to its subsidiaries, since the guarantee has been provided by AOL in its capacity as a shareholder. As a result, the financial guarantee has been fair valued and has been presented as deemed investment in subsidiary with a corresponding credit in other financial liabilities which will be amortised over period of term loan.

### 6. Financial assets - Loans

(₹ In Lakhs)

|  | 31-Mar-2019      | 31-Mar-2018     |
|--|------------------|-----------------|
| <b>Non-Current</b>   |                  |                 |
| Security deposit *   | 203.48           | 226.04          |
| Loan and advances to related parties # ( refer note no.34) | 9,492.37         | -               |
|  | <b>9,695.85</b>  | <b>226.04</b>   |
| <b>Current</b>   |                  |                 |
| Security deposit*  | 81.38            | 32.35           |
| Loan and advances to related parties ( refer note no.34)   | 606.93           | 6,946.77        |
| Loan and advances to others                                | 450.00           | 350.00          |
|  | <b>1,138.31</b>  | <b>7,329.12</b> |
| <b>Break-up :</b>  |                  |                 |
| Loans considered good - Secured                            | -                | -               |
| Loans considered good - Unsecured                          | 10,834.16        | 7,555.16        |
| Loans which have significant increase in credit risk       | -                | -               |
| Loans - credit impaired                                    | -                | -               |
|  | <b>10,834.16</b> | <b>7,555.16</b> |

\* Security deposit are financial assets and are refundable in cash. These are measured based on effective interest method. # Loan and advances to related parties are treated as non-current in line with approval from Board of Directors for conversion of loan amount into 6% Non – Cumulative Optionally Convertible Preference Shares.

### 7. Financial assets - Other Financial Assets

(₹ In Lakhs)

|   | 31-Mar-2019   | 31-Mar-2018   |
|---|---------------|---------------|
| <b>Non Current</b>  |               |               |
| Margin Money #  | 628.74        | 512.49        |
|   | <b>628.74</b> | <b>512.49</b> |
| <b>Current</b>  |               |               |
| Interest accrued on fixed deposits                        | 14.17         | 36.89         |
| Interest accrued on other deposits                        | 43.26         | 58.21         |
| <b>Derivative Instruments</b>                             |               |               |
| Foreign exchange forward contracts                        | 91.08         | 18.99         |
| Other receivable from related parties ( refer note no.34) | -             | 270.34        |
|   | <b>148.51</b> | <b>384.43</b> |

#The Company has pledged fixed deposits with banks to fulfill collateral and margin requirement towards various bank facilities sanctioned to the company.

## Notes to standalone financial statements

for the year ended March 31, 2019

### 8. Deferred Tax

(₹ In Lakhs)

|   | 31-Mar-2019     | 31-Mar-2018   |
|---|-----------------|---------------|
| <b>Deferred Tax Liability</b>   |                 |               |
| Fixed assets: Impact of difference between tax depreciation and depreciation/<br>amortisation charged for the financial reporting | 1,134.75        | 951.66        |
| <b>Gross deferred tax liability</b>   | <b>1,134.75</b> | <b>951.66</b> |
| <b>Deferred tax asset</b>   |                 |               |
| Provision for doubtful debts  | 30.18           | 30.65         |
| Disallowances under the Income Tax Act, 1961  | 108.36          | 114.46        |
| <b>Gross deferred tax asset</b>   | <b>138.54</b>   | <b>145.11</b> |
| MAT credit  | 774.17          | 1,060.52      |
| <b>Deferred Tax Assets / (Liability) (net)</b>  | <b>(222.04)</b> | <b>253.97</b> |

### Reconciliation of deferred tax assets

(₹ In Lakhs)

|   | 31-Mar-2019     | 31-Mar-2018   |
|---|-----------------|---------------|
| Opening deferred tax assets (net)                                     | 253.97          | 886.31        |
| Deferred tax credit / (charge) recorded in statement of profit & loss | (193.27)        | (158.42)      |
| Deferred tax credit / (charge) recorded in OCI                        | 3.60            | (0.96)        |
| Utilisation of MAT credit   | (286.35)        | (472.93)      |
| others  | 0.01            | (0.03)        |
| <b>Closing deferred tax assets (net)</b>                              | <b>(222.04)</b> | <b>253.97</b> |

### Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2019 and 31 March 2018:

(₹ In Lakhs)

|  | 31-Mar-2019     | 31-Mar-2018     |
|--|-----------------|-----------------|
| <b>Accounting profit before income tax</b>                                 | <b>4,656.25</b> | <b>3,479.80</b> |
| At India's statutory income tax rate of 34.944%.% (31 March 2018: 34.608%) | 1,627.08        | 1,204.29        |
| Adjustments in respect of current income tax of previous years             | -               | (2.71)          |
| Impact of change in tax rate   | -               | 7.76            |
| Impact of permanent disallowances under Income Tax Act                     | 86.92           | 22.32           |
| Impact of different tax created on capital gains                           | -               | (21.72)         |
| Impact of lapsed MAT credit  | 128.73          | -               |
| Others   | (0.07)          | (10.85)         |
| At the effective income tax rate of 39.574% (31 March 2018: 34.459%)       | 1,842.66        | 1,199.09        |
| <b>Income tax expense reported in the statement of profit and loss</b>     | <b>1,842.66</b> | <b>1,199.09</b> |

### 9. Other Assets

(₹ In Lakhs)

|  | 31-Mar-2019     | 31-Mar-2018     |
|--|-----------------|-----------------|
| <b>Non-Current</b>                               |                 |                 |
| Capital advances                                 | 272.08          | 832.02          |
| Prepaid expenses                                 | 56.50           | 40.72           |
| Income Tax Refund Due                            | -               | 52.81           |
| Deferred lease expense on security deposits paid | 6.05            | 9.07            |
| <b>Total Other Non-Current Assets</b>            | <b>334.63</b>   | <b>934.62</b>   |
| <b>Current</b>                                   |                 |                 |
| Advances recoverable in cash or kind             | 306.47          | 559.30          |
| Prepaid expenses                                 | 334.76          | 305.53          |
| Balances with statutory / government authorities | 907.39          | 2,253.09        |
| Deferred lease expense on security deposits paid | 3.02            | 6.41            |
| <b>Total Other Current Assets</b>                | <b>1,551.64</b> | <b>3,124.33</b> |

## Notes to standalone financial statements

for the year ended March 31, 2019

### 10. Inventories

(₹ In Lakhs)

|  | 31-Mar-2019     | 31-Mar-2018     |
|--|-----------------|-----------------|
| <b>(Valued at lower of cost and net realisable value)</b>                                      |                 |                 |
| Finished and traded goods (Includes stock in transit Rs. 1,514.91 lakhs, March 31, 2018 : Nil) | 2,755.54        | 981.01          |
| Raw material (Includes stock in transit Rs. Nil, March 31, 2018 : Rs.109.87 lakhs)             | 1,597.90        | 1,730.19        |
| Semi finished goods  | 1,719.35        | 1,531.14        |
| Stores, spares and others  | 483.66          | 510.95          |
|  | <b>6,556.45</b> | <b>4,753.29</b> |

#### Amount recognised in profit & loss

Write-down to inventories to net realisable value amounted to Rs.27.56 lakhs (31st March 2018 : Nil). These write-downs were recognised as an expense and included in 'changes in inventories of finished goods, work-in-progress and traded goods' in the statement of Profit and Loss.

### 11. Financial assets - Trade Receivables

(₹ In Lakhs)

|  | 31-Mar-2019      | 31-Mar-2018      |
|--|------------------|------------------|
| Trade receivables  | 13,880.16        | 20,527.40        |
| Receivables from related parties                                 | 4,521.74         | 827.47           |
| Trade Receivables which have significant increase in credit risk | -                | -                |
| Trade Receivables - Credit Impaired                              | -                | -                |
|  | <b>18,401.90</b> | <b>21,354.87</b> |
| Less : Provision for doubtful debts                              | 86.36            | 87.73            |
|  | <b>18,315.54</b> | <b>21,267.14</b> |
| <b>Breakup of security details</b>                               |                  |                  |
| Secured, considered good   | -                | -                |
| Unsecured, considered good                                       | 18,315.54        | 21,267.14        |
| Considered doubtful  | 86.36            | 87.73            |
|  | <b>18,401.90</b> | <b>21,354.87</b> |

The carrying amount of trade receivable include receivables which are subject to factoring arrangement / bill discounting. Company continues to recognise in trade receivable and the amount re-payable under factoring arrangement as short term borrowing.

#### Trade receivable that are not derecognised in their entirety :

(₹ In Lakhs)

|                      | 31-Mar-2019 | 31-Mar-2018 |
|----------------------|-------------|-------------|
| Trade receivables    | 1,951.55    | 6,396.31    |
| Associated borrowing | 1,591.65    | 5,117.04    |

Trade receivables that are without recourse to us are de-recognised (along with corresponding liability). Company retains interest liability upto an agreed date on the entire amount, the costs for which are recognised as part of finance costs.

#### Trade receivable that are derecognised in their entirety :

(₹ In Lakhs)

|                   | 31-Mar-2019 | 31-Mar-2018 |
|-------------------|-------------|-------------|
| Trade receivables | 2,761.69    | -           |

There are no trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private Companies respectively in which any director is a partner, a director or a member.

Trade receivables are generally non-interest bearing and are generally on terms of 30 to 120 days.

### 12. Financial assets - Cash and Cash equivalents

(₹ In Lakhs)

|                            | 31-Mar-2019   | 31-Mar-2018   |
|----------------------------|---------------|---------------|
| Balances with banks:       |               |               |
| On current accounts*       | 107.37        | 414.06        |
| On unpaid dividend account | 3.96          | 1.46          |
| Cash on hand               | 7.97          | 11.49         |
|                            | <b>119.30</b> | <b>427.01</b> |

\* Includes earmarked bank balances amounting to Rs. 3.00 lakhs.

## Notes to standalone financial statements

for the year ended March 31, 2019

### 13. Financial assets - Other Bank Balances

(₹ In Lakhs)

|  | 31-Mar-2019     | 31-Mar-2018     |
|--|-----------------|-----------------|
| Deposits with original maturity of more than 12 months | -               | 12.10           |
| Deposits with original maturity of less than 12 months | 1.00            | 1.00            |
| Margin Money #   | 1,307.76        | 1,865.35        |
|  | <b>1,308.76</b> | <b>1,878.45</b> |

# The Company has pledged fixed deposits with banks to fulfill collateral and margin requirement towards various bank facilities sanctioned to the company.

### 14. Share Capital

(₹ In Lakhs)

|  | 31-Mar-2019     | 31-Mar-2018     |
|--|-----------------|-----------------|
| <b>Authorized Shares (Nos)</b>   |                 |                 |
| 520,100,000 (March 31, 2018 : 520,100,000) Equity Shares of Rs. 5/- each | 26,005.00       | 26,005.00       |
| <b>Issued, subscribed and fully paid-up shares (Nos.)</b>                |                 |                 |
| 162,697,971 (March 31, 2018 : 162,697,971) Equity Shares of Rs. 5/- each | 8,134.90        | 8,134.90        |
|  | <b>8,134.90</b> | <b>8,134.90</b> |

#### (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

|   |                     | 31-Mar-2019         | 31-Mar-2018         |
|---|---------------------|---------------------|---------------------|
| At the beginning of the year              | Nos.                | 16,26,97,971        | 16,26,65,070        |
| <b>Add:</b>                               |                     |                     |                     |
| Issued during the year                    | Nos.                | -                   | 32,901              |
| <b>Outstanding at the end of the year</b> | <b>Nos.</b>         | <b>16,26,97,971</b> | <b>16,26,97,971</b> |
| At the beginning of the year              | Rs. in Lakhs        | 8,134.90            | 8,133.25            |
| <b>Add:</b>                               |                     |                     |                     |
| Issued during the year                    | Rs. in Lakhs        | -                   | 1.65                |
| <b>Outstanding at the end of the year</b> | <b>Rs. in Lakhs</b> | <b>8,134.90</b>     | <b>8,134.90</b>     |

#### Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs 5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### (b) During the period of five years immediately preceding to reporting date, the Company has not

- (i) issued any bonus shares
- (ii) Bought back any shares

Aggregate number of share issued for consideration other than cash during the period of five years immediately preceding the reporting date:

#### Equity Shares

|   | 31-Mar-2019 | 31-Mar-2018 |
|---|-------------|-------------|
| Equity Shares allotted to minority shareholders of erstwhile APaksh Broadband Limited | -           | 32,901      |

### 15. Other Equity

(₹ In Lakhs)

|   |                  | 31-Mar-2019      | 31-Mar-2018      |
|---|------------------|------------------|------------------|
| Securities Premium Account                          | (A)              | 33,064.11        | 33,064.11        |
| <b>Capital Reserves</b>                             | <b>(B)</b>       | <b>2,223.35</b>  | <b>2,223.35</b>  |
| <b>Other reserve - Shares pending for allotment</b> |                  |                  |                  |
| Less : Shares allotted during the year              |                  | -                | 1.65             |
|   |                  | -                | (1.65)           |
| <b>Closing Balance</b>                              | <b>(C)</b>       | <b>-</b>         | <b>-</b>         |
| <b>Retained Earnings</b>                            |                  |                  |                  |
| Balance as per the last financial statements        |                  | 5,760.14         | 3,477.61         |
| Profit for the year                                 |                  | 2,813.59         | 2,280.71         |
| Less: Equity dividend and tax thereon               |                  | (588.42)         | -                |
| Add/(Less) Other Comprehensive Income               |                  | (6.71)           | 1.82             |
| <b>Closing Balance</b>                              | <b>(D)</b>       | <b>7,978.60</b>  | <b>5,760.14</b>  |
| <b>Total Other Equity</b>                           | <b>(A+B+C+D)</b> | <b>43,266.06</b> | <b>41,047.60</b> |



## Notes to standalone financial statements

for the year ended March 31, 2019

### Nature and Purpose of reserves other than retained earnings

#### Securities premium

Securities premium is created due to premium on issue of shares. These reserve can be utilised in accordance with the section 52 of Companies Act, 2013 .

#### Capital reserve

Capital reserve is created on account of Amalgamation of erstwhile APAKSH Broadband Limited with the company.

### Distribution proposed

(₹ In Lakhs)

|  | 31-Mar-2019 | 31-Mar-2018 |
|--|-------------|-------------|
| <b>Proposed dividends on Equity shares :</b>   |             |             |
| Cash dividend for the year ended on 31 March 2019 : Nil (31 March 2018 : Rs.0.30 per share ) | -           | 488.09      |
| Dividend Distribution Tax (DTT) on proposed dividend   | -           | 100.33      |
|  | -           | 588.42      |

### 16. Financial liabilities - Non-Current Borrowings

(₹ In Lakhs)

|   | 31-Mar-2019     | 31-Mar-2018     |
|---|-----------------|-----------------|
| <b>Non-Current Borrowings</b>   |                 |                 |
| <b>Secured Loans</b>  |                 |                 |
| Foreign Currency Loan from Banks  | 2,038.52        | 2,868.02        |
| Indian Rupee Loan from Banks  | 4,670.26        | 5,117.58        |
| <b>Total Non-Current long term borrowings</b>                                     | <b>6,708.78</b> | <b>7,985.60</b> |
| <b>The above amount includes</b>  |                 |                 |
| Secured borrowings  | 6,708.78        | 7,985.60        |
| <b>Current maturities of long term debt</b>                                       |                 |                 |
| <b>Term Loans</b>   |                 |                 |
| <b>Secured Loans</b>  |                 |                 |
| Foreign Currency Loan from Banks  | 967.99          | 738.39          |
| Indian Rupee Loan from Banks  | 1,839.97        | 1,456.11        |
| <b>(A)</b>  | <b>2,807.96</b> | <b>2,194.50</b> |
| <b>Unsecured Loans</b>  |                 |                 |
| Indian Rupee Loan from Others   | -               | 2.89            |
| <b>(B)</b>  | <b>-</b>        | <b>2.89</b>     |
| <b>Total Current Maturities (A+B)</b>   | <b>2,807.96</b> | <b>2,197.39</b> |
| <b>The above amount includes</b>  |                 |                 |
| Secured borrowings  | 2,807.96        | 2,194.50        |
| Unsecured borrowings  | -               | 2.89            |
| Amount disclosed under the head "other financial liabilities" (refer note no. 18) | (2,807.96)      | (2,197.39)      |
|   | -               | -               |

**Indian rupee loan** from banks amounting to Rs 6,510.23 lakhs (31 March 2018: Rs 6,573.69 lakhs) carries interest rate ranging between 9.35% p.a. to 11.35% p.a. and repayable in 5 years in quarterly installments. The loans are secured by way of first pari passu charge on fixed assets of the Company, second pari passu charge on current assets of the Company and further secured by personal guarantee of Dr. Kailash S Choudhari.

**Foreign currency term loan** from banks amounting to Rs.3,006.51 lakhs (31 March 2018: Rs 3,606.41 lakhs) carries interest rate ranging between 5.30 % to 7.10% p.a. and repayable in 5 years in quarterly installments. The loans are secured by way of first pari passu charge on fixed assets of the Company, second pari passu charge on current assets of the Company and further secured by personal guarantee of Dr. Kailash S Choudhari.

**Term loan from others** includes Indian rupee loan from Hewlett Packard Financial Services (India) Private Limited amounting to Nil (31 March 2018: Rs 2.89 lakhs) which carries fixed interest @ 13.68%.

### Delay/Default in repayment of Borrowing (Current and Non Current) and Interest

The Company has defaulted in repayment of following dues to the banks. The lender wise detail are as under :

## Notes to standalone financial statements

for the year ended March 31, 2019

| Name of lender             | Delay in repayment & paid during the year |              | Default as at March 31, 2019 |              |
|----------------------------|---|--------------|------------------------------|--------------|
|                            | (₹ In Lakhs)                              | Maximum days | (₹ In Lakhs)                 | Maximum days |
| <b>A. Borrowings</b>       |   |              |                              |              |
| Punjab National Bank       | -   | -            | 116.75                       | 15           |
| HDFC Bank                  | 266.04                                    | 69           | 988.83                       | 59           |
| Union Bank of India        | 110.00                                    | 20           | 440.92                       | 20           |
|                            | <b>376.04</b>                             |              | <b>1,546.50</b>              |              |
| <b>B. Interest</b>         |   |              |                              |              |
| Punjab National Bank       | 9.69                                      | 4            | 5.07                         | 22           |
| HDFC Bank                  | 45.55                                     | 58           | 32.32                        | 26           |
| Union Bank of India        | 56.70                                     | 5            | 29.08                        | 10           |
|                            | <b>111.94</b>                             |              | <b>66.47</b>                 |              |
| <b>C. Bill discounting</b> |   |              |                              |              |
| HDFC Bank                  | 3,211.54                                  | 80           | -                            | -            |

### 17. Financial liabilities - Trade Payables

(₹ In Lakhs)

|   | 31-Mar-2019     | 31-Mar-2018      |
|---|-----------------|------------------|
| <b>Non-Current</b>  |                 |                  |
| Trade Payables to micro and small enterprises (refer note no. 43) | -               | -                |
| Trade Payables to others  | -               | 138.90           |
|   | -               | <b>138.90</b>    |
| <b>Other Details</b>  |                 |                  |
| Trade payables to related parties (Refer note no. 34)             | -               | -                |
| Others  | -               | 138.90           |
| <b>Current</b>  |                 |                  |
| Trade Payables to micro and small enterprises (refer note no. 43) | 386.92          | 107.52           |
| Trade Payables to others  | 8,882.97        | 10,285.24        |
|   | <b>9,269.89</b> | <b>10,392.76</b> |
| <b>Other Details</b>  |                 |                  |
| Trade payables to related parties (Refer note no. 34)             | 42.09           | 107.52           |
| Others  | 9,227.80        | 10,285.24        |

Trade payables are generally non-interest bearing and are generally on terms of 30 to 90 days.

### 18. Financial liabilities - Other Financial Liabilities

(₹ In Lakhs)

|  | 31-Mar-2019     | 31-Mar-2018     |
|--|-----------------|-----------------|
| <b>Non-Current</b>   |                 |                 |
| Interest accrued but not due on borrowings / trade payable | -               | 27.10           |
| Financial guarantee obligation                             | 126.83          | 156.77          |
| <b>Total Non-Current financial liabilities</b>             | <b>126.83</b>   | <b>183.87</b>   |
| <b>Current</b>   |                 |                 |
| Current maturities of long term debt (Refer Note no. 16 )  | 2,807.96        | 2,197.39        |
| Interest accrued but not due on borrowings / trade payable | 39.19           | 43.05           |
| Interest accrued and due on borrowings / trade payable     | 79.52           | -               |
| Unclaimed Dividend 2013-14 & 2017-18*                      | 3.96            | 1.46            |
| Financial guarantee obligation                             | 29.94           | 34.40           |
| 0 % Security Deposits                                      | 689.95          | 613.59          |
| Others   | 2,648.88        | 3,586.84        |
| <b>Total Current financial liabilities</b>                 | <b>6,299.40</b> | <b>6,476.73</b> |

\*Unclaimed dividend will be deposited in Investor Education and Protection fund as and when due

### 19. Provisions

(₹ In Lakhs)

|   | 31-Mar-2019   | 31-Mar-2018   |
|---|---------------|---------------|
| <b>Non-Current</b>  |               |               |
| Provision for Gratuity & Compensated Absences (refer note no. 32) | 296.22        | 247.76        |
|   | <b>296.22</b> | <b>247.76</b> |
| <b>Current</b>  |               |               |
| Provision for Gratuity & Compensated Absences (refer note no. 32) | 31.67         | 15.13         |
|   | <b>31.67</b>  | <b>15.13</b>  |

## Notes to standalone financial statements

for the year ended March 31, 2019

### 20. Short Term Borrowings

(₹ In Lakhs)

|   | 31-Mar-2019      | 31-Mar-2018      |
|---|------------------|------------------|
| <b>Secured Loans</b>                                |                  |                  |
| Working capital facilities from Banks               | 8,300.98         | 6,345.26         |
| Buyer's Credit from Banks                           | -                | 540.45           |
| <b>Unsecured Loans</b>                              |                  |                  |
| <b>Deposits (unsecured)</b>                         |                  |                  |
| Inter corporate deposit from others                 | 400.00           | 250.00           |
| Liability towards bills discounted from Bank/others | 2,012.19         | 5,682.58         |
|   | <b>10,713.17</b> | <b>12,818.29</b> |
| Total secured loans                                 | 8,300.98         | 6,885.71         |
| Total unsecured loans                               | 2,412.19         | 5,932.58         |

**Working capital facilities** includes cash credit and short term loan from banks are secured by way of first pari-passu charge on hypothecation of raw materials, work-in-progress, finished goods and trade receivables both present and future and second pari-passu charge on the fixed assets of the Company. These facilities are further secured by way of first pari-passu charge on the immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari. The cash credit is repayable on demand and short term loan of Rs. 864.80 Lakhs is repayable in two installments. It carries interest in the range of 9.25% to 10.85 % p.a.

**Buyer's credit** are secured by hypothecation of raw materials, work-in-progress, finished goods and trade receivables and carries rate of interest @ 4% to 5% p.a. (excluding hedging premium).

**Inter corporate deposits** from other are repayable on demand and carries rate of interest @ 11.50% to 15% p.a.

**Bills Discounting** are unsecured and carries interest @ 9 to 10% p.a.

### 21. Other Current Liabilities

(₹ In Lakhs)

|                        | 31-Mar-2019     | 31-Mar-2018     |
|------------------------|-----------------|-----------------|
| Advance from Customers | 1,748.57        | 1,078.62        |
| Others                 | 322.55          | 630.59          |
|                        | <b>2,071.12</b> | <b>1,709.21</b> |

### 22. Revenue From Operations

(₹ In Lakhs)

|  | 31-Mar-2019      | 31-Mar-2018      |
|--|------------------|------------------|
| <b>Revenue from contracts with customers</b> |                  |                  |
| Sale of products                             |                  |                  |
| - Finished goods                             | 45,956.09        | 53,012.34        |
| - Traded goods                               | 2,806.34         | 1,746.12         |
| Sale of services                             | 2,862.72         | 2,709.39         |
| <b>Other operating revenue</b>               |                  |                  |
| - Scrap sales                                | 94.87            | 95.75            |
| - Export Incentives                          | 580.88           | 826.88           |
| - Exchange Fluctuation                       | 498.49           | 547.45           |
| - Other operating revenue                    | 73.45            | 1.22             |
|  | <b>52,872.84</b> | <b>58,939.15</b> |

Disaggregation of revenue has been disclosed on the basis business segment and geography (refer note no. 33)

### Reconciliation of Revenue from operations with contract price

(₹ In Lakhs)

|                                      | 31-Mar-2019      |
|--------------------------------------|------------------|
| <b>Contract price</b>                | <b>52,067.46</b> |
| Less : Liquidation damage charges    | 308.20           |
| Less : Rebate / Discount             | 39.24            |
| <b>Total revenue from operations</b> | <b>51,720.02</b> |

Revenue is recognized upon transfer of control of products or services to customers.

# Notes to standalone financial statements

for the year ended March 31, 2019

## 23. Other Income

(₹ In Lakhs)

|                                | 31-Mar-2019   | 31-Mar-2018   |
|--------------------------------|---------------|---------------|
| Interest income                |               |               |
| on deposits                    | 150.09        | 145.43        |
| on advances to Related parties | 452.66        | 202.24        |
| on other advances              | 139.57        | 98.89         |
|                                | <b>742.32</b> | <b>446.56</b> |

## 24. Cost of raw material and components consumed

(₹ In Lakhs)

|   | 31-Mar-2019      | 31-Mar-2018      |
|---|------------------|------------------|
| Inventory at the beginning of the year              | 1,730.19         | 1,449.12         |
| Add: Purchases                                      | 31,506.79        | 36,878.47        |
|   | <b>33,236.98</b> | <b>38,327.59</b> |
| Less: inventory at the end of the year              | 1,597.90         | 1,730.19         |
| <b>Cost of raw material and components consumed</b> | <b>31,639.08</b> | <b>36,597.40</b> |

## 25. Details of purchase of traded goods

(₹ In Lakhs)

|                            | 31-Mar-2019     | 31-Mar-2018     |
|----------------------------|-----------------|-----------------|
| Telecom & electronic items | 1,755.97        | 1,366.67        |
|                            | <b>1,755.97</b> | <b>1,366.67</b> |

## 26. (Increase)/ decrease in inventories

(₹ In Lakhs)

|   | 31-Mar-2019      | 31-Mar-2018     |
|---|------------------|-----------------|
| <b>Inventories at the end of the year</b>       |                  |                 |
| Finished/Traded goods                           | 2,755.54         | 981.01          |
| Semi Finished goods                             | 1,719.35         | 1,531.14        |
|   | <b>4,474.89</b>  | <b>2,512.15</b> |
| <b>Inventories at the beginning of the year</b> |                  |                 |
| Finished/traded goods                           | 981.01           | 256.23          |
| Semi finished goods                             | 1,531.14         | 2,352.96        |
|   | <b>2,512.15</b>  | <b>2,609.19</b> |
|   | <b>-1,962.74</b> | <b>97.04</b>    |

## 27. Employee benefits expense

(₹ In Lakhs)

|   | 31-Mar-2019     | 31-Mar-2018     |
|---|-----------------|-----------------|
| Salaries, wages and bonus                 | 3,198.02        | 2,934.67        |
| Contribution to provident and other funds | 247.65          | 235.55          |
| Gratuity                                  | 56.98           | 69.38           |
| Staff welfare expenses                    | 99.18           | 225.80          |
| Directors' Remuneration                   | 151.04          | 107.96          |
|   | <b>3,752.87</b> | <b>3,573.36</b> |

## 28. Finance costs

(₹ In Lakhs)

|                         | 31-Mar-2019     | 31-Mar-2018     |
|-------------------------|-----------------|-----------------|
| Interest on Cash Credit | 677.34          | 537.54          |
| Interest on Term Loan   | 917.04          | 499.15          |
| Interest Others         | 790.72          | 366.71          |
| Bank Charges            | 452.79          | 388.85          |
|                         | <b>2,837.89</b> | <b>1,792.25</b> |

During the year, the Company has capitalised borrowing costs of Rs. 35.96 lakhs (31 March 2018: Rs. 70.66 lakhs) incurred on the borrowings specifically availed for expansion and modernisation of production facilities. The interest expense disclosed above is net of the interest amount capitalised.

## 29. Depreciation and amortisation expense

(₹ In Lakhs)

|   | 31-Mar-2019     | 31-Mar-2018     |
|---|-----------------|-----------------|
| Depreciation of Property, Plant & Equipment | 2,311.59        | 1,852.54        |
| Amortisation of intangible assets           | 134.80          | 266.84          |
|   | <b>2,446.39</b> | <b>2,119.38</b> |

## Notes to standalone financial statements

for the year ended March 31, 2019

### 30. Other expenses

(₹ In Lakhs)

|  | 31-Mar-2019     | 31-Mar-2018     |
|--|-----------------|-----------------|
| Consumption of stores and spares                           | 516.72          | 566.94          |
| Increase/(Decrease) in Excise Duty Provision on Stock      | -               | (8.02)          |
| Power & Fuel   | 1,190.92        | 1,283.62        |
| Packing Material Consumed                                  | 1,985.26        | 2,517.82        |
| Repair & Maintenance                                       |                 |                 |
| - Plant & Machinery  | 91.24           | 97.31           |
| - Buildings  | 21.91           | 33.12           |
| - Others   | 54.96           | 53.85           |
| Sub-contracting expenses                                   | 1,969.02        | 1,957.98        |
| Marketing & Service Charges                                | 919.12          | 744.74          |
| Freight & Cartage (Outward)                                | 138.07          | 384.25          |
| Travelling & Conveyance                                    | 410.78          | 441.75          |
| CSR Expenditure*   | 63.97           | 63.94           |
| Postage & Telephone  | 35.73           | 56.14           |
| Insurance  | 60.34           | 99.35           |
| Rent   | 134.59          | 134.72          |
| Professional & Legal Expenses                              | 287.82          | 344.01          |
| Auditors' Remuneration**                                   | 43.45           | 40.21           |
| Provision for doubtful debts                               | (1.37)          | 87.73           |
| Other Expenses   | 930.35          | 861.51          |
|  | <b>8,852.88</b> | <b>9,760.97</b> |
| Less : Transfer to Capital Asset/ Capital Work in Progress | -               | 57.75           |
|  | <b>8,852.88</b> | <b>9,703.22</b> |

### \*Details of CSR Expenditure

(₹ In Lakhs)

|   | 31-Mar-2019 | 31-Mar-2018 |
|---|-------------|-------------|
| <b>a) Gross amount required to be spent during the year</b>     | 63.70       | 62.58       |
| <b>b) Amount Spent during the year ending on March 31, 2019</b> |             |             |
| i) Construction/acquisition of an asset                         | -           | -           |
| ii) on Purchase other than (i) above                            | 63.97       | 63.97       |
| <b>c) Amount Spent during the year ending on March 31, 2018</b> |             |             |
| i) Construction/acquisition of an asset                         | -           | -           |
| ii) on Purchase other than (i) above                            | 63.94       | 63.94       |

### \*\* Payment to auditor

(₹ In Lakhs)

|                                     | 31-Mar-2019  | 31-Mar-2018  |
|-------------------------------------|--------------|--------------|
| <b>As auditor:</b>                  |              |              |
| Audit fee                           | 39.00        | 36.00        |
| <b>In other capacity:</b>           |              |              |
| Other services (certification fees) | -            | 0.20         |
| Reimbursement of expenses           | 4.45         | 4.01         |
|                                     | <b>43.45</b> | <b>40.21</b> |
|                                     | -            | -            |

### 31. Exceptional (expense)/income

(₹ In Lakhs)

|  | 31-Mar-2019   | 31-Mar-2018    |
|--|---------------|----------------|
| Foreign Exchange Fluctuations                          | 429.90        | (62.25)        |
| Profit/(Loss) on sale of Property, Plant and Equipment | (0.92)        | 21.97          |
| Balances written off                                   | (65.55)       | (9.83)         |
|  | <b>363.43</b> | <b>(50.11)</b> |



# Notes to standalone financial statements

for the year ended March 31, 2019

## 32. Employee benefits

### Defined benefit plans

#### Gratuity:

Provision for gratuity is determined based on actuarial valuation using projected unit credit method.

Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognized in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

### Changes in the present value of the defined benefit obligation are, as follows:

(₹ In Lakhs)

|   | Gratuity Funded | Compensated absences |
|---|-----------------|----------------------|
| <b>Defined benefit obligation at 1 April 2017</b>     | <b>293.25</b>   | <b>93.36</b>         |
| Interest expense                                      | 22.11           | 7.04                 |
| Service cost  | 43.52           | 23.94                |
| Past Service Cost including curtailment Gains /Losses | 13.80           | -                    |
| Benefits paid   | (2.52)          | (15.65)              |
| Actuarial (gain)/ loss on obligations                 | (2.21)          | (4.82)               |
| <b>Defined benefit obligation at 31 March 2018</b>    | <b>367.95</b>   | <b>103.87</b>        |
| Interest expense                                      | 28.37           | 8.01                 |
| Service cost  | 44.72           | 22.83                |
| Past Service Cost including curtailment Gains /Losses | -               | -                    |
| Benefits paid   | (27.43)         | (11.99)              |
| Actuarial (gain)/ loss on obligations                 | 9.73            | (9.89)               |
| <b>Defined benefit obligation at 31 March 2019</b>    | <b>423.33</b>   | <b>112.83</b>        |

### Reconciliation of fair value of plan assets and defined benefit obligation:

(₹ In Lakhs)

|  | Gratuity Funded | Compensated absences |
|--|-----------------|----------------------|
| Present value of obligation  | 367.95          | 103.87               |
| Fair value of plan assets  | 208.93          | -                    |
| <b>Net assets / (liability) recognized in balance sheet as provision as at 31 March 2018</b> | <b>(159.02)</b> | <b>(103.87)</b>      |
| Present value of obligation  | 423.33          | 112.83               |
| Fair value of plan assets  | 208.27          | -                    |
| <b>Net assets / (liability) recognized in balance sheet as provision as at 31 March 2019</b> | <b>(215.06)</b> | <b>(112.83)</b>      |

### Amount recognised in Statement of Profit and Loss:

(₹ In Lakhs)

|   | Gratuity Funded | Compensated absences |
|---|-----------------|----------------------|
| Current service cost  | 57.32           | 23.94                |
| Net interest expense  | 12.06           | 7.04                 |
| Net actuarial (gain)/loss recognised in the period                                    | -               | (4.82)               |
| <b>Amount recognised in Statement of Profit and Loss for year ended 31 March 2018</b> | <b>69.38</b>    | <b>26.16</b>         |
| Current service cost  | 44.72           | 22.83                |
| Net interest expense  | 12.26           | 8.01                 |
| Net actuarial (gain)/loss recognised in the period                                    | -               | (9.89)               |
| <b>Amount recognised in Statement of Profit and Loss for year ended 31 March 2019</b> | <b>56.98</b>    | <b>20.95</b>         |

### Amount recognised in Other Comprehensive Income:

(₹ In Lakhs)

|   | Gratuity Funded | Compensated absences |
|---|-----------------|----------------------|
| Actuarial (gain)/ loss on obligations   | 2.21            | -                    |
| Return on plan assets (excluding amounts included in net interest expense)          | 0.57            | -                    |
| <b>Amount recognised in Other Comprehensive Income for year ended 31 March 2018</b> | <b>2.78</b>     | <b>-</b>             |
| Actuarial (gain)/ loss on obligations   | (9.73)          | -                    |
| Return on plan assets (excluding amounts included in net interest expense)          | (0.59)          | -                    |
| <b>Amount recognised in Other Comprehensive Income for year ended 31 March 2019</b> | <b>(10.31)</b>  | <b>-</b>             |



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## Notes to standalone financial statements

for the year ended March 31, 2019

Changes in the fair value of plan assets are, as follows:

(₹ In Lakhs)

|   | Gratuity Funded | Compensated absences |
|---|-----------------|----------------------|
| <b>Fair value of plan assets at 1 April 2017</b>  | <b>133.32</b>   | -                    |
| Actual return on plan assets                      | 10.61           | -                    |
| Employer contribution                             | 65.00           | -                    |
| <b>Fair value of plan assets at 31 March 2018</b> | <b>208.93</b>   | -                    |
| Actual return on plan assets                      | 15.52           | -                    |
| Benefits paid                                     | (16.18)         | -                    |
| Employer contribution                             | -               | -                    |
| <b>Fair value of plan assets at 31 March 2019</b> | <b>208.27</b>   | -                    |

The major categories of plan assets of the fair value of the total plan assets are as follows:

|                           | 31-Mar-2019 | 31-Mar-2018 |
|---------------------------|-------------|-------------|
| <b>Investment Details</b> | Gratuity    | Gratuity    |
| Funds Managed by Insurer  | 100%        | 100%        |

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

(₹ In Lakhs)

|                                  | 31-Mar-2019 | 31-Mar-2018 |
|----------------------------------|-------------|-------------|
| Average Past Service             | 6.79        | 6.08        |
| Average Age                      | 34.74       | 33.88       |
| Average remaining working life   | 23.26       | 24.12       |
| Weighted average duration of PBO | 18.09       | 18.52       |
| Discounting rate                 | 7.65%       | 7.71%       |
| Future salary Increase           | 5.50%       | 5.50%       |

### Sensitivity Analysis

Sensitivity Analysis of the defined benefit obligation - Gratuity Plan

(₹ In Lakhs)

|   | 31-Mar-2019   | 31-Mar-2018   |
|---|---------------|---------------|
| <b>Impact on defined benefit obligation</b>     | <b>423.33</b> | <b>367.95</b> |
| Delta effect of +0.5% change in discount rate   | (22.81)       | (19.90)       |
| Delta effect of -0.5% change in discount rate   | 24.75         | 21.61         |
| Delta effect of +0.5% change in salary increase | 21.13         | 18.41         |
| Delta effect of -0.5% change in salary increase | (19.73)       | (17.25)       |

Sensitivity Analysis of the defined benefit obligation - Compensated absences

(₹ In Lakhs)

|   | 31-Mar-2019   | 31-Mar-2018   |
|---|---------------|---------------|
| <b>Impact on defined benefit obligation</b>     | <b>112.83</b> | <b>103.87</b> |
| Delta effect of +0.5% change in discount rate   | (7.19)        | (6.70)        |
| Delta effect of -0.5% change in discount rate   | 7.86          | 7.35          |
| Delta effect of +0.5% change in salary increase | 7.99          | 7.48          |
| Delta effect of -0.5% change in salary increase | (7.36)        | (6.87)        |

### Maturity Profile of Defined Benefit Obligation

(₹ In Lakhs)

|                | 31-Mar-2019 | 31-Mar-2018 |
|----------------|-------------|-------------|
| 0 to 1 Year    | 29.00       | 12.25       |
| 1 to 2 Year    | 6.58        | 23.79       |
| 2 to 3 Year    | 10.24       | 13.52       |
| 3 to 4 Year    | 6.36        | 6.58        |
| 4 to 5 Year    | 11.83       | 10.18       |
| 5 to 6 Year    | 7.72        | 12.45       |
| 6 Year onwards | 351.60      | 289.18      |

### Defined contribution plans

(₹ In Lakhs)

|   | 31-Mar-2019 | 31-Mar-2018 |
|---|-------------|-------------|
| Employer's Contribution to Provident Fund | 193.00      | 183.64      |
| Employer's Contribution to ESI            | 10.26       | 9.08        |
| Employer's Contribution to NPS            | 44.38       | 42.83       |
|   | 247.65      | 235.55      |

# Notes to standalone financial statements

for the year ended March 31, 2019

## 33. Segment information

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company's operations pre-dominantly relate to manufacturing, services and trading of goods. The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on analysis of various performance indicators pertaining to business. The accounting principles used in preparation of the financial statements are consistently applied to record revenue and expenditure in segment information, and are as set out in the significant accounting policies. The information about business segments are given below:

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

(₹ In Lakhs)

|  | Manufacturing    |                  | Services         |                   | Trading         |                 | Total            |                  |
|--|------------------|------------------|------------------|-------------------|-----------------|-----------------|------------------|------------------|
|  | 31-Mar-2019      | 31-Mar-2018      | 31-Mar-2019      | 31-Mar-2018       | 31-Mar-2019     | 31-Mar-2018     | 31-Mar-2019      | 31-Mar-2018      |
| <b>Segment Revenue</b>                           |                  |                  |                  |                   |                 |                 |                  |                  |
| External Turnover                                | 47,516.98        | 54,569.99        | 2,916.20         | 2,623.04          | 2,439.66        | 1,746.12        | 52,872.84        | 58,939.15        |
| Inter Segment Turnover                           | -                | 405.84           | -                | -                 | -               | -               | -                | 405.84           |
| <b>Total Revenue</b>                             | <b>47,516.98</b> | <b>54,975.83</b> | <b>2,916.20</b>  | <b>2,623.04</b>   | <b>2,439.66</b> | <b>1,746.12</b> | <b>52,872.84</b> | <b>59,344.99</b> |
| <b>Segment Results before Interest and Taxes</b> | <b>6,641.09</b>  | <b>5,892.42</b>  | <b>(80.26)</b>   | <b>(1,421.47)</b> | <b>469.13</b>   | <b>404.65</b>   | <b>7,029.96</b>  | <b>4,875.60</b>  |
| Less : Finance Costs                             |                  |                  |                  |                   |                 |                 | 2,837.89         | 1,792.25         |
| Add : Interest Income                            |                  |                  |                  |                   |                 |                 | 742.32           | 446.56           |
| Add : Exceptional Items                          |                  |                  |                  |                   |                 |                 | 363.43           | (50.11)          |
| Add/(Less): Unallocated (Expenses)/Income        |                  |                  |                  |                   |                 |                 | (641.57)         | -                |
| <b>Profit before Tax</b>                         |                  |                  |                  |                   |                 |                 | <b>4,656.25</b>  | <b>3,479.80</b>  |
| <b>Other Information</b>                         |                  |                  |                  |                   |                 |                 |                  |                  |
| Segment Assets                                   | 50,380.98        | 41,837.09        | 19,376.03        | 23,995.36         | 1,330.85        | 810.49          | 71,087.86        | 66,642.94        |
| Unallocated Assets                               |                  |                  |                  |                   |                 |                 | 17,111.16        | 22,862.65        |
| <b>Total Assets</b>                              | <b>50,380.98</b> | <b>41,837.09</b> | <b>19,376.03</b> | <b>23,995.36</b>  | <b>1,330.85</b> | <b>810.49</b>   | <b>88,199.02</b> | <b>89,505.59</b> |
| Segment Liabilities                              | 32,236.70        | 35,579.34        | 2,320.47         | 4,095.96          | 379.18          | 101.78          | 34,936.35        | 39,777.08        |
| Unallocated Liabilities                          |                  |                  |                  |                   |                 |                 | 1,861.71         | 546.01           |
| Share Capital & reserves                         |                  |                  |                  |                   |                 |                 | 51,400.96        | 49,182.50        |
| <b>Total Liabilities</b>                         | <b>32,236.70</b> | <b>35,579.34</b> | <b>2,320.47</b>  | <b>4,095.96</b>   | <b>379.18</b>   | <b>101.78</b>   | <b>88,199.02</b> | <b>89,505.59</b> |
| Depreciation and Amortization                    | 1,909.52         | 648.47           | 536.87           | 1,470.91          | -               | -               | 2,446.39         | 2,119.38         |

**Note :-** Total Revenue is after elimination of inter segment turnover 31.03.2019 : Nil (31.03.2018 : Rs. 405.84 lakhs)

## (B) Secondary segment

| Revenue from external customer *                         | 31-Mar-2019      | 31-Mar-2018      |
|--|------------------|------------------|
| Within India   | 36,551.30        | 36,211.01        |
| Outside India  | 16,321.54        | 22,728.14        |
| <b>Total Revenue as per statement of profit and loss</b> | <b>52,872.84</b> | <b>58,939.15</b> |

\*The revenue information above is based on the locations of the customers.

| Non-Current Operating Assets ** | 31-Mar-2019      | 31-Mar-2018      |
|---------------------------------|------------------|------------------|
| Within India                    | 32,390.32        | 32,805.60        |
| Outside India                   | -                | -                |
| <b>Total</b>                    | <b>32,390.32</b> | <b>32,805.60</b> |

\*\* Non-Current Operating Assets for this purpose consist of Property, Plant & Equipment, Capital work in progress and Intangible Assets.

(C) Revenue from one customer in India more than 10% amounted to Rs.10,438.56 Lakhs (31.03.2018 : Rs. 14,411.70 Lakhs)

## 34. Related party transactions

In accordance with the requirements of Indian Accounting Standard (Ind AS) - 24 'Related Party Disclosures' the names of the related party where control exists/ able to exercise significant influence along with the aggregate transactions and year end balance with them as identified by the management in the ordinary course of business and on arms' length basis are given below:

### (a) Subsidiary Companies :

- AOL FZE, (Dubai)
- AOL Composites (Jiangsu) Co. Limited, (China) (step down subsidiary)
- Aksh Composites Private Limited, (India) (formerly known as Unitape Mandovi Composites Pvt. Ltd.)
- AOL Technologies FZE, (Dubai)
- Aksh Technologies (Mauritius) Limited, (Mauritius)

## Notes to standalone financial statements

for the year ended March 31, 2019

### (b) Key Management personnel (KMP) and their relatives:

- Dr. Kailash S. Choudhari {Chairman (Managing Director till 31.05.2018)}
- Mr. Satyendra Gupta {Managing Director w.e.f 12.02.2019 (Deputy Managing Director till 11.02.2019)}
- Mr. B.R.Rakhecha (Non- Executive Non Independent Director)
- Mr Amrit Nath (Independent Director)
- Mr Dinesh Kumar Mathur (Independent Director till 12.08.2017)
- Ms. Devika Raveendran (Independent Director)
- Mr. Gauri Shankar (Independent Director w.e.f. 08.04.2017)
- Mr. Gaurav Mehta (Chief- Corporate Affairs & Company Secretary)
- Mr. Pawan Kumar Gambhir (Chief Financial Officer)

### (c) Transaction with related parties

(₹ In Lakhs)

| Nature of Transaction  | Subsidiaries | KMP    | Total    |
|--|--------------|--------|----------|
| Re-imbursement of expenses                                   | 125.29       |        | 125.29   |
|  | 116.00       | -      | 116.00   |
| Interest income on Loan                                      | 452.66       |        | 452.66   |
|  | 202.24       |        | 202.24   |
| Short term employee benefits #                               |              | 256.28 | 256.28   |
|  |              | 225.88 | 225.88   |
| Purchase / Services Received                                 | 909.79       | 72.00  | 981.79   |
|  | 275.12       | 58.50  | 333.62   |
| Sale (including capital goods)                               | 5,435.83     |        | 5,435.83 |
|  | 870.70       |        | 870.70   |
| Advance Given  | 2,956.80     | -      | 2,956.80 |
|  | 2,106.96     | -      | 2,106.96 |
| Advance received back  | 302.00       | -      | 302.00   |
|  | -            | -      | -        |
| Investments in Equity (including loan converted into equity) | 401.92       | -      | 401.92   |
|  | 304.25       | -      | 304.25   |
| Sitting Fees   | -            | 16.30  | 16.30    |
|  | -            | 12.08  | 12.08    |
| Corporate guarantee given                                    | 3,792.83     | -      | 3,792.83 |
|  | 9,235.52     | -      | 9,235.52 |

Note : Figures in italic represents previous year

# As the liabilities for gratuity and leave encasement are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the Key Management Personnel are not included above.

### (d) Balance due (to)/ from

(₹ In Lakhs)

|                          | 31-Mar-2019 | 31-Mar-2018 |
|--------------------------|-------------|-------------|
| <b>Subsidiaries</b>      |             |             |
| Trade Receivables        | 4,521.74    | 827.47      |
| Loan and advances        | 10,099.30   | 6,946.77    |
| Other receivables        | -           | 270.34      |
| Trade and other Payables | (42.09)     | (107.52)    |
| <b>KMP</b>               |             |             |
| Trade and other Payables | (38.93)     | (34.14)     |

### (e) Deemed investment in subsidiaries

(₹ In Lakhs)

|                              | 31-Mar-2019   | 31-Mar-2018   |
|------------------------------|---------------|---------------|
| AOL FZE (Dubai)              | 95.30         | 95.30         |
| AOL Technologies FZE (Dubai) | 135.90        | 135.90        |
|                              | <b>231.20</b> | <b>231.20</b> |

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and their settlement occurs in cash. For the year ended 31 March 2019, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2018: Nil)

## Notes to standalone financial statements

for the year ended March 31, 2019

### 35. Detail of loans given, Investment made and guarantee given covered under section 186(4) of the Companies Act, 2013

(₹ In Lakhs)

|  | 31-Mar-2019 | 31-Mar-2018 |
|--|-------------|-------------|
| <b>(a) Loan given by the Company for general business purposes during the year :</b> |             |             |
| AOL FZE (Dubai)  | 1,232.87    | 961.24      |
| Aksh Composite Private Limited   | 570.00      | 170.00      |
| AOL Technologies FZE (Dubai)   | 828.83      | 975.72      |
| Aksh Technologies (Mauritius) Limited, (Mauritius)                                   | 325.11      | -           |
| <b>(b) Investment made are given under respective head (refer note no 5)</b>         |             |             |
| AOL Technologies FZE, (Dubai)  | -           | 180.90      |
| Aksh Technologies (Mauritius) Limited, (Mauritius)                                   | 401.92      | 123.35      |
| <b>(c ) Corporate guarantee given by the Company :</b>                               |             |             |
| AOL FZE (Dubai)  | 3,792.83    | 2,778.50    |
| Aksh Composites Private Limited  | -           | 200.00      |
| AOL Technologies FZE   | -           | 6,257.02    |

For year ended transaction with related parties refer note no.34

### 36. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit for the year attributable to the equity shareholders of the company by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

#### The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ In Lakhs)

|  | 31-Mar-2019 | 31-Mar-2018 |
|--|-------------|-------------|
| Profit for the year  | 2,813.59    | 2,280.71    |
| Weighted average number of equity shares in calculating basic EPS (absolute value in number) | 162,697,971 | 162,697,971 |
| Effect of dilution   | -           | -           |
| Weighted average number of equity shares in calculating basic EPS (absolute value in number) | 162,697,971 | 162,697,971 |
| Earning per share  |             |             |
| Basic EPS (on nominal value of Rs. 5 per share) Rs./share                                    | 1.73        | 1.40        |
| Diluted EPS (on nominal value of Rs. 5 per share) Rs./share                                  | 1.73        | 1.40        |

### 37. Leases

#### Operating Lease :

The Company has entered into various lease agreements. The lease term is for periods of three to five years and renewable at the option of both the parties.

#### The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ In Lakhs)

|   | 31-Mar-2019  | 31-Mar-2018   |
|---|--------------|---------------|
| With in one year                            | 85.80        | 120.23        |
| After one year but not more than five years |              | 112.41        |
| More than five years                        | -            | -             |
|   | <b>85.80</b> | <b>232.65</b> |

### 38. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.



## Notes to standalone financial statements

for the year ended March 31, 2019

### Income taxes

The Company is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

In assessing the realisability of deferred tax assets, management considers whether it is probable, that some portion, or all, of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable incomes over the periods in which the deferred tax assets are deductible, management believes that it is probable that the Company will be able to realise the benefits of those deductible differences in future.

### Employee benefit obligations

The cost of the defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 32.

### Contingencies

Management judgement of contingencies is based on the internal assessments and opinion from the consultants for the possible outflow of resources, if any.

## 39. Capital & other commitments

(₹ In Lakhs)

|  | 31-Mar-2019 | 31-Mar-2018 |
|--|-------------|-------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 223.73      | 850.49      |
| Outstanding export obligation under EPCG scheme  | 2,160.81    | 2,646.29    |
| Commitment relating to further investment in subsidiary  | -           | 41.91       |

The Company has other commitments for purchase orders which are issued after considering requirements as per operating cycle for purchase of services, employee benefits. The Company does not have any long term commitment or material non-cancellable contractual commitments/contracts with respect to contractual expenditure which might have a material impact on the financial statements.

For commitments relating to lease arrangements please refer note no.37

## 40. Contingent liabilities

(₹ In Lakhs)

|  | 31-Mar-2019 | 31-Mar-2018 |
|--|-------------|-------------|
| Disputed Liabilities in appeal                           |             |             |
| Sales tax matters  | 55.08       | 93.73       |
| Service tax  | 61.10       | 67.81       |
| Excise / custom duty                                     | 196.03      | 187.92      |
| Income tax matters                                       | 205.32      | 92.72       |
| Others   | 2,030.54    | 2,120.48    |
| Outstanding amount of duty saved against advance license | 566.49      | 992.77      |
| Outstanding amount of duty saved against EPCG scheme     | 360.13      | 441.05      |
| Corporate guarantees given                               | 9,301.67    | 3,128.64    |

The Honorable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

## 41. Derivatives Instruments

### A. Forward contracts outstanding as at the reporting date:-

(₹ In Lakhs)

|                           | Currency | 31-Mar-2019 | 31-Mar-2018 |
|---------------------------|----------|-------------|-------------|
| Forward contracts to sell | USD      | 25.50       | 27.75       |
|                           | EURO     | 0.50        | -           |
| Forward contracts to buy  | USD      | -           | 8.36        |
|                           | GBP      | -           | -           |

## Notes to standalone financial statements

for the year ended March 31, 2019

### B. Particulars of foreign currency receivable as at the reporting date

(₹ In Lakhs)

|                                    | Currency | 31-Mar-2019 | 31-Mar-2018 |
|------------------------------------|----------|-------------|-------------|
| Export of goods                    | USD      | 86.73       | 91.73       |
|                                    | EURO     | 8.43        | 8.59        |
| Advance to Vendor                  | USD      | 2.70        | 2.67        |
|                                    | EURO     | 0.01        | 1.48        |
|                                    | AED      | 0.03        | 0.02        |
|                                    | GBP      | 0.16        | 0.31        |
| Loan and advances to related party | USD      | 100.45      | 70.80       |
|                                    | AED      | -           | 3.98        |
| Interest receivable on advances    | USD      | 36.80       | 31.28       |

### C. Particulars of foreign currency payable as at the reporting date

(₹ In Lakhs)

|                              | Currency | 31-Mar-2019 | 31-Mar-2018 |
|------------------------------|----------|-------------|-------------|
| Import of goods and services | USD      | 46.42       | 48.71       |
|                              | EURO     | 3.02        | 4.73        |
|                              | AED      | 0.04        | -           |
|                              | GBP      | 0.89        | 0.55        |
| Advance from customers       | USD      | 11.17       | 15.69       |
|                              | EURO     | -           | 0.17        |
| Buyer's Credit               | USD      | -           | 8.33        |
| Bill Discounting             | USD      | 6.22        | 2.04        |
| Term Loan                    | USD      | 19.26       | 18.50       |
|                              | EURO     | 21.58       | 32.20       |

## 42. Details of Loans and Advances given to Subsidiaries

"The details are provided as required by regulation 53 (f) read with Para A of Schedule V to SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. "

### A. Outstanding amount

(₹ In Lakhs)

|                                       | 31-Mar-2019 | 31-Mar-2018 |
|---------------------------------------|-------------|-------------|
| <b>Name of Subsidiary</b>             |             |             |
| AOL FZE (Dubai)                       | 7,509.40    | 5,623.85    |
| Aksh Composites Private Limited       | 602.81      | -           |
| AOL Technologies, FZE                 | 1,982.97    | 1,002.88    |
| Aksh Technologies (Mauritius) Limited | 4.12        | 43.71       |

### B. Maximum Balance during the year

(₹ In Lakhs)

|                                       | 31-Mar-2019 | 31-Mar-2018 |
|---------------------------------------|-------------|-------------|
| <b>Name of Subsidiary</b>             |             |             |
| AOL FZE (Dubai)                       | 7,509.40    | 4,490.92    |
| Aksh Composites Private Limited       | 754.81      | 90.50       |
| AOL Technologies, FZE                 | 1,982.97    | -           |
| Aksh Technologies (Mauritius) Limited | 325.11      | -           |

## Notes to standalone financial statements

for the year ended March 31, 2019

### 43. Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

#### A. Outstanding amount

(₹ In Lakhs)

|  | 31-Mar-2019 | 31-Mar-2018 |
|--|-------------|-------------|
| The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.   |             |             |
| Principal amount due to micro and small enterprises  | 386.92      | 107.52      |
| Interest due on above  | 30.61       | -           |
| The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.   | -           | -           |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.  | 9.62        | -           |
| The amount of interest accrued and remaining unpaid at the end of each accounting year.  | 40.23       | -           |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006 | 40.23       | -           |

### 44. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables, bank balances and short-term deposits, which arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is responsible to ensure that Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### A. Market risk

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

#### (i) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate primarily relates to the Company's long-term debt obligations with floating interest rates.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates. The Company's policy is to manage its interest cost using a mix of fixed, floating rate borrowings.

#### Interest rate sensitivity

(₹ In Lakhs)

|                  | Increase /Decrease in Basis points | Effect on profit before tax |
|------------------|------------------------------------|-----------------------------|
| <b>31-Mar-19</b> |                                    |                             |
| Base Rate        | +50                                | (80.72)                     |
| Base Rate        | -50                                | 80.72                       |
| <b>31-Mar-18</b> |                                    |                             |
| Base Rate        | +50                                | (70.60)                     |
| Base Rate        | -50                                | 70.60                       |

Sensitivity is calculated based on the assumption that amount outstanding as at reporting dated were utilised for the whole financial year.

# Notes to standalone financial statements

for the year ended March 31, 2019

## (ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company has sales and purchases from outside India. The Company has transactional currency exposures arising from sales and purchases by an operating unit in currencies other than the unit's functional currency. Accordingly, the Company's financial state of affairs can be affected significantly by movements in the USD or any other currency exchange rates. The Company enters into derivative transactions, primarily in the nature of forward currency contracts on import payables. The purpose is to manage currency risks arising from the Company's operations.

## Unhedged foreign currency sensitivity

(₹ In Lakhs)

|                  | Changes in USD | Effect on profit before tax | Changes in Euro | Effect on profit before tax |
|------------------|----------------|-----------------------------|-----------------|-----------------------------|
| <b>31-Mar-19</b> |                |                             |                 |                             |
|                  | +5%            | 408.44                      | +5%             | (64.63)                     |
|                  | -5%            | (408.44)                    | -5%             | 64.63                       |
| <b>31-Mar-18</b> |                |                             |                 |                             |
|                  | +5%            | 280.45                      | +5%             | (108.08)                    |
|                  | -5%            | (280.45)                    | -5%             | 108.08                      |

## B. Credit risk

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

### (i) Trade Receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

### (ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2019 and 31 March 2018 is the carrying amounts of each class of financial assets except for financial guarantees and derivative financial instruments. The Company's maximum exposure relating to financial derivative instruments is noted in note no 41 and the liquidity table below:

## C. Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Company requires funds both for short-term operational needs as well as for long-term investment programs mainly in growth projects. The Company closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 30 - 90 days. The other payables are with short-term durations. The carrying amounts are assumed to be reasonable approximation of fair value. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

(₹ In Lakhs)

|                             | Payable on demand | 0-12 months      | 1-5 years       | >5 years | Total            |
|-----------------------------|-------------------|------------------|-----------------|----------|------------------|
| <b>As at 31 March 2019</b>  |                   |                  |                 |          |                  |
| Borrowings                  | 9,382.68          | 4,138.45         | 6,708.78        | -        | 20,229.91        |
| Trade payables              | -                 | 9,269.89         | -               | -        | 9,269.89         |
| Other financial liabilities | -                 | 3,491.44         | 126.83          | -        | 3,618.27         |
|                             | <b>9,382.68</b>   | <b>16,899.78</b> | <b>6,835.61</b> | -        | <b>33,118.07</b> |
| <b>As at 31 March 2018</b>  |                   |                  |                 |          |                  |
| Borrowings                  | 6,595.26          | 8,420.42         | 7,985.60        | -        | 23,001.28        |
| Trade payables              | -                 | 10,392.76        | 138.90          | -        | 10,531.66        |
| Other financial liabilities | -                 | 4,279.34         | 183.87          | -        | 4,463.21         |
|                             | <b>6,595.26</b>   | <b>23,092.52</b> | <b>8,308.37</b> | -        | <b>37,996.15</b> |

## Notes to standalone financial statements

for the year ended March 31, 2019

### 45. Capital management

The purpose of the Company's capital management, equity includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total equity. The Company's policy is to keep the gearing ratio optimum. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

|                                 | (₹ In Lakhs)     |                  |
|---------------------------------|------------------|------------------|
|                                 | 31-Mar-2019      | 31-Mar-2018      |
| Borrowings                      | 20,229.91        | 23,001.28        |
| Less: Cash and cash equivalents | 119.30           | 427.01           |
| <b>Net debt</b>                 | <b>20,110.61</b> | <b>22,574.27</b> |
| Total equity                    | 51,400.96        | 49,182.50        |
| <b>Gearing ratio</b>            | <b>39.12%</b>    | <b>45.90%</b>    |

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.

### 46. Fair Values

|                        | (₹ In Lakhs) |             |
|------------------------|--------------|-------------|
|                        | 31-Mar-2019  | 31-Mar-2018 |
| Derivative instruments |              |             |
| Carrying value         | 91.08        | 18.99       |
| Fair Value             | 91.08        | 18.99       |

#### Fair values

The fair values of trade receivables, cash and cash equivalents, other current financial asset, trade payables and other current financial liabilities are considered to be same as their carrying values due to their short term nature. The fair value of the 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.

#### Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows based on the lowest level input that is significant to the fair value measurement as whole.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

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

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

The following table presents assets and liabilities measured at fair value at 31 March 2019 and 31 March 2018

#### Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2019 and 31 March 2018

|                  | (₹ In Lakhs) |         |         |
|------------------|--------------|---------|---------|
|                  | level 1      | level 2 | level 3 |
| Derivative       |              |         |         |
| At 31 March 2019 | -            | 91.08   | -       |
| At 31 March 2018 | -            | 18.99   | -       |

There are no transfers among levels 1, 2 and 3 during the year.

The accompanying notes (1-46) are an integral part of the financial statements

#### As per our report of even date

For **B G G & Associates**  
Firm Registration Number: 016874N  
Chartered Accountants

Satyendra Gupta  
**Managing Director**  
DIN : 00035141

CA Alok Kumar Bansal  
**Partner**  
Membership no.: 092854

Gaurav Mehta  
**Chief- Corporate Affairs  
and Company Secretary**

#### For and on behalf of the Board of Directors

Dr. Kailash S. Choudhari  
**Chairman**  
DIN : 00023824

Pawan Kumar Gambhir  
**Chief Financial Officer**

Place: New Delhi  
Date : May 25, 2019



# Independent Auditor's Report

To

The Members of AKSH OPTIFIBRE LIMITED

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Aksh Optifibre Limited ('the Holding Company'), and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the consolidated state of affairs (financial position) of the Group as at 31 March 2019, and its consolidated profit (financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statement in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

#### Trade Receivables from a Central Government Entity

The Holding Company has trade receivables of Rs. 8,565.30 lakhs from a Public Sector Entity, owned by the Government of India, in the telecommunications sector. The Holding Company has taken necessary steps for the recovery of the amount due.

Considering that the amount is due from a Central Government Entity, and based on past experience of realisation and steps taken by the Holding Company for recovery, it is confident of recovering the balance amount in due course.

This matter has been considered as a key audit matter considering the significance of recoverability of such trade receivable to the Company's financial statements.

The management of the Holding Company has assessed that a provision for impairment is not required towards the amount recoverable from the Central Government Entity.

Our procedures included, but were not limited to, the following:

- Evaluated various correspondences made by the Holding Company with the Central Government Entity and other follow up actions taken by the Company, including but not limited to legal process, meetings, notices, etc.
- Evaluated the underlying documents against which these amounts are accrued as per eligibility criteria.
- Obtained representation from the management regarding recoverability of these amounts.

As a result of the above audit procedures, the management's assessment of impairment in the amount recoverable from the Central Government Entity was considered to be appropriate.

#### Revenue Recognition on transition to Ind AS 115

Effective April 1, 2018, on account of adoption of new revenue standard Ind AS 115 - Revenue from contracts with customer, the Holding Company has changed its revenue recognition policy with regard to timing of revenue recognition based on satisfaction of the identified performance obligations. Additionally, the new revenue accounting standard contains disclosures which involve collation of information in respect of disaggregated revenue and period over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

We focused on this area because a significant portion of the revenue generated requires management to exercise judgement and therefore could be subject to material misstatement due to fraud or error.

In addition, first time disclosures required under Ind AS 115 have been identified as an area of focus for the current year.

Our procedures included, but were not limited to, the following:

- Obtained an understanding and assessed the design, implementation and operating effectiveness of management's key internal controls with regard to recognition of revenue.
- Read selected contracts to identify significant terms of the contracts and evaluation of contract terms.
- Assessing appropriateness of management's significant judgements in accounting for identified contracts.
- Testing of timing of recognition of revenue (including procedures related to cut off) in line with the terms of contracts.
- Testing the key management assumptions used to estimate contract cost, contract risks, claims, etc.
- Consideration of the adequacy of the disclosures as required to be made by Management under the new standard.

Based on above procedures, we did not note any significant exceptions in the estimates and judgements applied by the Management in revenue recognition including those relating to presentation and disclosures.

### Information other than the Consolidated Financial Statements and Auditor's Report thereon

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

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

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

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

### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Group's financial reporting process.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- i. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### Other Matters

We did not audit the financial statements of four foreign subsidiary company (including one step down foreign subsidiary) and one Indian subsidiary company, whose financial statements reflect total assets of Rs.44,286.60 lakhs as at 31st March, 2019, total revenues of Rs.6,492.76 lakhs and net cash inflows amounting to Rs 133.88 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors' whose report has been furnished by the management and our opinion of consolidated financial statements, in so far as it relates to the amounts and disclosure included in respect of subsidiary is based solely on the reports of the other auditor.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

#### Report on Other Legal and Regulatory Requirements

- 1) As required by Section 197(16) of the Act, we report that the Holding Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
- 2) 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.
  - 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 consolidated financial statements dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2019 taken on record by the Board of Directors of the Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31st March 2019 from being appointed as a Director of that Company in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our report in "Annexure A", which is based on the Auditors' Reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company and its subsidiary companies incorporated in India; and
  - 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 consolidated Ind AS financial statements disclose the impact of pending litigations on its financial position in the consolidated financial statements of the group- Refer note no 39 of the consolidated financial statement
    - ii. Provision has been made in these consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts including derivative contracts.: and
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding company and its subsidiary company incorporated in India during the year ended 31 March 2019;
    - iv. The reporting on disclosures relating to the Specified Bank Notes is not applicable to the Group for the year ended March 31, 2019.

For B G G & Associates  
**Chartered Accountants**  
 FRN 016874N

CA Alok Kumar Bansal  
**Partner**  
 Membership No. 092854

Place: New Delhi  
 Date: May 25, 2019



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**Consolidated Balance Sheet**

as at March 31, 2019

(₹ In Lakhs)

|  | Notes | 31-Mar-2019       | 31-Mar-2018      |
|--|-------|-------------------|------------------|
| <b>Assets</b>  |       |                   |                  |
| <b>Non-current assets</b>  |       |                   |                  |
| Property, Plant and Equipment  | 3     | 24,232.56         | 24,544.75        |
| Capital work-in-progress   | 3     | 24,007.22         | 16,518.11        |
| Intangible assets  | 4     | 156.51            | 251.48           |
| Financial assets   |       |                   |                  |
| Investments  | 5     | -                 | 0.05             |
| Loans  | 6     | 260.84            | 256.34           |
| Other Financial Assets   | 7     | 628.74            | 512.49           |
| Deferred tax assets (net)  | 8A    | 25.05             | 280.78           |
| Other non-current assets   | 9     | 881.39            | 1,699.16         |
|  |       | <b>50,192.31</b>  | <b>44,063.16</b> |
| <b>Current assets</b>  |       |                   |                  |
| Inventories  | 10    | 12,256.69         | 5,741.71         |
| Financial Assets   |       |                   |                  |
| Trade receivables  | 11    | 19,215.24         | 24,563.76        |
| Cash and cash equivalents  | 12    | 193.00            | 572.65           |
| Other Bank Balances  | 13    | 1,520.93          | 1,888.95         |
| Loans  | 6     | 544.00            | 425.31           |
| Other Financial Assets   | 7     | 151.66            | 114.39           |
| Other current assets   | 9     | 16,223.06         | 16,699.82        |
|  |       | <b>50,104.58</b>  | <b>50,006.59</b> |
| <b>Total Assets</b>  |       | <b>100,296.89</b> | <b>94,069.75</b> |
| <b>Equity and liabilities</b>  |       |                   |                  |
| <b>Equity</b>  |       |                   |                  |
| Equity Share capital   | 14    | 8,134.90          | 8,134.90         |
| Other Equity   | 15    | 41,155.41         | 40,249.75        |
| <b>Equity attributable to equity holders of the parent</b>                     |       | <b>49,290.31</b>  | <b>48,384.65</b> |
| Non-controlling interest   |       | -                 | -                |
| <b>Total Equity</b>  |       | <b>49,290.31</b>  | <b>48,384.65</b> |
| <b>Non-current liabilities</b>   |       |                   |                  |
| Financial Liabilities  |       |                   |                  |
| Borrowings   | 16    | 13,791.64         | 9,899.49         |
| Trade Payables   |       |                   |                  |
| (a) total outstanding dues to micro & small enterprises                        |       | -                 | -                |
| (b) total outstanding dues other than above                                    | 17    | -                 | 138.90           |
| Other Financial liabilities  | 18    | -                 | 27.10            |
| Deferred tax liabilities (net)   | 8B    | 26.04             | 1.95             |
| Provisions   | 19    | 379.26            | 292.94           |
|  |       | <b>14,196.94</b>  | <b>10,360.38</b> |
| <b>Current liabilities</b>   |       |                   |                  |
| Financial liabilities  |       |                   |                  |
| Borrowings   | 20    | 13,102.98         | 13,901.25        |
| Trade Payables   |       |                   |                  |
| (a) total outstanding dues to micro & small enterprises                        |       | 451.35            | -                |
| (b) total outstanding dues other than above                                    | 17    | 11,382.31         | 11,353.24        |
| Other financial liabilities  | 18    | 8,537.38          | 7,954.82         |
| Other Current liabilities  | 21    | 2,197.62          | 1,729.08         |
| Provisions   | 19    | 74.51             | 29.73            |
| Current tax liabilities (net)  |       | 1,063.49          | 356.60           |
|  |       | <b>36,809.64</b>  | <b>35,324.72</b> |
| <b>Total Equity and liabilities</b>  |       | <b>100,296.89</b> | <b>94,069.75</b> |
| Summary of significant Accounting policies                                     | 2.1   |                   |                  |
| The accompanying notes (1-46) are an integral part of the financial statements |       |                   |                  |

**As per our report of even date**For **B G G & Associates**

Firm Registration Number: 016874N

Chartered Accountants

CA Alok Kumar Bansal

**Partner**

Membership no.: 092854

Place: New Delhi

Date : May 25, 2019

Satyendra Gupta

**Managing Director**

DIN : 00035141

Gaurav Mehta

**Chief - Corporate Affairs  
and Company Secretary****For and on behalf of the Board of Directors**

Dr. Kailash S. Choudhari

**Chairman**

DIN : 00023824

Pawan Kumar Gambhir

**Chief Financial Officer**

# Consolidated statement of Profit and Loss

for the year ended March 31,2019

(₹ In Lakhs)

|   | Notes     | 31-Mar-2019      | 31-Mar-2018      |
|---|-----------|------------------|------------------|
| <b>Income</b>   |           |                  |                  |
| Revenue from operations   | 22        | 53,005.51        | 62,481.51        |
| Other income  | 23        | 241.59           | 219.33           |
| <b>Total revenue (I)</b>  |           | <b>53,247.10</b> | <b>62,700.84</b> |
| <b>Expenses</b>   |           |                  |                  |
| Cost of raw material and components consumed  | 24        | 34,448.59        | 38,505.91        |
| Purchase of traded goods  | 25        | 1,755.97         | 1,632.40         |
| (Increase) in inventories of finished goods,work-in-progress and traded goods           | 26        | (6,301.65)       | (175.25)         |
| Excise duty on sale of goods  |           | -                | 633.51           |
| Employee benefits expense   | 27        | 4,614.42         | 3,957.84         |
| Finance costs   | 28        | 3,214.31         | 1,943.83         |
| Depreciation and amortisation expense   | 29        | 3,020.50         | 2,354.65         |
| Other expense   | 30        | 10,130.73        | 10,511.54        |
| <b>Total expense (II)</b>   |           | <b>50,882.87</b> | <b>59,364.43</b> |
| <b>Earnings before exceptional items and tax, (I) – (II)</b>                            |           | <b>2,364.23</b>  | <b>3,336.41</b>  |
| Exceptional (expense)/income  | 31        | 363.43           | (79.95)          |
| <b>Profit before tax</b>  |           | <b>2,727.66</b>  | <b>3,256.46</b>  |
| <b>Tax expenses</b>   |           |                  |                  |
| Current tax   |           | 1,342.00         | 1,044.61         |
| Deferred tax  | 8B        | 308.48           | 132.04           |
| Adjustment of tax relating to earlier periods   |           | 0.10             | (2.71)           |
| MAT Credit Entitlement  |           | -                | (1.25)           |
| <b>Income tax expense</b>   |           | <b>1,650.58</b>  | <b>1,172.69</b>  |
| <b>Profit for the year</b>  |           | <b>1,077.08</b>  | <b>2,083.77</b>  |
| <b>Other comprehensive income</b>   |           |                  |                  |
| <b>i) items that will not be reclassified to Profit or (Loss) in subsequent periods</b> |           | (10.24)          | 3.87             |
| Income Tax relating to these items  |           | 3.59             | (1.24)           |
| <b>ii) items that may be reclassified to Profit or (Loss) in subsequent periods</b>     |           |                  |                  |
| Exchange differences on translation of foreign operations                               |           | 423.65           | 68.54            |
| <b>Other comprehensive income for the year, net of tax</b>                              |           | <b>417.00</b>    | <b>71.17</b>     |
| <b>Total comprehensive income for the year</b>  |           | <b>1,494.08</b>  | <b>2,154.94</b>  |
| <b>Earnings per equity share</b>  | <b>35</b> |                  |                  |
| Basic earnings per equity share   |           | 0.66             | 1.28             |
| Diluted earnings per equity share   |           | 0.66             | 1.28             |
| Summary of significant Accounting policies  | 2.1       |                  |                  |
| The accompanying notes (1-46) are an integral part of the financial statements          |           |                  |                  |

## As per our report of even date

For **B G G & Associates**  
Firm Registration Number: 016874N  
Chartered Accountants

CA Alok Kumar Bansal  
**Partner**  
Membership no.: 092854

Satyendra Gupta  
**Managing Director**  
DIN : 00035141

Gaurav Mehta  
**Chief- Corporate Affairs  
and Company Secretary**

## For and on behalf of the Board of Directors

Dr. Kailash S. Choudhari  
**Chairman**  
DIN : 00023824

Pawan Kumar Gambhir  
**Chief Financial Officer**

Place: New Delhi  
Date : May 25,2019



## Consolidated Cash Flow statement

for the year ended March 31,2019

(₹ In Lakhs)

| Particulars   | 31-Mar-2019       | 31-Mar-2018        |
|---|-------------------|--------------------|
| <b>Cash flow from operating activities</b>  |                   |                    |
| <b>Profit before tax</b>  | <b>2,727.66</b>   | <b>3,256.46</b>    |
| Adjustment to reconcile profit before tax to net cash flows :                                       |                   |                    |
| Depreciation/amortization   | 3,020.50          | 2,354.65           |
| (Profit)/Loss on sale of property, plant and equipment  | 0.92              | 7.87               |
| Interest expense  | 3,214.31          | 1,943.83           |
| Other comprehensive income  | 417.00            | 71.17              |
| Interest income   | (241.59)          | (219.33)           |
| <b>Operating profit before working capital changes</b>  | <b>9,138.80</b>   | <b>7,414.65</b>    |
| <b>Movements in working capital:</b>  |                   |                    |
| Increase in trade payables and other liabilities  | 752.52            | 2,851.23           |
| Increase in provisions  | 131.10            | 54.52              |
| (Increase)/Decrease in trade receivable   | 5,348.52          | (5,658.41)         |
| (Increase) in inventories   | (6,514.98)        | (838.13)           |
| (Increase)/Decrease in other assets   | 574.30            | (562.25)           |
| <b>Cash generated from operations</b>   | <b>9,430.26</b>   | <b>3,261.61</b>    |
| Direct taxes paid   | (663.77)          | (611.41)           |
| <b>Net cash flow from in operating activities (A)</b>   | <b>8,766.49</b>   | <b>2,650.20</b>    |
| <b>Cash flows from investing activities</b>   |                   |                    |
| Purchase of property, plant and equipment, including intangible assets and capital work in progress | (10,124.05)       | (14,767.45)        |
| Proceeds from sale of plant and equipment   | 20.68             | -                  |
| Decrease/(Increase) in Capital advances / payable for capex   | 472.67            | 2,010.64           |
| Interest received   | 276.41            | 323.67             |
| <b>Net cash flow (used in) investing activities (B)</b>   | <b>(9,354.29)</b> | <b>(12,433.14)</b> |
| <b>Cash flow from financing activities</b>  |                   |                    |
| Proceeds from long-term borrowings  | 6,816.07          | 11,628.77          |
| (Repayment) of Term borrowings  | (2,055.48)        | (5,049.50)         |
| Proceeds / (Repayment) from short-term borrowings   | (798.27)          | 5,652.84           |
| Dividend and tax thereon paid on equity shares  | (588.42)          | -                  |
| Interest paid   | (3,165.75)        | (2,026.12)         |
| <b>Net cash from financing activities (C)</b>   | <b>208.15</b>     | <b>10,205.99</b>   |
| <b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>                             | <b>(379.65)</b>   | <b>423.05</b>      |
| Cash and cash equivalents at the beginning of the year  | 572.65            | 149.60             |
| <b>Cash and cash equivalents at the end of the year</b>   | <b>193.00</b>     | <b>572.65</b>      |
| <b>Components of cash and cash equivalents</b>  |                   |                    |
| Cash on hand  | 31.09             | 12.27              |
| With banks on current account   | 157.95            | 558.92             |
| Unpaid dividend accounts  | 3.96              | 1.46               |
| <b>Total cash and cash equivalents (Refer note no. 12)</b>  | <b>193.00</b>     | <b>572.65</b>      |
| Summary of significant Accounting policies  | 2.1               |                    |
| The accompanying notes (1-46) are an integral part of the financial statements                      |                   |                    |

**Note :** The above Cash flow statement has been prepared under the Indirect method set out in Ind AS-7 'Statement of Cash Flow'.

### As per our report of even date

For **B G G & Associates**  
Firm Registration Number: 016874N  
Chartered Accountants

Satyendra Gupta  
**Managing Director**  
DIN : 00035141

CA Alok Kumar Bansal  
**Partner**  
Membership no.: 092854

Gaurav Mehta  
**Chief- Corporate Affairs  
and Company Secretary**

### For and on behalf of the Board of Directors

Dr. Kailash S. Choudhari  
**Chairman**  
DIN : 00023824

Pawan Kumar Gambhir  
**Chief Financial Officer**

Place: New Delhi  
Date : May 25,2019

# Consolidated statement of Changes in Equity

for the year ended March 31,2019

## A. Equity share capital (refer note no. 15)

|                                 | NOS                | (₹ In Lakhs)    |
|---------------------------------|--------------------|-----------------|
| <b>As at 1 April 2017</b>       | 162,665,070        | 8,133.25        |
| Changes in equity share capital | 32,901             | 1.65            |
| <b>As at 31 March 2018</b>      | 162,697,971        | 8,134.90        |
| Changes in equity share capital | -                  | -               |
| <b>As at 31 March 2019</b>      | <b>162,697,971</b> | <b>8,134.90</b> |

## B. Other Equity

|  | Securities premium | Capital reserve | Other reserve                                |                                      | Retained earnings | Total other equity |
|--|--------------------|-----------------|--|--------------------------------------|-------------------|--------------------|
|  |                    |                 | Other reserve - Shares pending for allotment | Foreign Currency Translation Reserve |                   |                    |
| <b>As at 1 April 2017</b>                      | <b>33,064.11</b>   | <b>2,223.35</b> | <b>1.65</b>                                  | 635.11                               | <b>2,172.24</b>   | <b>38,096.46</b>   |
| Profit for the year                            | -                  | -               | -  | -                                    | 2,083.77          | <b>2,083.77</b>    |
| Other comprehensive income                     | -                  | -               | -  | 68.54                                | 2.63              | <b>71.17</b>       |
| <b>Total comprehensive income for the year</b> | -                  | -               | -  | <b>68.54</b>                         | <b>2,086.40</b>   | <b>2,154.94</b>    |
| Shares allotted                                |                    |                 | (1.65)                                       |                                      |                   | <b>(1.65)</b>      |
| <b>Balance as at 31 March 2018</b>             | <b>33,064.11</b>   | <b>2,223.35</b> | -  | <b>703.65</b>                        | <b>4,258.64</b>   | <b>40,249.75</b>   |
| <b>Balance as at 1 April 2018</b>              | <b>33,064.11</b>   | <b>2,223.35</b> | -  | <b>703.65</b>                        | <b>4,258.64</b>   | <b>40,249.75</b>   |
| Profit for the year                            |                    |                 |  |                                      | 1,077.08          | <b>1,077.08</b>    |
| Other comprehensive income                     |                    |                 |  | 423.65                               | (6.65)            | <b>417.00</b>      |
| <b>Total comprehensive income for the year</b> | -                  | -               | -  | <b>423.65</b>                        | <b>1,070.43</b>   | <b>1,494.08</b>    |
| Equity dividend and tax thereon                |                    |                 |  |                                      | (588.42)          | <b>(588.42)</b>    |
| <b>As at 31 March 2019</b>                     | <b>33,064.11</b>   | <b>2,223.35</b> | -  | <b>1,127.30</b>                      | <b>4,740.65</b>   | <b>41,155.41</b>   |

### As per our report of even date

For **B G G & Associates**  
Firm Registration Number: 016874N  
Chartered Accountants

CA Alok Kumar Bansal  
**Partner**  
Membership no.: 092854

Satyendra Gupta  
**Managing Director**  
DIN : 00035141

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### For and on behalf of the Board of Directors

Dr. Kailash S. Choudhari  
**Chairman**  
DIN : 00023824

Pawan Kumar Gambhir  
**Chief Financial Officer**

Place: New Delhi  
Date : May 25,2019

# Notes to consolidated financial statements

for the year ended March 31, 2019

## 1. Corporate information

Aksh Optifibre Limited is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. Its shares are listed at The Bombay Stock Exchange Limited and The National Stock Exchange Ltd. in India. The registered office of the Group is located at F-1080, RIICO Industrial area, Phase- III Bhiwadi (Alwar) Rajasthan-301019, India.

The Group is engaged in the manufacturing and selling of Optical Fibre, Optical Fibre Cable, Fibre Reinforced Plastic Rods, Impregnated Glass Roving Reinforcement and ophthalmic lens. The Group caters to both domestic and international markets. The Group also provides the E Governance services and FTTH services.

## 2. Basis of preparation

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by ministry of Corporate affairs pursuant to section 133 of Companies Act, 2013 (Act) read with Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The accounting policies are applied consistently to all the periods presented in the financial statements.

The financial statements have been prepared on a historical cost convention, except for certain financial assets and financial liabilities (including derivative instruments) that are measured at fair value as required under relevant Ind AS.

The financial statements are presented in Indian Rupees (Rs.) and all values are rounded to the nearest lakhs, except otherwise stated.

## 3. Summary of significant accounting policies

The significant accounting policies adopted by Aksh Optifibre Limited (the Group) and its subsidiaries (hereinafter referred to as the "Group") in respect of these Consolidated Financial Statements, are set out below.

### a) Principles of consolidation and equity accounting

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively, if any.

### b) Current v/s non-current Classification

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

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

All other assets are classified as non-current.

A liability is current when:

- Expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

### c) Foreign currencies

The Group's financial statements are presented in Indian Rupees (INR) which is also the Group's functional currency. Functional currency is the currency of the primary economic environment in which an entity operates and is normally the currency in which the entity primarily generates and expends cash.

### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at the functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

## Notes to consolidated financial statements

for the year ended March 31, 2019

### d) Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received from sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell an asset or transfer the liability takes place either:

- In the principal market for the asset or liability
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.
- Level 2 — The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable the instrument is included in level 2
- Level 3 — If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

### e) Revenue recognition

The Company derives revenues primarily from sale of manufactured goods, traded goods and related services.

Effective 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) 'Revenue from contracts with customers' using the cumulative catch-up transition method, applied to contracts that were not completed as on the transition date i.e. 01 April 2018. Accordingly, the comparative amounts of revenue have not been retrospectively adjusted.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive -

in exchange for those products or services. Revenue from the sale of goods is measured at the fair value of consideration received/receivable, net of returns & allowances, Liquidation damage, trade discount & volume rebates. Further Revenue from sale of goods should be presented net of GST.

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

Revenue from a contract to provide services is recognised by reference to the stage of completion of the contract.

### Interest

Interest income, is recorded using the effective interest rate ("EIR"). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

### f) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials, work-in-process, finished goods, trading stock, packing material and stores and spares parts are valued at the lower of cost and net realizable value except scrap which is valued at net realizable value.
- Cost of inventories of items that are not ordinarily interchangeable or are meant for specific projects is assigned by specific identification of their individual cost. Cost of other inventories is ascertained on the Weighted average basis. In determining the cost of work-in-process and finished goods, fixed production overheads are allocated on the basis of normal capacity of production facilities.
- The comparison of cost and realizable value is made on an item-by-item basis.
- Net realizable value of work-in-process is determined on the basis of selling prices of related finished products.
- Raw Material and other supplies held for use in production of inventories are not written down below cost unless their prices have declined and it is estimated that the cost of related finished goods will exceed their net realizable value.

### g) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that Group incurs in connection with the borrowing of funds.

# Notes to consolidated financial statements

for the year ended March 31, 2019

## h) Income taxes

### Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 outside profit or loss is recognized outside profit or loss [either in other comprehensive income (OCI) or in equity]. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred income tax is determined using tax rates that have been enacted by the end of reporting period.

Deferred tax liabilities are recognised for all taxable temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences & 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 assets & liability are offset when there is a legally enforceable right to offset when there is a legally enforceable right to offset current tax assets & liabilities & when the deferred tax balances relate to the same taxation authority.

Minimum Alternate Tax credit is recognised as assets only when & to the extent there is convincing evidence that the will pay normal tax during the specified period. Such assets is reviewed at each Balance Sheet date & the carrying amount of the MAT assets is written down to the extent there is no longer a convincing evidence to the effect that the company will pay normal tax during the specified period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e., either in other comprehensive income or in equity. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

## i) Property, Plant and Equipment

On transition to Ind AS, the Group has adopted optional exception under Ind AS 101 to measure property, plant and equipment at fair value. Consequently, the fair value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any.

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss within other income or other expense.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each reporting date and adjusted prospectively, if appropriate. Residual value is considered as per the schedule II, where is different than those specified by schedule II, considered on technical evaluation made by management expert's.

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item of property, plant and equipment, if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably with the carrying amount of the replaced part getting derecognised. The cost for day-to-day servicing of property, plant and equipment are recognised in Statement of Profit and Loss as and when incurred.

Depreciation is provided on a pro-rata basis on the straight-line method over the estimated useful lives of the assets, based on technical evaluation made by management expert's which is different than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. Useful lives is as follows:

| Category of assets   | Life of asset |
|--|---------------|
| Factory Buildings  | 28 – 30 years |
| Plant and equipment including Telecom Networking, Testing instrument, electrical equipment's, Fork lift and office equipment | 5- 15 years   |
| Furniture and fixtures   | 10 years      |
| Data Processing System   | 3-5 years     |

Leasehold land is amortized over the duration of the lease.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss on the date of disposal or retirement.

## j) Intangible assets

On transition to Ind AS, the Group has elected to continue with the carrying value of its intangible asset recognised as at 1 April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible asset.

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.



## Notes to consolidated financial statements

### for the year ended March 31, 2019

Intangible assets except goodwill arising on consolidation are amortised over the useful life on a straight line basis and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each financial year. Further goodwill arising on consolidation

Intangible assets are amortized over their estimated useful life on straight line method

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and loss when the asset is derecognised.

#### k) Lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

##### *Group as a lessee*

A lease that transfers substantially all the risks and rewards incidental to ownership to the Group is classified as a finance lease. All other leases are classified as operating leases. Payments made under operating leases are charged to statement of profit and loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

#### l) Provisions

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

When the Group expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain.

The expense relating to a provision is presented in the Statement of Profit and Loss, net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. The unwinding of discount is recognised in the Statement of Profit and Loss as a finance cost.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

#### m) Employee benefits

##### **Short term employee benefits**

All employee benefits expected to be settled wholly within twelve months

of rendering the service are classified as short-term employee benefits. When an employee has rendered service to the Group during an accounting period, the Group recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as an expense unless another Ind AS requires or permits the inclusion of the benefits in the cost of an asset. Benefits such as salaries, wages and short-term compensated absences and bonus etc. are recognised in Statement of Profit and Loss in the period in which the employee renders the related service.

##### **Defined contribution plan**

A defined contribution such as Provident Fund etc, are charged to statement of profit & loss as incurred. Further for employees, the monthly contribution for Provident Fund is made to a trust administrated by the company.

##### **Defined benefit plan**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Group's gratuity plan is a defined benefit obligation and the Group's liability is determined based on actuarial valuation (using the Projected Unit Credit method) at the end of each year. The Group funds the benefit through contributions to Insurance Companies.

Remeasurements gains and losses arising from experience adjustment & change in actuarial assumption are recognised in the period in which they occur, directly in other comprehensive Income. They are included in retained earnings in the statement of change in equity & balance sheet.

##### **Other long term benefits: Compensated Absences**

Compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Group's liability is determined based on actuarial valuation (using the Projected Unit Credit method) at the end of each year. Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

#### n) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### **Financial assets**

##### **Initial recognition and measurement**

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

## Notes to consolidated financial statements

for the year ended March 31, 2019

### Subsequent measurement

For the purpose of subsequent measurement, financial assets are classified into four categories:

- Debt instruments at amortised cost
- Debt instruments at fair value through other comprehensive income (FVTOCI)
- Debt instruments, derivatives and equity instruments at fair value through Profit and Loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

### Debt instruments at amortised cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- Contractual terms of the asset that give rise on specified dates to cash flows that are Solely Payments of Principal and Interest ("SPPI") on the principal amount outstanding

This category is most relevant to the Group.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The accretion of EIR is recorded as an income/expense in Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss.

### Debt instruments and derivatives measured at fair value through profit and loss (FVTPL)

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments and derivatives included within the FVTPL category are measured at fair value with all changes recognized in the Profit and loss.

### De-recognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognised (i.e. removed from the Group's Balance Sheet) when:

- The contractual rights to receive cash flows from the asset has expired, or
- The Group has transferred its contractual rights to receive cash flows from the financial asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

### Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee

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

### Financial liabilities

#### Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables and borrowings, etc.

#### Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

#### Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and loss.

#### Financial liabilities at FVTPL

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through statement of profit or loss.

#### De-recognition

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

#### Offsetting of financial instruments

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

#### o) Impairment

#### (I) Financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets that are debt instruments and are initially measured at fair value with subsequent measurement at amortised cost e.g., trade and other receivables, unbilled revenue, security deposits, etc.

The Group follows 'simplified approach' for recognition of impairment loss allowance for trade receivables. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

# Notes to consolidated financial statements

for the year ended March 31, 2019

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, twelve month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in the subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on a twelve month ECL.

## (ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than deferred tax assets, are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use or its fair value less costs to sell. 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 or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

The Group's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognized, if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount and are recognised in Statement of Profit and Loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of goodwill, if any, allocated to the units and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## p) Derivative financial instrument

The Group uses derivative financial instruments i.e., forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss. The Group has not applied hedge accounting.

## q) Share capital

Ordinary shares are classified as equity. Incremental costs, if any,

directly attributable to the issue of ordinary shares, if any, are recognised as a deduction from equity, net of any tax effects.

## r) Cash and cash equivalents

Cash and short-term deposits in the Balance Sheet and Cash Flow Statement comprise cash in hand, cash at banks and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

## s) Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year/ period attributable to the shareholders of the Group by the weighted average number of equity shares outstanding as at the end of reporting period.

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Group (after adjusting the corresponding income/ charge for dilutive potential equity shares, if any) by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

## t) Segment reporting

### Identification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Only those business activities are identified as operating segment for which the operating results are regularly reviewed by the CODM to make decisions about resource allocation and performance measurement.

### Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

## u) Contingencies

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 Group 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 recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements.

## v) Dividends

Dividends on equity shares are recorded as a liability on the date of approval by the shareholders.

## Notes to consolidated financial statements

for the year ended March 31, 2019

### w) Export incentive

Export Incentive / credit earned under duty entitlement pass book scheme are treated as income in the year of export at the estimated realizable value / actual credit earned on exports made during the year.

### x) Recent accounting pronouncements

#### Ind AS 116 :

On 30th March 2019, the Ministry of Corporate Affairs(MCA) has notified Ind AS 116 Leases, under Companies(Indian Accounting Standards) Amendment Rules,2019 which is applicable with effect from 1st April,2019.

Ind AS 116 sets out the principles for the recognition,measurement, presentation and disclosure of leasesfor both parties to a contract i.e., the lessee and thelessor. Ind AS 116 introduces a single lease accountingmodel for lessee and requires the lessee to recognizeright of use assets and lease liabilities for all leaseswith a term of more than twelve months, unless theunderlying asset is low value in nature. Currently,operating lease expenses are charged to thestatement of profit and loss. Ind AS 116 substantiallycarries forward the lessor accounting requirements inInd AS 17.

As per Ind AS 116, the lessee needs to recognisedepreciation on rights of use assets and finance costson lease liabilities in the statement of profit and loss.The lease payments made by the lessee under thelease arrangement will be adjusted against the leaseliabilities.

The Company is currently evaluating the impacton account of implementation of Ind AS 116 which might have impact on profit & loss and balance sheet.

## Notes to consolidated financial statements for the year ended March 31, 2019

(₹ In Lakhs)

| 3. Property, Plant and Equipment | Freehold Land | Leasehold Land | Factory Buildings | Plant and equipment | Telecom Networking | Testing Instruments | Air Conditioners | Furniture and fixtures | Office Equipment's | Data Processing System | Vehicles     | Fork Lift    | Total            |
|----------------------------------|---------------|----------------|-------------------|---------------------|--------------------|---------------------|------------------|------------------------|--------------------|------------------------|--------------|--------------|------------------|
| <b>Cost or valuation</b>         |               |                |                   |                     |                    |                     |                  |                        |                    |                        |              |              |                  |
| At April 1, 2017                 | 1.84          | 122.70         | 2,337.02          | 20,559.91           | 3,264.78           | 1,127.43            | 301.18           | 213.19                 | 132.37             | 280.59                 | 87.21        | 41.23        | 28,469.45        |
| Additions                        | -             | 605.67         | 3,674.79          | 10,343.03           | 33.39              | 158.25              | 286.59           | 159.39                 | 242.99             | 29.01                  | -            | -            | 15,533.11        |
| Disposals / adjustments          | -             | -              | -                 | (2,069.61)          | -                  | -                   | -                | (11.51)                | (0.34)             | -                      | -            | -            | (2,081.46)       |
| <b>At March 31, 2018</b>         | <b>1.84</b>   | <b>728.37</b>  | <b>6,011.81</b>   | <b>28,833.33</b>    | <b>3,298.17</b>    | <b>1,285.68</b>     | <b>587.77</b>    | <b>361.07</b>          | <b>375.02</b>      | <b>309.60</b>          | <b>87.21</b> | <b>41.23</b> | <b>41,921.10</b> |
| Additions                        | -             | -              | 412.53            | 1,925.53            | 75.95              | 56.79               | 70.93            | 7.51                   | 37.48              | 8.26                   | -            | -            | 2,594.98         |
| Disposals / adjustments          | -             | (0.31)         | (0.63)            | (51.81)             | -                  | (8.72)              | (0.11)           | (0.03)                 | (0.11)             | (0.36)                 | -            | -            | (62.08)          |
| <b>At March 31, 2019</b>         | <b>1.84</b>   | <b>728.06</b>  | <b>6,423.71</b>   | <b>30,707.04</b>    | <b>3,374.12</b>    | <b>1,333.75</b>     | <b>658.59</b>    | <b>368.56</b>          | <b>412.39</b>      | <b>317.50</b>          | <b>87.21</b> | <b>41.23</b> | <b>44,454.00</b> |
| <b>Depreciation</b>              |               |                |                   |                     |                    |                     |                  |                        |                    |                        |              |              |                  |
| At April 1, 2017                 | -             | 22.45          | 772.38            | 12,776.48           | 2,016.52           | 677.91              | 236.81           | 146.21                 | 60.69              | 229.42                 | 38.55        | 18.45        | 16,995.87        |
| Charge for the year              | -             | 1.50           | 87.35             | 1,726.28            | 156.32             | 42.19               | 11.24            | 16.50                  | 12.31              | 17.78                  | 7.89         | 2.44         | 2,081.80         |
| Preoperative Expense Adjustment  | -             | -              | -                 | -                   | -                  | -                   | -                | 0.73                   | 0.63               | -                      | -            | -            | 1.36             |
| Disposals / adjustments          | -             | -              | -                 | (1,691.53)          | -                  | -                   | -                | (4.49)                 | (0.13)             | -                      | -            | (6.53)       | (1,702.69)       |
| <b>At March 31, 2018</b>         | <b>-</b>      | <b>23.95</b>   | <b>859.73</b>     | <b>12,811.23</b>    | <b>2,172.84</b>    | <b>720.10</b>       | <b>248.05</b>    | <b>158.95</b>          | <b>73.50</b>       | <b>247.20</b>          | <b>46.44</b> | <b>14.36</b> | <b>17,376.35</b> |
| Charge for the year              | -             | 7.38           | 212.47            | 2,286.48            | 160.31             | 50.95               | 58.15            | 23.29                  | 57.39              | 19.92                  | 6.81         | 2.42         | 2,885.57         |
| Preoperative Expense Adjustment  | -             | -              | -                 | -                   | -                  | -                   | -                | -                      | -                  | -                      | -            | -            | -                |
| Disposals / adjustments          | -             | -              | -                 | (39.00)             | -                  | (1.44)              | -                | -                      | -                  | (0.04)                 | -            | -            | (40.48)          |
| <b>At March 31, 2019</b>         | <b>-</b>      | <b>31.33</b>   | <b>1,072.20</b>   | <b>15,058.71</b>    | <b>2,333.15</b>    | <b>769.61</b>       | <b>306.20</b>    | <b>182.24</b>          | <b>130.89</b>      | <b>267.08</b>          | <b>53.25</b> | <b>16.78</b> | <b>20,221.44</b> |
| <b>Net Block value</b>           |               |                |                   |                     |                    |                     |                  |                        |                    |                        |              |              |                  |
| <b>At March 31, 2019</b>         | <b>1.84</b>   | <b>696.73</b>  | <b>5,351.51</b>   | <b>15,648.33</b>    | <b>1,040.97</b>    | <b>564.14</b>       | <b>352.39</b>    | <b>186.32</b>          | <b>281.50</b>      | <b>50.42</b>           | <b>33.96</b> | <b>24.45</b> | <b>24,232.56</b> |
| At March 31, 2018                | 1.84          | 704.42         | 5,152.08          | 16,022.10           | 1,125.33           | 565.58              | 339.72           | 202.12                 | 301.52             | 62.40                  | 40.77        | 26.87        | 24,544.75        |

## Capital Work-in-progress

(₹ In Lakhs)

|                    |           |
|--------------------|-----------|
| At 31st March 2019 | 24,007.22 |
| At 31st March 2018 | 16,518.11 |

(₹ In Lakhs)

| 4. Intangible assets     | Other intangible assets | Goodwill on consolidation | Total           |
|--------------------------|-------------------------|---------------------------|-----------------|
| <b>Gross block</b>       |                         |                           |                 |
| At April 1, 2017         | 2,617.45                | 6.01                      | 2,623.46        |
| Additions                | 121.90                  | -                         | 121.90          |
| Disposals / adjustments  | -                       | -                         | -               |
| <b>At March 31, 2018</b> | <b>2,739.35</b>         | <b>6.01</b>               | <b>2,745.36</b> |
| Additions                | 39.96                   | -                         | 39.96           |
| Disposals / adjustments  | -                       | -                         | -               |
| <b>At March 31, 2019</b> | <b>2,779.31</b>         | <b>6.01</b>               | <b>2,785.32</b> |
| <b>Amortisation</b>      |                         |                           |                 |
| At April 1, 2017         | 2,221.03                | -                         | 2,221.03        |
| Charge for the year      | 266.84                  | 6.01                      | 272.85          |
| Disposals / adjustments  | -                       | -                         | -               |
| <b>At March 31, 2018</b> | <b>2,487.87</b>         | <b>6.01</b>               | <b>2,493.88</b> |
| Charge for the year      | 134.93                  | -                         | 134.93          |
| Disposals / adjustments  | -                       | -                         | -               |
| <b>At March 31, 2019</b> | <b>2,622.80</b>         | <b>6.01</b>               | <b>2,628.81</b> |
| Net block value          |                         |                           |                 |
| <b>At March 31, 2019</b> | <b>156.51</b>           | <b>-</b>                  | <b>156.51</b>   |
| At March 31, 2018        | 251.48                  | -                         | 251.48          |



## Notes to Consolidated financial statements

for the year ended March 31, 2019

### 5. Financial assets - Investments

(₹ In Lakhs)

|  | 31-Mar-2019 | 31-Mar-2018 |
|--|-------------|-------------|
| <b>Investment others :</b>   |             |             |
| 1 (31 March.2018: 1) equity shares of AED 3.67 (rounded off to AED 4) each fully paid-up in Eminent One Ventures Limited | -           | -           |
| National Saving Certificates (Deposited with government department as security)  | -           | 0.05        |
|  | -           | <b>0.05</b> |
|  | -           | <b>0.05</b> |

\*Investment made in Eminent One Ventures Limited of Rs. 68 equivalent to 4 AED (31.03.2018 Rs. 68)

### 6. Financial assets - Loans

(₹ In Lakhs)

|  | 31-Mar-2019   | 31-Mar-2018   |
|--|---------------|---------------|
| <b>Non-Current</b>                                   |               |               |
| Security deposit *                                   | 260.84        | 256.34        |
|  | <b>260.84</b> | <b>256.34</b> |
| <b>Current</b>                                       |               |               |
| Security deposit                                     | 94.00         | 75.31         |
| Loan and advances to others                          | 450.00        | 350.00        |
|  | <b>544.00</b> | <b>425.31</b> |
| <b>Break-up :</b>                                    |               |               |
| Loans considered good - Secured                      | -             | -             |
| Loans considered good - Unsecured                    | 804.84        | 681.65        |
| Loans which have significant increase in credit risk | -             | -             |
| Loans - credit impaired                              | -             | -             |
|  | <b>804.84</b> | <b>681.65</b> |

\* Security deposit are financial assets and are refundable in cash. These are measured based on effective interest method.

### 7. Other Financial Assets

(₹ In Lakhs)

|                                    | 31-Mar-2019   | 31-Mar-2018   |
|------------------------------------|---------------|---------------|
| <b>Non Current</b>                 |               |               |
| Margin Money #                     | 628.74        | 512.49        |
|                                    | <b>628.74</b> | <b>512.49</b> |
| <b>Current</b>                     |               |               |
| Interest accrued on fixed deposits | 17.32         | 37.20         |
| Interest accrued on other deposits | 43.26         | 58.20         |
| <b>Derivative Instruments</b>      |               |               |
| Foreign exchange forward contracts | 91.08         | 18.99         |
|                                    | <b>151.66</b> | <b>114.39</b> |

# The Group has pledged a fixed deposits with banks to fulfil collateral and margin requirement towards various bank facilities sanctioned to the Group.

### 8A Deferred Tax Assets (net)

(₹ In Lakhs)

|  | 31-Mar-2019  | 31-Mar-2018   |
|--|--------------|---------------|
| <b>Deferred Tax Liability</b>  |              |               |
| Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting | 7.20         | 951.66        |
| Others   | -            | -             |
| <b>Gross deferred tax liability</b>  | <b>7.20</b>  | <b>951.66</b> |
| <b>Deferred tax asset</b>  |              |               |
| Provision for doubtful debts   | -            | 30.66         |
| Impact of brought forward losses   | 32.25        | -             |
| Disallowances under the Income Tax Act, 1961   | -            | 114.45        |
| Others   | -            | 26.81         |
| <b>Gross deferred tax asset</b>  | <b>32.25</b> | <b>171.92</b> |
| MAT credit   | -            | 1,060.52      |
| <b>Deferred Tax Assets (net)</b>   | <b>25.05</b> | <b>280.78</b> |

# Notes to Consolidated financial statements

for the year ended March 31, 2019

## Reconciliation of deferred tax assets

(₹ In Lakhs)

|   | 31-Mar-2019  | 31-Mar-2018   |
|---|--------------|---------------|
| Opening deferred tax assets (net)                                     | 280.78       | 883.53        |
| Deferred tax credit / (charge) recorded in statement of profit & loss | 804.79       | (128.84)      |
| Deferred tax credit / (charge) recorded in OCI                        | -            | (0.96)        |
| (Utilisation) / Creation of MAT credit                                | (1,060.52)   | (472.93)      |
| others  | -            | (0.02)        |
| <b>Closing deferred tax assets (net)</b>                              | <b>25.05</b> | <b>280.78</b> |

## 8B Deferred Tax Liabilities (net)

(₹ In Lakhs)

|   | 31-Mar-2019     | 31-Mar-2018   |
|---|-----------------|---------------|
| Fixed assets: Impact of difference between tax depreciation and depreciation/<br>amortisation charged for the financial reporting | 1,157.66        | 14.34         |
| <b>Gross deferred tax liability</b>   | <b>1,157.66</b> | <b>14.34</b>  |
| <b>Deferred tax asset</b>   |                 |               |
| Provision for doubtful debts  | 30.18           | -             |
| Impact of Brought forward losses  | 9.23            | 9.12          |
| Disallowance under the Income Tax Act, 1961   | 311.31          | 1.45          |
| <b>Gross deferred tax asset</b>   | <b>350.72</b>   | <b>10.57</b>  |
| MAT credit *  | 780.90          | 1.82          |
| <b>Deferred Tax Liabilities (net)</b>   | <b>(26.04)</b>  | <b>(1.95)</b> |

## Reconciliation of deferred tax liabilities

(₹ In Lakhs)

|   | 31-Mar-2019    | 31-Mar-2018   |
|---|----------------|---------------|
| Opening deferred tax liabilities (net)                                | (1.95)         | (0.29)        |
| Deferred tax credit / (charge) recorded in statement of profit & loss | (806.75)       | (3.20)        |
| Deferred tax (credit)/charge recorded in OCI                          | 3.59           | (0.28)        |
| (Utilisation) / Creation of MAT credit                                | 779.08         | 1.82          |
| <b>Closing deferred tax liabilities (net)</b>                         | <b>(26.04)</b> | <b>(1.95)</b> |

## Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2019 and 31 March 2018:

(₹ In Lakhs)

|  | 31-Mar-2019     | 31-Mar-2018     |
|--|-----------------|-----------------|
| <b>Accounting profit before income tax</b>                               | <b>2,727.66</b> | <b>3,256.46</b> |
| At India's statutory income tax rate of 34.944% (31 March 2018: 34.608%) | 943.99          | 1,126.99        |
| Adjustments in respect of current income tax of previous years           | -               | (2.71)          |
| Impact of change in tax rate   | -               | 7.79            |
| Impact of permanent disallowances under Income Tax Act                   | 227.57          | 22.35           |
| Impact of different tax created on capital gains                         | -               | (21.72)         |
| Foreign Entities with no tax   | 441.09          | 51.69           |
| Difference in tax rates for certain entities of the group                | 36.70           | (1.03)          |
| Others   | 1.23            | (10.67)         |
| At the effective income tax rate of 60.513% (31 March 2018: 36.011%)     | 1,650.58        | 1,172.69        |
| <b>Total tax expense reported in the statement of profit and loss</b>    | <b>1,650.58</b> | <b>1,172.69</b> |

## 9. Other Assets

(₹ In Lakhs)

|  | 31-Mar-2019      | 31-Mar-2018      |
|--|------------------|------------------|
| <b>Non-Current</b>                               |                  |                  |
| Capital advances                                 | 811.89           | 1,588.61         |
| Prepaid expenses                                 | 56.50            | 40.72            |
| Income Tax Refund Due                            | -                | 52.81            |
| Deferred lease expense on security deposits paid | 13.00            | 17.02            |
| <b>Total Other Non-Current Assets</b>            | <b>881.39</b>    | <b>1,699.16</b>  |
| <b>Current</b>                                   |                  |                  |
| Advances recoverable in cash or kind             | 14,589.34        | 13,909.61        |
| Prepaid expenses                                 | 409.06           | 329.17           |
| Balances with statutory / government authorities | 1,218.96         | 2,452.40         |
| Deferred lease expense on security deposits paid | 5.70             | 8.64             |
| <b>Total Other Current Assets</b>                | <b>16,223.06</b> | <b>16,699.82</b> |

## Notes to Consolidated financial statements

for the year ended March 31, 2019

### 10. Inventories

(₹ In Lakhs)

|  | 31-Mar-2019      | 31-Mar-2018     |
|--|------------------|-----------------|
| <b>(Valued at lower of cost and net realisable value)</b>                                      |                  |                 |
| Finished and traded goods (Includes stock in transit Rs. 1,514.91 lakhs, March 31, 2018 : Nil) | 6,882.61         | 1,303.63        |
| Raw material<br>(Includes stock in transit Nil, March 31, 2018 : Rs. 109.87 lakhs)             | 2,229.60         | 2,029.14        |
| Semi finished goods  | 2,481.39         | 1,758.72        |
| Stores, spares and others  | 663.09           | 650.22          |
|  | <b>12,256.69</b> | <b>5,741.71</b> |

#### Amount recognised in profit & loss

Write-down to inventories to net realisable value amounted to Rs.27.56 lakhs (31st March 2018 : Nil). These write-downs were recognised as an expense and included in 'changes in inventories of finished goods, work-in-progress and traded goods' in the statement of Profit and Loss.

### 11. Financial assets - Trade Receivables

(₹ In Lakhs)

|  | 31-Mar-2019      | 31-Mar-2018      |
|--|------------------|------------------|
| Trade receivables  | 19,301.60        | 24,651.49        |
| Trade Receivables which have significant increase in credit risk | -                | -                |
| Trade Receivables - Credit Impaired                              | -                | -                |
|  | <b>19,301.60</b> | <b>24,651.49</b> |
| Less : Provision for doubtful debts                              | 86.36            | 87.73            |
|  | <b>19,215.24</b> | <b>24,563.76</b> |
| <b>Breakup of security details</b>                               |                  |                  |
| Secured, considered good   | -                | -                |
| Unsecured, considered good                                       | 19,215.24        | 24,563.76        |
| Considered doubtful  | 86.36            | 87.73            |
|  | <b>19,301.60</b> | <b>24,651.49</b> |

The carrying amount of trade receivable include receivables which are subject to factoring arrangement / bill discounting. Company continues to recognise in trade receivable and the amount repayable under factoring arrangement as short term borrowing.

#### Trade receivable that are not derecognised in their entirety :

(₹ In Lakhs)

|                      | 31-Mar-2019 | 31-Mar-2018 |
|----------------------|-------------|-------------|
| Trade receivables    | 2,340.11    | 6,516.47    |
| Associated borrowing | 1,671.06    | 5,213.17    |

Trade receivables that are without recourse to us are de-recognised (along with corresponding liability). Company retains interest liability upto an agreed date on the entire amount, the costs for which are recognised as part of finance costs

#### Trade receivable that are derecognised in their entirety :

(₹ In Lakhs)

|                   | 31-Mar-2019 | 31-Mar-2018 |
|-------------------|-------------|-------------|
| Trade receivables | 2,761.69    | -           |

There are no trade or other receivable are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are generally non-interest bearing and are generally on terms of 30 to 120 days.

### 12. Financial assets - Cash and Cash equivalents

(₹ In Lakhs)

|                            | 31-Mar-2019   | 31-Mar-2018   |
|----------------------------|---------------|---------------|
| Balances with banks:       |               |               |
| On current accounts *      | 157.95        | 558.92        |
| On unpaid dividend account | 3.96          | 1.46          |
| Cash on hand               | 31.09         | 12.27         |
|                            | <b>193.00</b> | <b>572.65</b> |

\* Includes earmarked bank balances amounting to Rs. 3.00 lakhs.

### 13. Financial assets - Other Bank Balances

(₹ In Lakhs)

|  | 31-Mar-2019     | 31-Mar-2018     |
|--|-----------------|-----------------|
| Deposits with original maturity of more than 12 months | -               | 12.10           |
| Deposits with original maturity of less than 12 months | 1.00            | 1.00            |
| Margin Money #   | 1,519.93        | 1,875.85        |
|  | <b>1,520.93</b> | <b>1,888.95</b> |

# The Group has pledged a fixed deposits with banks to fulfil collateral and margin requirement towards various bank facilities sanctioned to the Group.

# Notes to Consolidated financial statements

for the year ended March 31,2019

## 14. Share Capital

(₹ In Lakhs)

|   | 31-Mar-2019     | 31-Mar-2018     |
|---|-----------------|-----------------|
| <b>Authorized Shares (Nos)</b>  |                 |                 |
| 520,100,000 (March 31,2018 : 520,100,000) Equity Shares of Rs. 5/- each | 26,005.00       | 26,005.00       |
| <b>Issued, subscribed and fully paid-up shares (No.)</b>                |                 |                 |
| 162,697,971 (March 31,2018 : 162,697,971) Equity Shares of Rs. 5/- each | 8,134.90        | 8,134.90        |
|   | <b>8,134.90</b> | <b>8,134.90</b> |

### (a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

| Equity Shares                             |                     | 31-Mar-2019        | 31-Mar-2018        |
|---|---------------------|--------------------|--------------------|
| At the beginning of the year              | Nos.                | 162,697,971        | 162,665,070        |
| <b>Add:</b>                               |                     |                    |                    |
| Issued during the year                    | Nos.                |                    | 32,901             |
| Outstanding at the end of the year        | <b>Nos.</b>         | <b>162,697,971</b> | <b>162,697,971</b> |
| At the beginning of the year              | Rs. in Lakhs        | 8,134.90           | 8,133.25           |
| <b>Add:</b>                               |                     |                    |                    |
| Issued during the year                    | Rs. in Lakhs        | -                  | 1.65               |
| <b>Outstanding at the end of the year</b> | <b>Rs. in Lakhs</b> | <b>8,134.90</b>    | <b>8,134.90</b>    |

#### Terms/ rights attached to equity shares

The Holding Company has only one class of equity shares having par value of Rs 5/- per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

### (b) During the period of five years immediately preceding to reporting date, the Group has not

- (i) issued any bonus shares
- (ii) Bought back any shares

Aggregate number of share issued for consideration other than cash during the period of five years immediately preceding the reporting date:

#### Equity Shares

|   | 31-Mar-2019 | 31-Mar-2018 |
|---|-------------|-------------|
| Equity Shares allotted to minority shareholders of erstwhile APAKSH Broadband Limited | -           | 32,901      |

## 15. Other Equity

(₹ In Lakhs)

|   | 31-Mar-2019      | 31-Mar-2018      |
|---|------------------|------------------|
| <b>Securities Premium Account</b>                     |                  |                  |
| Balance as per the last financial statements          | 33,064.11        | 33,064.11        |
| <b>Closing Balance (A)</b>                            | <b>33,064.11</b> | <b>33,064.11</b> |
| <b>Capital Reserves</b>                               |                  |                  |
| Balance as per the last financial statements          | 2,223.35         | 2,223.35         |
| <b>Closing Balance (B)</b>                            | <b>2,223.35</b>  | <b>2,223.35</b>  |
| <b>Other reserve - Shares pending for allotment</b>   |                  |                  |
| Balance as per the last financial statements          | -                | 1.65             |
| Less : Shares allotted during the year                |                  | (1.65)           |
| <b>Closing Balance (C)</b>                            | <b>-</b>         | <b>-</b>         |
| <b>Foreign Currency Translation Reserve</b>           |                  |                  |
| Balance as per the last financial statements          | 703.65           | 635.11           |
| Addition during the year                              | 423.65           | 68.54            |
| <b>Total Foreign Currency Translation Reserve (D)</b> | <b>1,127.30</b>  | <b>703.65</b>    |
| <b>Retained Earnings</b>                              |                  |                  |
| Balance as per the last financial statements          | 4,258.64         | 2,172.24         |
| Profit for the year                                   | 1,077.08         | 2,083.77         |
| Less: Equity dividend and tax thereon                 | (588.42)         |                  |
| Add/(Less) Other Comprehensive Income                 | (6.65)           | 2.63             |
| <b>Closing Balance (E)</b>                            | <b>4,740.65</b>  | <b>4,258.64</b>  |
| <b>Total Other Equity (A+B+C+D+E)</b>                 | <b>41,155.41</b> | <b>40,249.75</b> |

#### Nature and Purpose of reserves other than retained earnings

##### Securities premium

Securities premium is created due to premium on issue of shares. These reserve can be utilised in accordance with the section 52 of Companies Act, 2013.

## Notes to Consolidated financial statements

for the year ended March 31,2019

### Capital reserve

Capital reserve is created on account of Amalgamation of erstwhile APAKSH Broadband Limited with the company.

### Distribution proposed

(₹ In Lakhs)

|   | 31-Mar-2019 | 31-Mar-2018 |
|---|-------------|-------------|
| <b>Proposed dividends on Equity shares :</b>  |             |             |
| Cash dividend for the year ended on 31 March 2019 : Nil (31 March 2018 : Rs.0.30 per share) | -           | 488.09      |
| Dividend Distribution Tax (DDT) on proposed dividend  | -           | 100.33      |
|   | -           | 588.42      |

### 16. Financial liabilities - Non-Current Borrowings

(₹ In Lakhs)

|  | 31-Mar-2019      | 31-Mar-2018     |
|--|------------------|-----------------|
| <b>Non-Current Borrowings</b>  |                  |                 |
| <b>Secured Loans</b>   |                  |                 |
| Foreign Currency Loan from Banks   | 9,121.38         | 4,781.90        |
| Indian Rupee Loan from Banks   | 4,670.26         | 5,117.59        |
| <b>Total Non-Current long term borrowings</b>                                    | <b>13,791.64</b> | <b>9,899.49</b> |
| <b>The above amount includes</b>   |                  |                 |
| Secured borrowings   | 13,791.64        | 9,899.49        |
| <b>Current maturities of long term debt</b>                                      |                  |                 |
| <b>Term Loans</b>  |                  |                 |
| <b>Secured Loans</b>   |                  |                 |
| Foreign Currency Loan from Banks   | 2,240.62         | 1,753.15        |
| Indian Rupee Loan from Banks   | 1,839.97         | 1,456.11        |
| <b>(A)</b>   | <b>4,080.59</b>  | <b>3,209.26</b> |
| <b>Unsecured Loans</b>   |                  |                 |
| Indian Rupee Loan from Others  | -                | 2.89            |
| <b>(B)</b>   | <b>-</b>         | <b>2.89</b>     |
| <b>Total Current Maturities</b>  | <b>(A+B)</b>     | <b>3,212.15</b> |
| <b>The above amount includes</b>   |                  |                 |
| Secured borrowings   | 4,080.59         | 3,209.26        |
| Unsecured borrowings   | -                | 2.89            |
| Amount disclosed under the head "other financial liabilities" (refer note no.18) | (4,080.59)       | (3,212.15)      |
|  | -                | -               |

**Indian rupee loan** from bank amounting to Rs 6,510.23 lakhs (31 March 2018: Rs 6,573.70 lakhs) carries interest rate ranging between 9.35% p.a. to 11.35% p.a. and repayable in 5 years in quarterly instalments. The loans are secured by way of first pari passu charge on fixed assets of the Group, second pari passu charge on current assets of the Group and further secured by personal guarantee of Dr. Kailash S Choudhari.

**Foreign currency term loan** from bank amounting to Rs.11,362.00 lakhs (31 March 2018: Rs.6,535.06 lakhs) carries interest rate ranging between 5.30 % to 7.10% p.a. and repayable in 5 years in quarterly installments.. The loans are secured by way of first pari passu charge on fixed assets of the Group, second pari passu charge on current assets of the Group and further secured by personal guarantee of Dr. Kailash S Choudhari.

Term loan from others includes term loan from Hewlett Packard amounting to Rs Nil (31 March 2018 : Rs. 2.89 laksh), which carries fixed interest @ 13.68% and repayable in next one year in equal monthly instalment.

### Delay/Default in repayment of Borrowing (Current and Non Current) and Interest

The Company has defaulted in repayment of following dues to the financial institution and banks. The lender wise detail as under :



## Notes to Consolidated financial statements

for the year ended March 31, 2019

| Name of lender             | Delay in repayment & paid during the year |              | Default as at March 31, 2019 |              |
|----------------------------|---|--------------|------------------------------|--------------|
|                            | (₹ In Lakhs)                              | Maximum days | (₹ In Lakhs)                 | Maximum days |
| <b>A. Borrowings</b>       |   |              |                              |              |
| Punjab National Bank       | -   |              | 116.75                       | 15           |
| HDFC Bank Loan             | 266.04                                    | 69           | 988.83                       | 59           |
| Union Bank of India        | 110.00                                    | 20           | 440.92                       | 20           |
| Bank of Baroda             | 696.28                                    | 27           | 211.71                       | 61           |
|                            | <b>1,072.32</b>                           |              | <b>1,758.21</b>              |              |
| <b>B. Interest</b>         |   |              |                              |              |
| Punjab National Bank       | 9.69                                      | 4            | 5.07                         | 22           |
| HDFC Bank Loan             | 45.55                                     | 58           | 32.32                        | 26           |
| Union Bank of India        | 56.70                                     | 5            | 29.08                        | 10           |
| Bank of Baroda             | 168.80                                    | 35           | 49.60                        | 1            |
|                            | <b>280.74</b>                             |              | <b>116.07</b>                |              |
| <b>C. Bill discounting</b> |   |              |                              |              |
| HDFC Bank                  | 3,211.54                                  | 80           | -                            | -            |
| Bank of Baroda             | 514.17                                    | 49           | 79.41                        | 65           |

### 17. Financial liabilities - Trade Payables

(₹ In Lakhs)

|   | 31-Mar-2019      | 31-Mar-2018      |
|---|------------------|------------------|
| <b>Non-Current</b>  |                  |                  |
| Trade Payables to micro and small enterprises (refer note no. 41) | -                | -                |
| Trade Payables to others  | -                | 138.90           |
|   | <b>-</b>         | <b>138.90</b>    |
| <b>Current</b>  |                  |                  |
| Trade Payables to micro and small enterprises (refer note no. 41) | 451.35           | -                |
| Trade Payables to others  | 11,382.31        | 11,353.24        |
|   | <b>11,833.66</b> | <b>11,353.24</b> |

Trade payables are generally non-interest bearing and are generally on terms of 30 to 90 days.

### 18. Other Financial Liabilities

(₹ In Lakhs)

|   | 31-Mar-2019     | 31-Mar-2018     |
|---|-----------------|-----------------|
| <b>Non-Current</b>  |                 |                 |
| Interest accrued but not due on borrowings / trade payables | -               | 27.10           |
| <b>Total Non-Current financial liabilities</b>              | <b>-</b>        | <b>27.10</b>    |
| <b>Current</b>  |                 |                 |
| Current maturities of long term debt (Refer Note No. 16 )   | 4,080.59        | 3,212.15        |
| Interest accrued but not due on borrowings / trade payables | 39.19           | 43.05           |
| Interest accrued and due on borrowings / trade payables     | 79.52           | -               |
| Unclaimed Dividend 2013-14 & 2017-18*                       | 3.96            | 1.46            |
| 0 % Security Deposits                                       | 689.95          | 613.59          |
| Others  | 3,644.17        | 4,084.57        |
| <b>Total Current financial liabilities</b>                  | <b>8,537.38</b> | <b>7,954.82</b> |

\*Unclaimed dividend will be deposited in Investor Education and Protection fund as and when due

### 19. Provisions

(₹ In Lakhs)

|   | 31-Mar-2019   | 31-Mar-2018   |
|---|---------------|---------------|
| <b>Non-Current</b>                            |               |               |
| Provision for Gratuity & Compensated Absences | 379.26        | 292.94        |
|   | <b>379.26</b> | <b>292.94</b> |
| <b>Current</b>                                |               |               |
| Provision for Gratuity & Compensated Absences | 74.51         | 29.73         |
|   | <b>74.51</b>  | <b>29.73</b>  |

## Notes to Consolidated financial statements

for the year ended March 31, 2019

### 20. Short Term Borrowings

(₹ In Lakhs)

|   | 31-Mar-2019      | 31-Mar-2018      |
|---|------------------|------------------|
| <b>Secured Loans</b>                                |                  |                  |
| Working capital facilities from Banks               | 9,170.97         | 6,544.27         |
| Buyer's Credit from Banks                           | -                | 540.45           |
| Liability towards bills discounted from Bank        | 79.51            | 96.13            |
| <b>Unsecured Loans</b>                              |                  |                  |
| Inter corporate deposit from others                 | 400.00           | 250.00           |
| Loan from others                                    | 1,440.31         | 787.82           |
| Liability towards bills discounted from Bank/others | 2,012.19         | 5,682.58         |
|   | <b>13,102.98</b> | <b>13,901.25</b> |
| Total secured loans                                 | 9,250.48         | 7,180.85         |
| Total unsecured loans                               | 3,852.50         | 6,720.40         |

**Working capital facilities** includes cash credit and short term loan from banks are secured by way of first pari-passu charge on hypothecation of raw materials, work-in-progress, finished goods and trade receivables both present and future and second pari-passu charge on the fixed assets of the Company. These facilities are further secured by way of first pari-passu charge on the immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari. The cash credit is repayable on demand and short term loan of Rs. 864.80 Lakhs is repayable in two installments. It carries interest in the range of 9.25% to 10.85 % p.a.

**Buyer's credit** are secured by hypothecation of raw materials, work-in-progress, finished goods and trade receivables and carries rate of interest @ 4% to 5% p.a. (excluding hedging premium).

**Inter corporate deposits** from other are repayable on demand and carries rate of interest @ 11.50% to 15% p.a.

**Bills Discounting** are unsecured and carries interest @ 9 to 10% p.a.

### 21. Other Current Liabilities

(₹ In Lakhs)

|                        | 31-Mar-2019     | 31-Mar-2018     |
|------------------------|-----------------|-----------------|
| Advance from Customers | 1,792.62        | 1,078.62        |
| Others                 | 405.00          | 650.46          |
|                        | <b>2,197.62</b> | <b>1,729.08</b> |

### 22. Revenue From Operations

(₹ In Lakhs)

|  | 31-Mar-2019      | 31-Mar-2018      |
|--|------------------|------------------|
| <b>Revenue from contracts with customers</b> |                  |                  |
| Sale of products                             |                  |                  |
| - Finished goods                             | 46,053.58        | 56,125.77        |
| - Traded goods                               | 2,806.34         | 2,143.64         |
| Sale of services                             | 2,862.72         | 2,719.92         |
| <b>Other operating revenue</b>               |                  |                  |
| - Scrap sales                                | 109.51           | 100.96           |
| - Export Incentives                          | 586.85           | 838.18           |
| - Exchange Fluctuation                       | 513.06           | 551.75           |
| - Other operating revenue                    | 73.45            | 1.29             |
|  | <b>53,005.51</b> | <b>62,481.51</b> |

Disaggregation of revenue has been disclosed on the basis business segment and geography (refer note no. 33)

### Reconciliation of Revenue from operations with contract price

(₹ In Lakhs)

|                                      | 31-Mar-2019      |
|--------------------------------------|------------------|
| <b>Contract price</b>                | 52,179.60        |
| Less : Liquidation damage charges    | 308.20           |
| Less : Rebate / Discount             | 39.24            |
| <b>Total revenue from operations</b> | <b>51,832.15</b> |

Revenue is recognized upon transfer of control of products or services to customers.

## Notes to Consolidated financial statements

for the year ended March 31, 2019

### 23. Other Income

(₹ In Lakhs)

|                   | 31-Mar-2019   | 31-Mar-2018   |
|-------------------|---------------|---------------|
| Interest income   |               |               |
| on deposits       | 154.01        | 146.80        |
| on other advances | 87.58         | 72.53         |
|                   | <b>241.59</b> | <b>219.33</b> |

### 24. Cost of raw material and components consumed

(₹ In Lakhs)

|   | 31-Mar-2019      | 31-Mar-2018      |
|---|------------------|------------------|
| Inventory at the beginning of the year              | 2,029.14         | 1,613.61         |
| Add: Purchases                                      | 34,649.05        | 38,921.44        |
|   | 36,678.19        | 40,535.05        |
| Less: inventory at the end of the year              | 2,229.60         | 2,029.14         |
| <b>Cost of raw material and components consumed</b> | <b>34,448.59</b> | <b>38,505.91</b> |

### 25. Details of purchase of traded goods

(₹ In Lakhs)

|                            | 31-Mar-2019     | 31-Mar-2018     |
|----------------------------|-----------------|-----------------|
| Telecom & electronic items | 1,755.97        | 1,632.40        |
|                            | <b>1,755.97</b> | <b>1,632.40</b> |

### 26. (Increase)/ decrease in inventories

(₹ In Lakhs)

|   | 31-Mar-2019       | 31-Mar-2018     |
|---|-------------------|-----------------|
| <b>Inventories at the end of the year</b>       |                   |                 |
| Finished/Traded goods                           | 6,882.61          | 1,303.63        |
| Semi Finished goods                             | 2,481.39          | 1,758.72        |
|   | <b>9,364.00</b>   | <b>3,062.35</b> |
| <b>Inventories at the beginning of the year</b> |                   |                 |
| Finished/traded goods                           | 1,303.63          | 389.86          |
| Semi finished goods                             | 1,758.72          | 2,497.24        |
|   | <b>3,062.35</b>   | <b>2,887.10</b> |
|   | <b>(6,301.65)</b> | <b>(175.25)</b> |

### 27. Employee benefits expense

(₹ In Lakhs)

|   | 31-Mar-2019     | 31-Mar-2018     |
|---|-----------------|-----------------|
| Salaries, wages and bonus                 | 3,718.55        | 3,267.97        |
| Contribution to provident and other funds | 252.13          | 239.73          |
| Gratuity                                  | 93.60           | 78.84           |
| Staff welfare expenses                    | 122.72          | 243.16          |
| Directors' Remuneration                   | 427.42          | 128.14          |
|   | <b>4,614.42</b> | <b>3,957.84</b> |

### 28. Finance costs

(₹ In Lakhs)

|                         | 31-Mar-2019     | 31-Mar-2018     |
|-------------------------|-----------------|-----------------|
| Interest on Cash Credit | 698.64          | 543.36          |
| Interest on Term Loan   | 1,151.46        | 580.36          |
| Interest Others         | 896.59          | 415.49          |
| Bank Charges            | 467.62          | 404.62          |
|                         | <b>3,214.31</b> | <b>1,943.83</b> |

During the year, the Group has capitalised borrowing costs of Rs. 306.76 lakhs (31 March 2018: Rs. 249.25 lakhs) incurred on the borrowings specifically availed for expansion and modernisation of production facilities. The interest expense disclosed above is net of the interest amount capitalised.

### 29. Depreciation and amortisation expense

(₹ In Lakhs)

|   | 31-Mar-2019     | 31-Mar-2018     |
|---|-----------------|-----------------|
| Depreciation of Property, Plant & Equipment | 2,885.57        | 2,081.80        |
| Amortisation of intangible assets           | 134.93          | 272.85          |
|   | <b>3,020.50</b> | <b>2,354.65</b> |

## Notes to Consolidated financial statements

for the year ended March 31, 2019

### 30. Other expenses

(₹ In Lakhs)

|  | 31-Mar-2019      | 31-Mar-2018      |
|--|------------------|------------------|
| Consumption of stores and spares                           | 630.36           | 636.90           |
| Increase/(Decrease) in Excise Duty Provision on Stock      | -                | (20.39)          |
| Power & Fuel   | 1,377.12         | 1,394.06         |
| Packing Material Consumed                                  | 2,258.46         | 2,698.18         |
| Repair & Maintenance                                       |                  |                  |
| - Plant & Machinery  | 104.98           | 102.11           |
| - Buildings  | 32.52            | 34.23            |
| - Others   | 67.92            | 77.42            |
| Sub-contracting expenses                                   | 2,035.78         | 1,957.98         |
| Marketing & Service Charges                                | 966.40           | 800.17           |
| Freight & Cartage (Outward)                                | 257.66           | 535.54           |
| Travelling & Conveyance                                    | 440.97           | 492.56           |
| CSR Expenditure  | 63.97            | 63.94            |
| Postage & Telephone  | 46.36            | 67.65            |
| Insurance  | 89.33            | 121.31           |
| Rent   | 374.16           | 206.19           |
| Professional & Legal Expenses                              | 300.41           | 350.18           |
| Auditors' Remuneration                                     | 56.55            | 49.55            |
| Provision for doubtful debts                               | (1.37)           | 87.73            |
| Other Expenses   | 1,029.15         | 913.98           |
|  | <b>10,130.73</b> | <b>10,569.29</b> |
| Less : Transfer to Capital Asset/ Capital Work in Progress | -                | 57.75            |
|  | <b>10,130.73</b> | <b>10,511.54</b> |

### Details of CSR Expenditure

(₹ In Lakhs)

|   | 31-Mar-2019 | 31-Mar-2018 |
|---|-------------|-------------|
| <b>a) Gross amount required to be spent during the year</b>     | 63.70       | 62.58       |
| <b>b) Amount Spent during the year ending on March 31, 2019</b> |             |             |
| i) Construction/acquisition of an asset                         | -           | -           |
| ii) on Purchase other than (i) above                            | 63.97       | 63.97       |
| <b>c) Amount Spent during the year ending on March 31, 2018</b> |             |             |
| i) Construction/acquisition of an asset                         | -           | -           |
| ii) on Purchase other than (i) above                            | 63.94       | 63.94       |

### Payment to auditor

(₹ In Lakhs)

|                                     | 31-Mar-2019  | 31-Mar-2018  |
|-------------------------------------|--------------|--------------|
| <b>As auditor:</b>                  |              |              |
| Audit fee                           | 52.10        | 44.03        |
| <b>In other capacity:</b>           |              |              |
| Other services (certification fees) | -            | 0.20         |
| Reimbursement of expenses           | 4.45         | 5.32         |
|                                     | <b>56.55</b> | <b>49.55</b> |

### 31. Exceptional (expense)/income

(₹ In Lakhs)

|                                       | 31-Mar-2019   | 31-Mar-2018    |
|---------------------------------------|---------------|----------------|
| Foreign Exchange Fluctuations         | 429.90        | (62.25)        |
| Profit/(Loss) on sale of fixed assets | (0.92)        | (7.87)         |
| Balances written off                  | (65.55)       | (9.83)         |
|                                       | <b>363.43</b> | <b>(79.95)</b> |

### 32. Employee benefits

#### Defined benefit plans

##### Gratuity:

The Group provides for gratuity for employees in India as per Payment of gratuity act, 1972 and Provision for gratuity in case of employees worked in India determined based on actuarial valuation using projected unit credit method. However, Liability of gratuity on employees worked outside India determined as per applicable laws in relevant countries.

Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in the form of a qualifying insurance policy.

## Notes to Consolidated financial statements

for the year ended March 31,2019

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

### Changes in the present value of the defined benefit obligation are, as follows:

(₹ In Lakhs)

|   | Gratuity Funded | Compensated absences |
|---|-----------------|----------------------|
| <b>Defined benefit obligation at 1 April 2017</b>     | <b>294.96</b>   | <b>93.60</b>         |
| Interest expense                                      | 22.24           | 7.06                 |
| Service cost  | 44.37           | 25.16                |
| Past Service Cost including curtailment Gains /Losses | 13.80           | -                    |
| Benefits paid   | (2.52)          | (15.95)              |
| Actuarial (gain)/ loss on obligations                 | (3.29)          | (4.43)               |
| <b>Defined benefit obligation at 31 March 2018</b>    | <b>369.56</b>   | <b>105.44</b>        |
| Interest expense                                      | 28.49           | 8.13                 |
| Service cost  | 46.30           | 24.43                |
| Past Service Cost including curtailment Gains /Losses | -               | -                    |
| Benefits paid   | (27.43)         | (12.14)              |
| Actuarial (gain)/ loss on obligations                 | 9.66            | (10.64)              |
| <b>Defined benefit obligation at 31 March 2019</b>    | <b>426.58</b>   | <b>115.22</b>        |

### Reconciliation of fair value of plan assets and defined benefit obligation:

(₹ In Lakhs)

|  | Gratuity Funded | Compensated absences |
|--|-----------------|----------------------|
| Present value of obligation  | 294.96          | 93.60                |
| Fair value of plan assets  | 133.32          | -                    |
| <b>Net assets / (liability) recognized in balance sheet as provision as at 1 April 2017</b>  | <b>(161.64)</b> | <b>(93.60)</b>       |
| Present value of obligation  | 369.56          | 105.44               |
| Fair value of plan assets  | 208.95          | -                    |
| <b>Net assets / (liability) recognized in balance sheet as provision as at 31 March 2018</b> | <b>(160.61)</b> | <b>(105.44)</b>      |
| Present value of obligation  | 426.58          | 115.22               |
| Fair value of plan assets  | 208.27          | -                    |
| <b>Net assets / (liability) recognized in balance sheet as provision as at 31 March 2019</b> | <b>(218.31)</b> | <b>(115.22)</b>      |

### Amount recognised in Statement of Profit and Loss:

(₹ In Lakhs)

|   | Gratuity Funded | Compensated absences |
|---|-----------------|----------------------|
| Current service cost  | 58.17           | 23.94                |
| Net interest expense  | 12.19           | 7.06                 |
| Net actuarial (gain)/loss recognised in the period                                    | -               | (4.43)               |
| <b>Amount recognised in Statement of Profit and Loss for year ended 31 March 2018</b> | <b>70.36</b>    | <b>26.57</b>         |
| Current service cost  | 46.30           | 23.94                |
| Net interest expense  | 12.38           | 8.13                 |
| Net actuarial (gain)/loss recognised in the period                                    | -               | (10.64)              |
| <b>Amount recognised in Statement of Profit and Loss for year ended 31 March 2019</b> | <b>58.68</b>    | <b>21.43</b>         |

### Amount recognised in Other Comprehensive Income:

(₹ In Lakhs)

|   | Gratuity Funded | Compensated absences |
|---|-----------------|----------------------|
| Actuarial (gain)/ loss on obligations   | 3.30            | -                    |
| Return on plan assets (excluding amounts included in net interest expense)          | 0.57            | -                    |
| <b>Amount recognised in Other Comprehensive Income for year ended 31 March 2018</b> | <b>3.87</b>     | <b>-</b>             |
| Actuarial (gain)/ loss on obligations   | (9.65)          | -                    |
| Return on plan assets (excluding amounts included in net interest expense)          | (0.59)          | -                    |
| <b>Amount recognised in Other Comprehensive Income for year ended 31 March 2019</b> | <b>(10.24)</b>  | <b>-</b>             |



## Notes to Consolidated financial statements

for the year ended March 31, 2019

Changes in the fair value of plan assets are, as follows:

(₹ In Lakhs)

|   | Gratuity Funded | Compensated absences |
|---|-----------------|----------------------|
| <b>Fair value of plan assets at 1 April 2017</b>  | <b>133.32</b>   | -                    |
| Actual return on plan assets                      | 10.63           | -                    |
| Employer contribution                             | 65.00           | -                    |
| <b>Fair value of plan assets at 31 March 2018</b> | <b>208.95</b>   | -                    |
| Actual return on plan assets                      | 15.50           | -                    |
| Employer contribution                             | (16.18)         | -                    |
| <b>Fair value of plan assets at 31 March 2019</b> | <b>208.27</b>   | -                    |

The major categories of plan assets of the fair value of the total plan assets are as follows:

|                           | 31-Mar-2019 | 31-Mar-2018 |
|---------------------------|-------------|-------------|
| <b>Investment Details</b> | Gratuity    | Gratuity    |
| Funds Managed by Insurer  | 100%        | 100%        |

The principal assumptions used in determining gratuity obligations for the Group's plans are shown below:

(₹ In Lakhs)

|                                  | 31-Mar-2019 | 31-Mar-2018 |
|----------------------------------|-------------|-------------|
| Average Past Service             | 6.79        | 6.08        |
| Average Age                      | 34.74       | 33.88       |
| Average remaining working life   | 23.26       | 24.12       |
| Weighted average duration of PBO | 18.09       | 18.52       |
| Discounting rate                 | 7.65%       | 7.71%       |
| Future salary Increase           | 5.50%       | 5.50%       |

### Sensitivity analysis:

#### Sensitivity Analysis of the defined benefit obligation - Gratuity Plan

(₹ In Lakhs)

|   | 31-Mar-2019   | 31-Mar-2018   |
|---|---------------|---------------|
| <b>Impact on defined benefit obligation</b>     | <b>426.58</b> | <b>369.56</b> |
| Delta effect of +0.5% change in discount rate   | (23.07)       | (20.04)       |
| Delta effect of -0.5% change in discount rate   | 25.04         | 21.76         |
| Delta effect of +0.5% change in salary increase | 21.42         | 18.56         |
| Delta effect of -0.5% change in salary increase | (19.99)       | (17.39)       |

#### Sensitivity Analysis of the defined benefit obligation - Compensated absences

(₹ In Lakhs)

|   | 31-Mar-2019   | 31-Mar-2018   |
|---|---------------|---------------|
| <b>Impact on defined benefit obligation</b>     | <b>115.22</b> | <b>105.44</b> |
| Delta effect of +0.5% change in discount rate   | (7.38)        | (6.82)        |
| Delta effect of -0.5% change in discount rate   | 8.07          | 7.49          |
| Delta effect of +0.5% change in salary increase | 8.20          | 7.62          |
| Delta effect of -0.5% change in salary increase | (7.55)        | (7.00)        |

### Defined contribution plans

(₹ In Lakhs)

|   | 31-Mar-2019 | 31-Mar-2018 |
|---|-------------|-------------|
| Employer's Contribution to Provident Fund | 196.00      | 187.82      |
| Employer's Contribution to ESI            | 10.26       | 9.08        |
| Employer's Contribution to NPS            | 45.87       | 42.83       |
|   | 252.13      | 239.73      |

### 33. Segment information

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company's operations pre-dominantly relate to manufacturing, services and trading of goods. The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on analysis of various performance indicators pertaining to business. The accounting principles used in preparation of the financial statements are consistently applied to record revenue and expenditure in segment information, and are as set out in the significant accounting policies. The information about business segments are given below:

# Notes to Consolidated financial statements

for the year ended March 31,2019

## (A) Primary segment

### Summary of segment information :

(₹ In Lakhs)

|  | Manufacturing    |                  | Services         |                   | Trading         |                 | Total             |                  |
|--|------------------|------------------|------------------|-------------------|-----------------|-----------------|-------------------|------------------|
|  | 31-Mar-2019      | 31-Mar-2018      | 31-Mar-2019      | 31-Mar-2018       | 31-Mar-2019     | 31-Mar-2018     | 31-Mar-2019       | 31-Mar-2018      |
| <b>Segment Revenue (net)</b>                     |                  |                  |                  |                   |                 |                 |                   |                  |
| External Turnover                                | 47,649.65        | 57,710.92        | 2,916.20         | 2,633.57          | 2,439.66        | 2,137.02        | 53,005.51         | 62,481.51        |
| Inter Segment Turnover                           | -                | 405.84           | -                | -                 | -               | -               | -                 | 405.84           |
| <b>Total Revenue</b>                             | <b>47,649.65</b> | <b>58,116.76</b> | <b>2,916.20</b>  | <b>2,633.57</b>   | <b>2,439.66</b> | <b>2,137.02</b> | <b>53,005.51</b>  | <b>62,887.35</b> |
| <b>Segment Results before Interest and Taxes</b> | <b>5,892.53</b>  | <b>5,932.94</b>  | <b>(80.26)</b>   | <b>(1,410.94)</b> | <b>469.13</b>   | <b>535.20</b>   | <b>6,281.40</b>   | <b>5,057.20</b>  |
| Less : Finance Costs                             |                  |                  |                  |                   |                 |                 | (3,214.31)        | (1,943.83)       |
| Add : Interest Income                            |                  |                  |                  |                   |                 |                 | 241.59            | 219.33           |
| Add : Exceptional Items                          |                  |                  |                  |                   |                 |                 | 363.43            | (79.95)          |
| Add/(Less): Unallocated (Expenses)/Income        |                  |                  |                  |                   |                 |                 | (944.45)          | 3.71             |
| <b>Profit before Tax</b>                         |                  |                  |                  |                   |                 |                 | <b>2,727.66</b>   | <b>3,256.46</b>  |
| <b>Other Information</b>                         |                  |                  |                  |                   |                 |                 |                   |                  |
| Segment Assets                                   | 61,059.68        | 52,466.03        | 19,418.74        | 24,123.80         | 6,238.10        | 5,592.76        | 86,716.52         | 82,182.59        |
| Unallocated Assets                               | -                | -                | -                | -                 | -               | -               | 13,580.37         | 11,887.16        |
| <b>Total Assets</b>                              | <b>61,059.68</b> | <b>52,466.03</b> | <b>19,418.74</b> | <b>24,123.80</b>  | <b>6,238.10</b> | <b>5,592.76</b> | <b>100,296.89</b> | <b>94,069.75</b> |
| Segment Liabilities                              | 45,973.55        | 40,958.82        | 2,320.47         | 4,095.96          | 1,199.07        | 271.77          | 49,493.09         | 45,326.55        |
| Unallocated Liabilities                          |                  |                  |                  |                   |                 |                 | 1,513.49          | 358.55           |
| Share Capital & reserves                         |                  |                  |                  |                   |                 |                 | 49,290.31         | 48,384.65        |
| <b>Total Liabilities</b>                         | <b>45,973.55</b> | <b>40,958.82</b> | <b>2,320.47</b>  | <b>4,095.96</b>   | <b>1,199.07</b> | <b>271.77</b>   | <b>100,296.89</b> | <b>94,069.75</b> |
| Depreciation and Amortization                    | 2,483.63         | 883.74           | 536.87           | 1,470.91          | -               | -               | 3,020.50          | 2,354.65         |

**Note :-** Total Revenue is after elimination of inter segment turnover of Rs. Nil (31.03.2018 : Rs. 405.84 lakhs)

## (B) Secondary segment

(₹ In Lakhs)

| Geographical Information   | 31-Mar-2019      | 31-Mar-2018      |
|--|------------------|------------------|
| <b>(1) Revenue from external customer</b>                                |                  |                  |
| Within India   | 32,781.80        | 36,814.19        |
| Outside India  | 20,223.71        | 25,667.32        |
| <b>Total Revenue as per statement of profit and loss</b>                 | <b>53,005.51</b> | <b>62,481.51</b> |
| The revenue information above is based on the locations of the customers |                  |                  |
| <b>(2) Non current Operating assets</b>                                  |                  |                  |
| Within India   | 33,041.98        | 33,405.04        |
| Outside India  | 15,354.31        | 7,909.30         |
| <b>Total</b>   | <b>48,396.29</b> | <b>41,314.34</b> |

\*\* Non-Current Operating Assets for this purpose consist of Property, Plant & Equipment, Capital work in progress and Intangible Assets.

(C) Revenue from one customer in India amounted to Rs.10,438.56 Lakhs (31.03.2018 : Rs.14,411.70 Lakhs)

## 34. Related party transactions

In accordance with the requirements of Indian Accounting Standard (Ind AS) - 24 'Related Party Disclosures' the names of the related party where control exists/ able to exercise significant influence along with the aggregate transactions and year end balance with them as identified by the management in the ordinary course of business and on arms' length basis are given below:

### (a) Key Management personnel (KMP) and their relatives:

- Dr. Kailash S. Choudhari {Chairman (Managing Director till 31.05.2018)}
- Mr. Satyendra Gupta {Managing Director w.e.f 12.02.2019 (Deputy Managing Director till 11.02.2019)}
- Mr. B.R.Rakhecha (Non- Executive Non Independent Director)
- Mr Amrit Nath (Independent Director)
- Mr Dinesh Kumar Mathur (Independent Director till 12.08.2017)
- Ms. Devika Raveendran (Independent Director)
- Mr. Gauri Shankar (Independent Director w.e.f. 08.04.2017)
- Mr. Gaurav Mehta (Chief- Corporate Affairs & Company Secretary)
- Mr. Pawan Kumar Gambhir (Chief Financial Officer)
- Mr. Prashant Kumar Agrawal (Director)
- Mr. Munesh Chandra (Director)
- Mr. Chandra Shekhar Gupta (Director)

## Notes to Consolidated financial statements

for the year ended March 31, 2019

### (b) Transaction with related parties

(₹ In Lakhs)

| Nature of Transaction        | KMP    | Others | Total  |
|------------------------------|--------|--------|--------|
| Short term employee benefits | 814.13 |        | 814.13 |
|                              | 710.26 |        | 710.26 |
| Sitting fees                 | 16.30  |        | 16.30  |
|                              | 12.08  |        | 12.08  |
| Services received            | 72.00  |        | 72.00  |
|                              | 58.50  |        | 58.50  |

Note : Figures in italic represents previous year

# As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Company as a whole, the amounts pertaining to the Key Management Personnel are not included above.

### (d) Balance due (to)/ from

(₹ In Lakhs)

|                          | 31-Mar-2019 | 31-Mar-2018 |
|--------------------------|-------------|-------------|
| <b>KMP</b>               |             |             |
| Trade and other Payables | (278.58)    | (74.93)     |

## 35. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit for the year attributable to the equity shareholders of the Group by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

### The following reflects the income and share data used in the basic and diluted EPS computations:

(₹ In Lakhs)

|  | 31-Mar-2019 | 31-Mar-2018 |
|--|-------------|-------------|
| Profit for the year  | 1,077.08    | 2,083.77    |
| Weighted average number of equity shares in calculating basic EPS (absolute value in number) | 162,697,971 | 162,697,971 |
| Effect of dilution   | -           | -           |
| Weighted average number of equity shares in calculating basic EPS (absolute value in number) | 162,697,971 | 162,697,971 |
| Earning per share  |             |             |
| Basic EPS (on nominal value of Rs. 5 per share) Rs./share                                    | 0.66        | 1.28        |
| Diluted EPS (on nominal value of Rs. 5 per share) Rs./share                                  | 0.66        | 1.28        |

## 36. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accounting disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

### Income taxes

The Group is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

In assessing the realisability of deferred tax assets, management considers whether it is probable, that some portion, or all, of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable incomes over the periods in which the deferred tax assets are deductible, management believes that it is probable that the Group will be able to realise the benefits of those deductible differences in future.

# Notes to Consolidated financial statements

for the year ended March 31, 2019

## Employee benefit obligations

The cost of the defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 32.

## Contingencies

Management judgement of contingencies is based on the internal assessments and opinion from the consultants for the possible outflow of resources, if any.

## 37. Leases

### Operating Lease :

The Group has entered into various lease agreements. The lease term is for periods of three to five and above five years and renewable at the option of both the parties.

Future minimum lease payments as per contracts are as follows :

### Future minimum rentals payable under non cancellable operating leases are as follows:

(₹ In Lakhs)

|   | 31-Mar-2019     | 31-Mar-2018     |
|---|-----------------|-----------------|
| With in one year                            | 416.11          | 396.79          |
| After one year but not more than five years | 1,075.80        | 854.22          |
| More than five years                        | 2,457.26        | 2,085.12        |
|   | <b>3,949.17</b> | <b>3,336.13</b> |

## 38. Capital & other commitments

(₹ In Lakhs)

|  | 31-Mar-2019 | 31-Mar-2018 |
|--|-------------|-------------|
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) | 2,450.92    | 6,700.90    |
| Outstanding export obligation under EPCG scheme  | 2,160.81    | 2,646.29    |

The Group has other commitments for purchase orders which are issued after considering requirements as per operating cycle for purchase of services, employee benefits. The Group does not have any long term commitment or material non-cancellable contractual commitments/contracts with respect to contractual expenditure which might have a material impact on the financial statements.

For commitments relating to lease arrangements please refer note no. 37

## 39. Contingent liabilities

(₹ In Lakhs)

|  | 31-Mar-2019 | 31-Mar-2018 |
|--|-------------|-------------|
| Disputed Liabilities in appeal                           |             |             |
| Sales tax matters  | 55.08       | 93.73       |
| Service tax  | 61.10       | 67.81       |
| Excise / custom duty                                     | 196.03      | 187.92      |
| Income tax matters                                       | 205.32      | 92.72       |
| Others   | 2,030.54    | 2,120.48    |
| Outstanding amount of duty saved against advance license | 566.49      | 992.77      |
| Outstanding amount of duty saved against EPCG scheme     | 360.13      | 441.05      |
| Corporate guarantees given                               | -           | 40.90       |

The Honourable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. Accordingly, the applicability of the judgement to the Group, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

## 40. Derivatives Instruments

### A. Forward contracts outstanding as at the reporting date:-

(₹ In Lakhs)

| Particulars               | Currency | 31-Mar-2019 | 31-Mar-2018 |
|---------------------------|----------|-------------|-------------|
| Forward contracts to sell | USD      | 25.50       | 27.75       |
|                           | EURO     | 0.50        | -           |
| Forward contracts to buy  | USD      | -           | 8.36        |

## Notes to Consolidated financial statements

for the year ended March 31, 2019

### B. Particulars of foreign currency receivable as at the reporting date

(₹ In Lakhs)

| Particulars       | Currency | 31-Mar-2019 | 31-Mar-2018 |
|-------------------|----------|-------------|-------------|
| Export of goods   | USD      | 21.58       | 92.37       |
|                   | EURO     | 8.43        | 8.59        |
| Advance to Vendor | USD      | 2.70        | 2.74        |
|                   | EURO     | 0.01        | 1.48        |
|                   | AED      | 0.03        | 0.02        |
|                   | GBP      | 0.16        | 0.31        |

### C. Particulars of foreign currency payable as at the reporting date

(₹ In Lakhs)

|                              | Currency | 31-Mar-2019 | 31-Mar-2018 |
|------------------------------|----------|-------------|-------------|
| Import of goods and services | USD      | 53.06       | 50.79       |
|                              | EURO     | 3.02        | 4.73        |
|                              | AED      | 0.04        | -           |
|                              | GBP      | 0.89        | 0.55        |
| Advance from customers       | USD      | 11.17       | 15.69       |
|                              | EURO     | -           | 0.17        |
| Buyer's Credit               | USD      | -           | 8.33        |
| Bill Discounting             | USD      | 6.22        | 2.04        |
| Term Loan                    | USD      | 19.26       | 18.50       |
|                              | EURO     | 21.58       | 32.20       |

### 41. Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

(₹ In Lakhs)

| Descriptions   | 31-Mar-2019 | 31-Mar-2018 |
|--|-------------|-------------|
| The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.   |             |             |
| Principal amount due to micro and small enterprises  | 451.35      | -           |
| Interest due on above  | 35.22       | -           |
| The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.   | -           | -           |
| The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.  | 9.62        | -           |
| The amount of interest accrued and remaining unpaid at the end of each accounting year.  | 44.84       | -           |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006 | 44.84       | -           |

### 42. Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and trade payables. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as trade receivables, bank balances and short-term deposits, which arise directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is responsible to ensure that Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.



# Notes to Consolidated financial statements

for the year ended March 31, 2019

## A. Market risk

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

### (i) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rate primarily relates to the Group long-term debt obligations with floating interest rates.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates. The Group's policy is to manage its interest cost using a mix of fixed, floating rate borrowings.

### Interest rate sensitivity

(₹ In Lakhs)

|                  | Increase /Decrease<br>in Basis points | Effect on profit<br>before tax |
|------------------|---------------------------------------|--------------------------------|
| <b>31-Mar-19</b> |                                       |                                |
| Base Rate        | +50                                   | (126.84)                       |
| Base Rate        | -50                                   | 126.84                         |
| <b>31-Mar-18</b> |                                       |                                |
| Base Rate        | +50                                   | (74.33)                        |
| Base Rate        | -50                                   | 74.33                          |

Sensitivity is calculated based on the assumption that amount outstanding as at reporting dated were utilised for the whole financial year.

### (ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The Group has sales and purchases from outside India. The Group has transactional currency exposures arising from sales and purchases by an operating unit in currencies other than the unit's functional currency. Accordingly, the Group's financial state of affairs can be affected significantly by movements in the USD or any other currency exchange rates. The Group enters into derivative transactions, primarily in the nature of forward currency contracts on import payables. The purpose is to manage currency risks arising from the Group's operations.

### Unhedged foreign currency sensitivity

(₹ In Lakhs)

|                  | Changes in USD | Effect on profit<br>before tax | Changes in Euro | Effect on profit<br>before tax |
|------------------|----------------|--------------------------------|-----------------|--------------------------------|
| <b>31-Mar-19</b> |                |                                |                 |                                |
|                  | +5%            | (138.08)                       | +5%             | (60.75)                        |
|                  | -5%            | 138.08                         | -5%             | 60.75                          |
| <b>31-Mar-18</b> |                |                                |                 |                                |
|                  | +5%            | 278.86                         | +5%             | 108.08                         |
|                  | -5%            | (278.86)                       | -5%             | (108.08)                       |

## B. Credit risk

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

### (i) Trade Receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

### (ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the balance sheet at 31 March 2019 and 31 March 2018 is the carrying amounts of each class of financial assets except for financial guarantees and derivative financial instruments. The Group's maximum exposure relating to financial derivative instruments is noted in note no. 40 and the liquidity table below:

## Notes to Consolidated financial statements

for the year ended March 31, 2019

### C. Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Group objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Group requires funds both for short-term operational needs as well as for long-term investment programs mainly in growth projects. The Group closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 30 - 90 days. The other payables are with short-term durations. The carrying amounts are assumed to be reasonable approximation of fair value. The table below summarises the maturity profile of the Group financial liabilities based on contractual undiscounted payments:

### Foreign currency sensitivity

|                             | (₹ In Lakhs)      |                  |                  |          |                  |
|-----------------------------|-------------------|------------------|------------------|----------|------------------|
|                             | Payable on demand | 0-12 months      | 1-5 years        | >5 years | Total            |
| <b>As at 31 March 2019</b>  |                   |                  |                  |          |                  |
| Borrowings                  | 10,464.38         | 6,172.29         | 14,338.54        | -        | 30,975.21        |
| Trade payables              | -                 | 11,833.66        | -                | -        | 11,833.66        |
| Other financial liabilities | -                 | 4,456.79         | -                | -        | 4,456.79         |
|                             | <b>10,464.38</b>  | <b>22,462.74</b> | <b>14,338.54</b> | <b>-</b> | <b>47,265.66</b> |
| <b>As at 31 March 2018</b>  |                   |                  |                  |          |                  |
| Borrowings                  | 6,794.27          | 10,319.13        | 9,899.49         | -        | 27,012.89        |
| Trade payables              | -                 | 11,353.24        | 138.90           | -        | 11,492.14        |
| Other financial liabilities | -                 | 4,755.29         | 27.10            | -        | 4,782.39         |
|                             | <b>6,794.27</b>   | <b>26,427.66</b> | <b>10,065.49</b> | <b>-</b> | <b>43,287.42</b> |

### 43. Capital management

The purpose of the Group capital management, equity includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total equity. The Group policy is to keep the gearing ratio optimum. The Group includes within net debt, interest bearing loans and borrowings.

|                                 | (₹ In Lakhs)     |                  |
|---------------------------------|------------------|------------------|
| Descriptions                    | 31-Mar-2019      | 31-Mar-2018      |
| Borrowings                      | 30,975.21        | 27,012.89        |
| Less: Cash and cash equivalents | 193.00           | 572.65           |
| <b>Net debt</b>                 | <b>30,782.21</b> | <b>26,440.24</b> |
| Total equity                    | 49,290.31        | 48,384.65        |
| <b>Gearing ratio</b>            | <b>62.45%</b>    | <b>54.65%</b>    |

In order to achieve this overall objective, the Group 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 2019 and 31 March 2018.

### 44. Fair Values

|                        | (₹ In Lakhs) |             |
|------------------------|--------------|-------------|
| Particulars            | 31-Mar-2019  | 31-Mar-2018 |
| Derivative instruments |              |             |
| Carrying value         | 91.08        | 18.99       |
| Fair Value             | 91.08        | 18.99       |

### Fair values

The fair values of trade receivables, cash and cash equivalents, other current financial asset, trade payables and other current financial liabilities are considered to be same as their carrying values due to their short term nature. The fair value of the 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.

### Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows based on the lowest level input that is significant to the fair value measurement as whole.

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.

# Notes to Consolidated financial statements

for the year ended March 31, 2019

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

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

The following table presents assets and liabilities measured at fair value at 31 March 2019 and 31 March 2018

## Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2019 and 31 March 2018 (₹ In Lakhs)

|   | level 1 | level 2 | level 3 |
|---|---------|---------|---------|
| Derivative  |         |         |         |
| At 31 March 2019  | -       | 91.08   | -       |
| At 31 March 2018  | -       | 18.99   | -       |
| There are no transfers among levels 1, 2 and 3 during the year. |         |         |         |

## 45. Additional information, as required under Schedule III to the Companies Act 2013, "General instructions for the preparation of consolidated financial statements" for financial year 2018-19

|  | Net Assets, i.e., total assets minus total liabilities |                      |
|--|--|----------------------|
|  | As % of consolidated net assets                        | Amount (Rs. in lacs) |
| <b>Parent</b>                                      |  |                      |
| Aksh Optifibre Limited                             | 42.95%   | 21,168.56            |
| <b>Subsidiaries</b>                                |  |                      |
| <b>Indian</b>                                      |  |                      |
| Aksh Composites Private Limited                    | 1.85%  | 909.91               |
| <b>Foreign</b>                                     |  |                      |
| AOL FZE, (Dubai) *                                 | 50.00%   | 24,646.50            |
| AOL Technologies FZE, (Dubai)                      | 4.29%  | 2,112.14             |
| Aksh Technologies (Mauritius) Limited, (Mauritius) | 0.92%  | 453.20               |
| <b>Total</b>                                       | <b>100.00%</b>   | <b>49,290.31</b>     |

|  | Share in Profit or Loss             |                      | Share in other comprehensive income             |                      | Share in total comprehensive income             |                      |
|--|-------------------------------------|----------------------|---|----------------------|---|----------------------|
|  | As % of consolidated profit or loss | Amount (Rs. in lacs) | As % of consolidated other comprehensive income | Amount (Rs. in lacs) | As % of consolidated total comprehensive income | Amount (Rs. in lacs) |
| <b>Parent</b>                                      |                                     |                      |   |                      |   |                      |
| Aksh Optifibre Limited                             | 198.57%                             | 2,138.81             | -1.61%  | -6.70                | 142.70%   | 2,132.11             |
| <b>Subsidiaries</b>                                |                                     |                      |   |                      |   |                      |
| <b>Indian</b>                                      |                                     |                      |   |                      |   |                      |
| Aksh Composites Private Limited                    | 6.78%                               | 72.98                | 0.01%   | 0.05                 | 4.89%   | 73.03                |
| <b>Foreign</b>                                     |                                     |                      |   |                      |   |                      |
| AOL FZE, (Dubai) *                                 | -89.96%                             | (968.94)             | 100.49%   | 419.06               | -36.80%   | -549.88              |
| AOL Technologies FZE, (Dubai)                      | -                                   | -                    | -   | -                    | -   | -                    |
| Aksh Technologies (Mauritius) Limited, (Mauritius) | -15.39%                             | (165.77)             | 1.10%   | 4.59                 | -10.79%   | -161.18              |
| <b>Total</b>                                       | <b>100.00%</b>                      | <b>1,077.08</b>      | <b>100.00%</b>                                  | <b>417.00</b>        | <b>100.00%</b>                                  | <b>1,494.08</b>      |

\*Figures for AOL FZE, (Dubai) are figures after consolidation with its subsidiary AOL Composite Jiangsu Co. Ltd

**46.** With a view to have a global presence in telecom, the Company has incorporated a wholly owned subsidiary in Dubai, viz. "AOL FZE" for expansion of Companies businesses. The subsidiary Company has signed an agreement with Africa One, a Company which has been mandated to provide majority stake in Company, holding GSM licenses with spectrum in African continent for Broadband, IPTV and FTTH projects. In Compliance of the terms of the agreement, the subsidiary company has advanced towards part consideration an amount aggregating to Rs. 12,454.67 lakhs ( equivalent to AED 660.06 lakhs) {31.03.2018 : 12,448.73 lakhs ( equivalent to AED 660.06 lakhs)}.

The accompanying notes (1-46) are an integral part of the financial statements

### As per our report of even date

For **B G G & Associates**  
Firm Registration Number: 016874N  
Chartered Accountants

CA Alok Kumar Bansal  
**Partner**  
Membership no.: 092854

Satyendra Gupta  
**Managing Director**  
DIN : 00035141

Gaurav Mehta  
**Chief- Corporate Affairs  
and Company Secretary**

### For and on behalf of the Board of Directors

Dr. Kailash S. Choudhari  
**Chairman**  
DIN : 00023824

Pawan Kumar Gambhir  
**Chief Financial Officer**

Place: New Delhi  
Date : May 25, 2019



## Forward-looking statement

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.





***Live Smart***

## **AKSH OPTIFIBRE LIMITED**

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