

AKSH OPTIFIBRE LIMITED

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ANNUAL REPORT 2023

CONTENT

01 COMPANY OVERVIEW

NOTICE 02 NOTICE OF ANNUAL GENERAL MEETING

10 STATUTORY REPORT

- DIRECTORS' REPORT
- CORPORATE GOVERNANCE REPORT
- CERTIFICATE ON CORPORATE GOVERNANCE
- CEO/CFO CERTIFICATE
- MANAGEMENT DISCUSSION & ANALYSIS REPORT

FINANCIAL STATEMENTS 44

- STANDALONE FINANCIALS
- CONSOLIDATED FINANCIALS

Corporate Overview

- **Chairman**
Kailash Shantilal Choudhari
- **Vice Chairman**
Satyendra Kumar Gupta
- **Directors**
Anuja Bansal
Harvinder Singh
Rikhab Chand Mogha
Sanjay Katyal
Sunil Puri
- **Chief Executive Officer-Corporate Affairs & Group Company Secretary**
Gaurav Mehta
- **Chief Financial Officer**
Nikhil Jain
- **Company Secretary**
Anubhav Raizada
- **Bankers**
Union Bank of India
HDFC Bank Ltd
Punjab National Bank
(till December 31, 2022)
- **Auditors**
M/s P.C. Bindal & Co.
Statutory Auditors
M/s Vimal K Gupta & Associates
Cost Auditors
M/s S.R. Goyal & Co.
Internal Auditors
M/s Felix Advisory Pvt. Ltd.
Internal Auditors
M/s Jayant Gupta & Associates
Secretarial Auditors
- **Corporate Office**
A-32, 2nd Floor,
Mohan Co-operative Industrial Estate,
Mathura Road, New Delhi - 110044
Ph.: 011-49991700
- **Registered Office:**
F-1080, Phase III, RIICO Industrial Area,
Bhiwadi, Rajasthan, India-301019
Ph.: 01493-221333
Website: www.akshoptifibre.com
CIN: L24305RJ1986PLC016132
- **Registrar and share transfer agent**
KFIN Technologies Limited
(formerly known as KFIN Technologies Private Limited)
Selenium, Tower-B, Plot No. 31-32
Gachibowli, Financial District,
Nanakramguda, Hyderabad - 500032

Plant Locations

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

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

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)

Service Division

1 Stop Aksh Division & Network Operating Centre

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

FRP Manufacturing Division,
Reengus, Rajasthan, India.

SP-47 Shree Khatu Shyamji Industrial Complex,
Reengus, District Sikar - 332404, Rajasthan, India.

FRP Manufacturing Division,
Silvassa, India.

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

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)



AKSH OPTIFIBRE LIMITED

Registered Office: F-1080, Phase III, RIICO Industrial Area, Bhiwadi, Rajasthan - 301019, India.
Corporate Office: A-32, 2nd Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi - 110044
Tel: No. 011-49991700, Fax No. 011-49991800
E-mail: investor.relations@akshoptifibre.com | Website: www.akshoptifibre.com
CIN: L24305RJ1986PLC016132

Notice is hereby given that the Thirty-Sixth (36th) Annual General Meeting of Aksh Optifibre Limited ('the Company') will be held on Tuesday, September 5, 2023 at 11:30 A.M. IST through Video Conference ("VC")/ Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a. The Audited Standalone Financial Statements as at March 31, 2023 along with the Report of the Auditors' and Board of Director's thereon.
 - b. The Audited Consolidated Financial Statement as at March 31, 2023 and the Report of the Auditors' thereon.
2. To appoint a Director in place of Mr. Satyendra Kumar Gupta (DIN: 00035141), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **Re-appointment of Mr. Satyendra Kumar Gupta, Non-Executive Director of the Company as Professional Consultant of the Company**

To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections 188 and 197(4) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Meeting of Board and its Powers) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactments thereon, for the time being in force), consent of Members of the Company be and is hereby accorded to re-appoint Mr. Satyendra Kumar Gupta, Non-executive Director of the Company as a Professional Consultant of the Company for a period of three (3) years w.e.f. December 1, 2023 till November 30, 2026 at a professional fees which may vary from Rs. 5,50,000/- per month to Rs. 8,50,000/- per month.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to negotiate and finalise the professional fee payable and the other terms and conditions of his appointment from time to time and to do all such acts, deeds and things including delegation of powers as maybe necessary, proper or expedient to give effect to this resolution.

4. **Ratification of the remuneration of Cost Auditors for Financial year 2023-24**

To consider and if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactments thereof, for the time being in force), the remuneration payable to M/s. Vimal K Gupta & Associates, Cost Accountants (FRN: 102573), appointed as Cost Auditors of the Company, to conduct the audit of the Cost Records of the Company for products manufactured by the Company for the Financial Year 2023-24, as detailed in the Explanatory Statement annexed to the Notice convening this meeting, be and is hereby ratified and approved."

**By Order of the Board
for Aksh Optifibre Limited**

Anubhnav Raizada

Company Secretary and Compliance Officer
M.No. A47843

Date: July 26, 2023
Place: New Delhi

Notes:-

1. The Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 10/2022 dated December 28, 2022, General Circular No. 2/2022 dated May 05, 2022, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 20/2020 dated May 05, 2020 read with General Circular No.17/2020 dated April 13, 2020 and General Circular No. 14/2020 dated April 08, 2020, permitted the holding of the Annual General Meeting through VC/OAVM ("AGM" or "e-AGM") and various other circulars related thereto (collectively referred to as "MCA Circulars"). Securities and Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, has provided relaxation from sending hard copies of Annual Report to the Shareholders who have not registered their email addresses unless a request for physical dispatch of Annual report is received from the Shareholder. Accordingly, in compliance with the provisions of the Companies Act, 2013, SEBI Listing Regulations, MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/ OAVM. The deemed venue of the AGM shall be the registered office of the Company. The Company has engaged the services of M/s Kfin Technologies Limited (formerly known as Kfin Technologies Private Limited), Registrar & Transfer Agent of the Company ("KFIN" or "RTA") as the Authorised Agency for conducting the e-AGM and providing e-voting facility for casting the votes by the members using an electronic voting system.
2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013("the Act") setting out the material facts concerning the business under Item Nos. 3 & 4 to be transacted at the Meeting is annexed hereto.
3. The relevant details with respect to Item No. 2 pursuant to Regulations 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, is also annexed to the Notice.
4. Since this AGM is being held in terms of MCA Circulars, physical attendance of Members has been dispensed with. There is no requirement of appointment of proxies. Accordingly, facility of appointment of proxies by Members under Section 105 of the Act, will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of AGM are not annexed to the Notice. However, in pursuance of Sections 112 of the Act, representatives of the members may be appointed for the purpose of voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM.
5. Corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013 at investor.relations@akshoptifibre.com and pcs.jga@gmail.com before e-voting/attending annual general meeting,
6. In compliance with the provisions of Section 108 of the Companies Act, 2013 along with rules thereunder and as per the provisions of Listing Regulations 2015, the Company is pleased to provide its members the facility to exercise their right to vote at the Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by Kfin Technologies Limited. The complete details of the instructions for e-voting are annexed to this notice.
7. Facility of joining the AGM through VC/ OAVM shall open 15 minutes before the time scheduled for the AGM and window for joining shall be kept open till the expiry of 15 minutes after the scheduled time. Members can join the AGM by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available on first come first serve basis. Participation in AGM is restricted upto 1000 members only.
8. No restriction to join AGM on first come first serve basis shall apply in respect of large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
10. The Company has appointed M/s Kfin Technologies Limited (formerly known as Kfin Technologies Private Limited), Registrars and Transfer Agent of the company, to provide Video Conferencing facility and e-voting facility for the Annual General Meeting.
11. In line with the MCA Circulars and SEBI Circular, the Notice calling the AGM and Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Therefore, those Members, whose email address is not registered with their respective Depository Participant/s, and who wish to receive the Notice of the 36th AGM and the Annual Report 2022-23 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-
 - a) For Members holding shares in physical form, are requested to follow the process for such updation as provided under Investor service request at <https://www.akshoptifibre.com/pdf/Circular-to-Shareholders1.pdf>.
 - b) For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
 - c) Members who have not registered their e-mail address and, therefore, are not able to receive the Annual Report, Notice of e-AGM and e-Voting instructions, may get their email address and mobile number registered with the Company's RTA, KFinTech by accessing the link <https://ris.kfintech.com/clientservices/mobileereg/mobileemailreg.aspx>.
12. Members may note that Notice and Annual Report 2022-23 will also be made available on the Company's website at www.akshoptifibre.com, websites of the Stock Exchanges i.e. BSE Limited and The National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively and the website of Kfin Technologies Limited i.e. <https://evoting.kfintech.com/>.

13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act, the Register of Contracts or arrangements in which the directors are interested under section 189 of the Act and all other documents referred in the notice will be available for inspection in electronic mode. Members who wish to inspect the documents can send an email to investor.relations@akshoptifibre.com.
14. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, August 30, 2023 to Tuesday, September 5, 2023 (both days inclusive) for the Annual General Meeting.
15. Members holding shares in the electronic mode are requested to intimate the change in their address, bank details etc to their respective Depository Participants (DPs). Members holding shares in physical form are requested to notify immediately any change or updation in their address/mandate/bank details to the Company or to the office of the Registrar & Share Transfer Agent, KFin Technologies Limited (*formerly known as Kfin Technologies Private Limited*), quoting their folio number. The Members holding shares in physical form are requested to follow the process for such updation as provided under Investor service request at <https://www.akshoptifibre.com/pdf/Circular-to-Shareholders1.pdf>
16. The equity shares of the Company have been notified for compulsory trading in demat form and are available for trading in demat form both on National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shareholders are requested to avail this facility and get their shares converted into dematerialised form by sending the Dematerialisation Request Form (DRF) along with the share certificates through their Depository Participant to the Registrar and Transfer Agents of the Company.
17. The nomination facility is available to the Shareholders in respect of equity shares held by them. Shareholders holding shares in electronic mode may obtain and submit duly filled Nomination Forms to their respective Depository Participants. Shareholders holding shares in physical mode may send their request for nomination by following the process for such updation as provided under Investor service request at <https://www.akshoptifibre.com/pdf/Circular-to-Shareholders1.pdf> at the Office of the Share Transfer Agents of the Company, KFin Technologies Limited (*formerly known as Kfin Technologies Private Limited*), at Selenium, Tower-B, Plot no. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032.
18. **Unpaid/ Unclaimed Dividend:** Dividend for the financial year 2017-18, remaining unclaimed for a period of 7 years, the same has been transferred to Unpaid Dividend Account and shall be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government, on the due date detailed hereunder:

Financial Year	Nature of Dividend	Date of transfer to Unpaid Dividend account	Due date of transfer to IEPF
2017-18	Final Dividend	25.10.2018	25.10.2025

Members who have not claimed/encashed the dividend warrants for the aforesaid year are requested to claim their dividends which stands unpaid/ unclaimed from Company before due date.

Members may please note that the unclaimed dividend in respect of the financial year ended March 31, 2018 must be claimed by the concerned members before the due date, failing which it will be transferred to the Investor Education & Protection Fund Authority and all shares in respect of which dividend has remained unclaimed/ unpaid for seven consecutive years or more shall be transferred by the Company to the demat account of Investor Education and Protection Fund Authority ("IEPF Authority"), in accordance with the relevant provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"). Members are requested to write to Company/ KFIN for claiming unclaimed dividend.

The Company has uploaded the details of unpaid/ unclaimed dividend lying with the Company, on the website of the Company (www.akshoptifibre.com). The members are advised to send their requests for payment of unpaid/ unclaimed dividend pertaining to the Financial Year 2017-18 declared by the Company to the Company's Share Transfer Agent for payment before the same becoming due for transfer to IEPF.

Members may note that shares as well as unclaimed dividends transferred to IEPF can be claimed back. Concerned members/ investors are advised to visit the website of www.iepf.gov.in or contact KFIN for lodging claim for refund of shares and/ or dividend from the IEPF.

**By Order of the Board
for Aksh Optifibre Limited**

Anubhava Raizada

Company Secretary and Compliance Officer

M.No. A47843

Date: July 26, 2023

Place: New Delhi

ADDITIONAL INFORMATION AS REQUIRED UNDER REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("SEBI Listing Regulations")

Item No. 2

This disclosure is made in pursuant to Regulation 36(3) SEBI Listing Regulations:

Mr. Satyendra Kumar Gupta aged approx. 62 years, is an Alumni of Hans Raj College, Delhi University and a qualified Chartered Accountant. He has extensive experience of over 35 years in finance, accounts, taxation, legal, secretarial function and handling the business segment of the organization. Mr. Gupta joined Aksh Optifibre Limited in the year 2006. He has worked as Chief Financial Officer, Deputy Managing Director and Managing Director of the Company and he is well aware about the Industry in which the company operates. Prior to the joining of Aksh, Mr. Gupta was associated with Mawana Sugars Limited and Delton Cables Limited.

Mr. Gupta is an Independent Professional without any interest in the share capital of the Company except for 100 shares he holds in the company and is not related to any of the Directors or Promoters of the Company or its subsidiary (ies). He is also not related with any KMP of the Company. As on the date of this notice, Mr. Gupta is the member of Audit Committee and Nomination and Remuneration Committee of Company.

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

Item No. 3

Mr. Satyendra Kumar Gupta had been appointed by the Board of Directors at its meeting held on December 1, 2020 as an Additional Director in the capacity of Non-Executive Director of the Company w.e.f. December 1, 2020. The Members had subsequently approved the said appointment and terms of his fees as Professional Consultant of the Company. He has also been appointed as Vice Chairman of the Board.

Mr. Satyendra Kumar Gupta aged approx. 62 years, is an Alumni of Hans Raj College, Delhi University and a qualified Chartered Accountant. He has extensive experience of over 35 years in finance, accounts, taxation, legal, secretarial function and handling the business segment of the organization. Mr. Gupta joined Aksh Optifibre Limited in the year 2006. He has worked as Chief Financial Officer, Deputy Managing Director and Managing Director of the Company and he is well aware about the Industry in which the company operates. Prior to the joining of Aksh, Mr. Gupta was associated with Mawana Sugars Limited and Delton Cables Limited.

Based on the recommendations of the Nomination & Remuneration Committee, Audit Committee and approval of shareholders, Board of Directors has also appointed Mr. Satyendra Kumar Gupta, Non-Executive Director of Company as the Professional Consultant of the Company for a period of 3 (Three) years w.e.f. December 1, 2020 till November 30, 2023 at the professional fees of Rs. 5,50,000/- per month which may extent to Rs. 8,50,000/- per month as mutually decided by Mr. Gupta and the Board during the term of engagement.

Considering his knowledge of various aspects relating to the Company's affairs and long business experience, based on the recommendation of Nomination and Remuneration Committee, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr. Gupta should be available to the Company for a further period of 3 (Three) years with effect from December 1, 2023 till November 30, 2026 at a professional fee which may vary from Rs. 5,50,000/- per month to Rs. 8,50,000/- per month as mutually decided by Mr. Gupta and the Board during the term of engagement.

Mr. Gupta is an Independent Professional without any interest in the share capital of the Company except for 100 shares he holds in the company and is not related to any of the Directors or Promoters of the Company or its subsidiary (ies). He is also not related with any KMP of the Company.

Members are hereby informed that pursuant to second proviso of section 188(1) of the Companies Act, 2013, no member of the company shall vote on such Ordinary Resolution set out at Item no. 3 to approve any contract or arrangement which may be entered into by the company, if such member is a related party.

Except Mr. Gupta and his relatives, none of the Directors/ Key Managerial Person of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 3 of the Notice.

The Board recommends the ordinary resolution as set out at item no. 3 of the Notice for approval by the Shareholders.

Accordingly, consent of the Shareholders is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice.

Item No. 4

The Board on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Vimal K Gupta & Associates, Cost Accountants (FRN: 102573), as Cost Auditors to conduct the audit of cost records of the Company for the financial year ending March 31, 2024, at a remuneration of Rs. 75,000/- (Rupees Seventy-Five Thousand only) plus GST and reimbursement of out of pocket expenses.

M/s. Vimal K Gupta & Associates have furnished a certificate regarding their eligibility for appointment as Cost Auditors of the Company

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit & Auditors) Rules 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

None of the Directors / Key Managerial Person of the Company/ their relatives are, in any way concerned or interested, financially or otherwise, in the resolution set out at Item no. 4 of the Notice.

The Board recommends the Ordinary Resolution as set out at Item no. 4 of the Notice for approval by the Shareholders.

Accordingly, consent of the Shareholders is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice.

INSTRUCTIONS TO MEMBERS

I. FOR ELECTRONIC VOTING[E-Voting]

Pursuant to the provisions of section 108 of the Act read with rule 20 of the Companies (Management and Administration) Rules, 2014 and the Listing Regulations as amended from time to time, the Company is pleased to offer e-voting facility to members to exercise their votes electronically on all resolutions set forth in the notice convening the 36th Annual General Meeting (AGM).

The company has engaged the services of KFin Technologies Limited (KFin) to provide remote e-voting facility for members to cast their votes in a secure manner. M/s Jayant Gupta & Associates, Practicing Company Secretaries will act as the scrutinizer to scrutinize e-voting and conduct the voting process at the AGM in a fair and transparent manner. In terms of the requirements of the Act and the Rules made there under, the Company has fixed Tuesday, August 29, 2023 as the cut-off date. The remote e-voting / voting rights of the members / beneficial owners shall be reckoned on the equity shares held by them as on cut-off date, i.e. Tuesday, August 29, 2023.

The remote e-voting facility begins on **Saturday, September 2, 2023 (9:00 A.M. IST) and ends on Monday, September 4, 2023 (5:00 P.M. IST)**. During this period, the members of the company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e., Tuesday, August 29, 2023, are entitled to avail the facility to cast their vote electronically / voting in the general meeting, as the case may be. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting facility shall be disabled by KFin upon expiry of the aforesaid period. Once the vote on a resolution is cast by a member, he / she shall not be allowed to change it subsequently or cast the vote again.

The scrutinizer shall immediately after the conclusion of voting at the AGM, unblock the votes cast through e-voting and shall submit a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, within two working days of conclusion of AGM to the Chairperson of the Company or a person authorised by him in writing who shall countersign the same. The Chairperson or a person authorised by him in writing shall declare the result of voting forthwith. The results of the e-voting along with the Scrutinizer's report shall be communicated immediately to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed and shall be placed on the Company's website <https://www.akshoptifibre.com/> and on the website of KFinTech at <https://evoting.kfintech.com/public/Downloads.aspx> immediately after the result declared by the Chairperson or any other person authorised by the Chairperson.

The details of the process and manner for remote e-Voting and e-AGM are explained herein below:

Step 1: Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Individual Shareholders holding securities in demat mode with NSDL		Individual Shareholders holding securities in demat mode with CDSL	
1.	User already registered for IDeAS facility: <ul style="list-style-type: none"> Visit URL: https://eservices.nsdl.com Click on the "Beneficial Owner" icon under "Login" under 'IDeAS' section. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting". Click on the e-Voting service provider name KFINTECH and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period. 	1.	Existing user who have opted for Easi/ Easiest <ul style="list-style-type: none"> Visit URL: https://web.cdslindia.com/myeasinew/home/login or URL: www.cdslindia.com Click on New System Myeasi Login with your registered user id and password. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFinTech e-Voting portal. Click on e-Voting service provider name to cast your vote.
2.	User not registered for IDeAS e-Services <ul style="list-style-type: none"> To register click on link: https://eservices.nsdl.com Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Proceed with completing the required fields and follow steps given in point 1. 	2.	User not registered for Easi/Easiest <ul style="list-style-type: none"> Option to register is available at https://web.cdslindia.com/myeasinew/Registration/EasiRegistration Proceed with completing the required fields. Follow the steps given in point 1
3.	Alternatively, by directly accessing the e-Voting website of NSDL <ul style="list-style-type: none"> Open URL: https://www.evoting.nsdl.com/ Click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password/ OTP and a Verification Code as shown on the screen. Post successful authentication, you will be requested to select the name of the Company and the e-Voting Service Provider name, i.e. KFinTech. On successful selection, you will be redirected to KFinTech e-Voting page for casting your vote during the remote e-Voting period. 	3.	Alternatively, by directly accessing the e-Voting website of CDSL <ul style="list-style-type: none"> Visit URL: www.cdslindia.com Provide your demat Account Number and PAN. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP, i.e KFinTech where the e- Voting is in progress.

Individual Shareholders can login through their demat accounts/ Website of Depository Participant

- I. You can also login using the login credentials of your demat account through your DP registered with NSDL/ CDSL for e-Voting facility.
- II. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature.
- III. Click on options available against company name or e-Voting service provider - Kfintech and you will be redirected to e-Voting website of Kfintech for casting your vote during the remote e-Voting period without any further authentication

Important note: Members who are unable to retrieve User ID / Password are advised to use "Forgot user ID" and "Forgot Password" option available at respective websites.

Helpdesk for individual shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL is given below:

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

Step 2: Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical**(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from Kfintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:**

- i. Open your web browser by typing the URL: <https://emeetings.kfintech.com/>
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be E-Voting Event Number **7452** (EVEN) followed by folio number. In case of demat account, User ID will be your DPID and Client ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.,). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVEN" i.e., "**7452 Aksh Optifibre Limited - AGM**" and click on "Submit".
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as abstinence and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstinence.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Shareholders can login any number of times till they have voted on the Resolution(s).
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to cast its vote through remote e-voting together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at pcs.jga@gmail.com with a copy marked to evoting@kfintech.com.

(B) Shareholders whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:

- i. Shareholders who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may get their email address and mobile number provided with KFinTech, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>
- ii. Shareholders are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to evoting@kfintech.com.
- iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

Step 3: Instructions for all the shareholders for attending the AGM of the Company through VC/ OAVM and e-Voting during the meeting.

- i. Shareholders will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFinTech. Shareholders may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/ KFinTech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the instructions mentioned in Step 1 above.
- ii. Facility for joining AGM through VC/ OAVM shall open atleast 15 minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The 'Vote Now Thumb sign' on the left hand corner of the video screen shall be activated upon instructions of the chairperson during the AGM proceedings. Members shall click on the same to take them to the "Insta-poll" page and Members to click on the "Insta-poll" icon to reach the resolution page and follow the instructions to vote on the resolutions.
- vi. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- vii. **Posting of queries prior to AGM:** Shareholders who would like to express their views/raise queries on the official business during the AGM, may please log into <https://emeetings.kfintech.com/> and click on the tab 'Post Your Queries' to post their queries/views/questions in the window provided therein by mentioning their e-mail id and mobile number. The window for posting queries/questions/views will remain open from September 2, 2023 till September 3, 2023.
- viii. **Speaker Registration:** Members who wish to speak at the AGM may log into <https://emeetings.kfintech.com/> and click on the tab "Speaker Registration" by mentioning their e-mail id, mobile number and city. The speaker registration will commence from September 2, 2023 till September 3, 2023.
- ix. Only members who have registered themselves as a speaker will be allowed to speak or ask questions during the AGM. Speakers are requested to submit their queries at the time of registration, to enable the Company to respond appropriately. The Company reserves the right to restrict the number of speakers asking questions depending on the availability of time.
- x. Members seeking any technical assistance or support are requested to contact KFin at toll free number 1-800-3454-001 or send a mail at evoting@KFinTech.com.

ii. Other Instructions

- (i) In case of any queries, you may refer Help &FAQ section of KFin at evoting@kfintech.com or call KFin on 040-67162222 & Toll-free No. 1800 3094 001.
- (ii) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (iii) Any person who acquires shares of the company and becomes a member of the company after dispatch of the notice to the members and holding shares as on the cut-off date i.e., Tuesday, August 29, 2023, may obtain the User ID and password by sending a request through email to einward.ris@kfintech.com. However, if you are already registered with KFin for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot user details / Password" option available on <https://evoting.kfintech.com/>

Process for registration of e-mail id and updation of bank account mandate:	
Physical Holding	<p>Physical shareholders are hereby notified that based on SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16th, 2023, All holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite ISR 1 form along with the supporting documents.</p> <p>ISR 1 Form can be obtained by following the link: https://ris.kfintech.com/clientservices/isc/default.aspx</p> <p>Detailed FAQ can be found on the link: https://ris.kfintech.com/faq.html</p>
Demat Holding	<p>For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.</p>

DIRECTORS' REPORT

Dear Shareholders,

The Directors of your company are pleased to present the Thirty-Sixth (36th) Annual Report together with the Audited Financial Statements of accounts for the Financial Year ended March 31, 2023.

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, 2023 is summarized below:

	Rs. in Lakhs	
Particulars	F.Y. ended 2022-23	F.Y. ended 2021-22
Revenue from Operations	27,371.21	30,119.67
Other Income	399.80	625.24
Profit before Interest, Depreciation, Amortization, Exceptional Items & Tax	4,913.44	5,863.85
Depreciation/ Amortization Expenses/ Impairment	1,516.03	1,496.25
Profit before Interest, Amortization, Exceptional Items & Tax	3,397.41	4,367.6
Finance Cost	1,255.36	1,976.18
Profit/ (Loss) before Exceptional items & Tax	2,142.05	2,391.42
Exceptional Income/(Expenses)	115.46	5.70
Profit/ (Loss) before Tax	2,257.51	2,397.12
Income Tax	581.68	658.77
Deferred Tax (including MAT utilization)	107.39	36.50
Adjustment of tax relating to earlier periods	25.91	-
Profit/ (Loss) after Tax (1)	1,542.53	1,701.85
Total Comprehensive Income (2)	1,555.81	1,754.58
Balance profit brought forward from previous year	(14,970.04)	(16,724.62)
Less : Transfer to Reserves	-	-
Less Dividend paid on Equity Shares	-	-
Less Dividend Distribution Tax	-	-
(Deficit)/ Surplus carried to Balance sheet	(13,414.23)	(14,970.04)

OPERATIONAL HIGHLIGHTS

Your Company recorded a revenue of Rs. 27,771.01 Lakhs in the current year against Rs. 30,744.91 Lakhs in the previous year.

The Company operates in two segments viz. Manufacturing and Services. The revenue from Manufacturing segment stood at Rs. 21,431.99 Lakhs against Rs. 25,284.46 Lakhs in the previous year. The revenue of Service segment stood at Rs. 5,939.22 Lakhs against Rs. 4,835.21 Lakhs in the previous year.

The EBITDA of current year stood at Rs. 4,913.44 Lakhs and PAT at Rs. 1542.53 Lakhs.

DIVIDEND

In view of future prospects and growth, your Board of Directors have decided not to recommend any dividend for the current financial year.

CHANGE IN THE NATURE OF BUSINESS

During the financial year, there has been no change in the nature of business of the Company.

TRANSFER TO RESERVES

The Company has not transferred any amount to reserves during the financial year.

SUBSIDIARY COMPANIES

As on March 31, 2023, the Company has one Indian Wholly Owned Subsidiary namely Aksh Composites Private Limited and three Overseas Wholly Owned Subsidiary namely AOL-FZE, incorporated in SAIF Zone, Sharjah (U.A.E), 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).

The Company doesn't have any Associate or Joint Venture Company.

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>.

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 financial 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. 35 of the financial statement of the Company.

DIRECTORS

As on March 31, 2023, the Board of your Company has 7 Directors, consisting of 1 Promoter-Chairman, 4 Independent Directors (including 1 Woman Independent Director) and 2 Non-Executive Non-Independent Directors.

MEETINGS OF THE DIRECTORS

The Company had 5 (Five) Board Meetings during the financial year 2022-23, 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.

CHANGES IN DIRECTOR(S)/KMP

During the financial year 2022-2023, the following changes took place in the constitution of the Board/ KMP's of the Company:

1. Mr. Charan Deep Singh resigned as Chief Financial officer (KMP) of the Company w.e.f. May 13, 2022.
2. Mr. Anubhnav Raizada appointed as Company Secretary and Compliance Officer (KMP) of the Company w.e.f. May 13, 2022.
3. Mr. Nikhil Jain appointed as Chief Financial Officer (KMP) of the Company w.e.f. June 01, 2022.

There was no change in Directors/ KMP, apart from those disclosed above.

DECLARATION FROM INDEPENDENT DIRECTORS

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

1. that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any amendment thereof.
2. that their names in the data bank of Independent Directors are maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

3. that they have complied with the Code of Conduct for Independent Directors prescribed in Schedule IV to the Companies Act, 2013.

The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and that they hold highest standards of integrity.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on directors' appointment and remuneration and other matters provided in section 178(3) of the Act have been disclosed in the corporate governance report, which forms part of the Directors' Report/ available on the website of the Company at <http://www.akshoptifibre.com/corporate-governance.php>.

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

No material changes and commitments have occurred after the closure of the year till the date of this Report, which affect the financial position of the Company.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 ('IBC')

During the Financial year, Some of the Operational Creditors preferred an application under Section 9 of the Insolvency and Bankruptcy Code, 2016 to National Company Law Tribunal ('NCLT') against the Company. The Company had entered into settlement agreement with some of the Operational Creditors and for rest the Company has submitted its reply to NCLT.

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 Secretarial Auditors certifying the compliance of Corporate Governance enumerated in Regulation 34(3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Report on Management Discussion and Analysis 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.

From the beginning of CSR initiative, Aksh focus is on sustainable improvement of Education, Health and Environment. More than 90% of the CSR Budget was spent on these three activities. Under its CSR drives, Aksh worked to improve the health of students studying in government schools and improve ecological balance by promoting Organic Farming in Bhiwadi region.

In FY 2022-23, to improve the health & hygiene of students studying in government schools Aksh under its CSR activities initiated Health Check Up drive in more than six government schools covering more than 2000 students. Besides health check-up Aksh also distributed Nutritious & Hygiene Kits among students (both male & female). Under the drive Aksh imparted trainings & awareness sessions on First Aid, Safety & Health & Good Habits, with the help of experts. Seminars on "Stress Management" were also held in these schools where experts discussed methods on time management & overcoming exam anxiety for better academic performance.

In FY 2022-23, to improve the environmental conditions & health of local people in 'Bhiwadi' region Aksh motivated farmers in villages like Khajooriwas, Khanpur, Saidpur, Jeevana to go for organic farming. Aksh's drive "EK PAHAL-Mukti Rasayano Sae" resulted in motivating many farmers to successfully initiate organic farming in their fields. It is a big answer to the environmental sufferings caused by ruthless use of chemical pesticides and synthetic fertilisers. Aksh with the help of agriculture experts not only provided latest knowledge on the subject but also helped local farmers with organic vegetable saplings, biological fertilisers, Vermi Compost and effective pest control methods acquired through animal or plant waste. This drive got huge support from farmers who made good return on their investments. Currently there is huge demand of their organic products (vegetables) in Bhiwadi and people are enjoying organic vegetables which are more nutritious, tasty, and good for health.

In FY 2022-23 at Aksh's Service Division, Sitapura-Jaipur various activities under CSR were undertaken. Prominent among them are:

1. Now a day the importance of sports is being increasingly recognized in India from both fitness as well as educational point of view. Accordingly, to promote the culture of sport among students Aksh sponsored district level Hockey tournament in Alwar District of Rajasthan. Sports Uniform & Sports Kit were also distributed among the needy students.'
2. Under the 'Mukhyamantri Chiranjeevi Yojana' Aksh bought & distributed health Insurance policies to families of weaker section of society living near Aksh Sitapura Office. Under the scheme those insured can avail medical care for various diseases up to Rs. 5 lakhs at registered hospitals for free.
3. Flag Distribution Activity: "Har Ghar Tiranga" Campaign is a campaign under the Azadi Ka Amrit Mahotsav to celebrate the 75th Independence Day by hoisting National Flag at home. Contributing to the campaign under its CSR drive 'Aksh' distributed 'Tricolour' in all 33 districts of Rajasthan. The flags were distributed in Schools, Gram Panchayat Bhawans & to people living in rural areas.
4. Under its CSR activities 'Aksh' on the occasion of Diwali distributed dress & sweets to specially abled children's of "Seth Anandilal Poddar Mook Badhir Sansthan" Jaipur.

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

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report.

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report.

Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such information may write to the Company to email id investor.relations@akshoptifibre.com.

RISK MANAGEMENT

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. Major risks identified by the businesses and functions are addressed through mitigating actions on a continuing basis. The Company's management systems, structures, processes, standards, code of conduct and behaviours govern the conducts of the business of the Company and manages associated risks.

CREDIT RATING

The Company has not taken any ratings during the financial year 2022-23.

CONSOLIDATED FINANCIAL STATEMENTS

As provided in the Indian Accounting Standard (Ind-AS) issued by the Ministry of Corporate Affairs, on consolidated financial statements, the consolidated financial statements are attached which form part of the Annual Report.

STATUTORY AUDITORS

At the 35th Annual General Meeting held on September 16, 2022, pursuant to the provision of the Companies Act, 2013 and rules made thereunder, M/s P C Bindal & Co., Chartered Accountants (FRN: 003824N) were appointed as Statutory Auditors of the Company, who shall hold office till the conclusion of the 40th Annual General Meeting.

The Auditor's report read with the relevant Notes to Accounts are self-explanatory and therefore do not require further explanation.

COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records & Audit) Rules, 2014 including any statutory modifications thereof, the Company maintains accounts and records of the applicable products relating to the business of Manufacturing of Fibre

Reinforced Plastic Rods. The Company is required to appoint a cost auditor to audit the cost accounts and records of the applicable products of the Company.

The Company had appointed M/s Vimal K Gupta & Associates, as Cost Auditors of the Company for the Financial Year 2022-23. Further, the Board has re-appointed M/s Vimal K Gupta & Associates, as Cost Auditors of the Company for the Financial Year 2023-24 subject to ratification of Audit fees in ensuing Annual General Meeting.

SECRETARIAL AUDITORS

The Company had appointed M/s Jayant Gupta & Associates, Company Secretaries, to conduct the Secretarial Audit for the Financial Year 2022-23. The Secretarial Audit Report for the financial year ended March 31, 2023 is annexed herewith marked as **Annexure - III** to this Report.

Further, the Company has re-appointed M/s Jayant Gupta & Associates, Company Secretaries, to conduct the Secretarial Audit for the financial year 2023-24.

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, Information Security Management System, Environmental Management System, Complaint Handling Management System and Occupational Health & Safety Management System, i.e. TL 9000:2016, ISO 9001:2015, ISO 27001:2013, 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-IV** and is annexed to this report.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the draft Annual Return as on March 31, 2023 is available on the Company's website - www.akshoptifibre.com.

Further, the Company shall upload the Certified Annual Return on the website of the company after filing of same with Registrar of Companies in due course.

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.

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 auditors, the secretarial auditors and cost auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.
- v. There is no qualification in the Reports provided by the Auditors for the financial year ended March 31, 2023.
- vi. Consequent to the cash crunch faced by the company resulting into bank defaults, Company has submitted Restructuring proposal to the consortium of lenders which is under their consideration.
- vii. The following information is given in the Corporate Governance Report forming part of this Report:
 - a) The performance evaluation of the Board, the Committees of the Board, Chairperson and the individual Directors;
 - b) The Composition of Committee(s); and
 - c) The details of establishment of Vigil Mechanism.
- viii. 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.

UNCLAIMED DIVIDEND

As on March 31, 2023, The details of amount lying in the unpaid dividend accounts of the Company in respect of last seven years are as under:

Financial Year	Nature of Dividend	Amount in Rs. as on March 31, 2023	Date of transfer to Unpaid Dividend account	Due date of transfer to IEPF
2017-18	Final Dividend	6,05,360.30	25.10.2018	25.10.2025

Pursuant to Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the dividend, which remains unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account of the Company, is required to be transferred to IEPF. Further, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more are required to be transferred by the Company to the demat account of IEPF Authority.

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 Shantilal Choudhari

Chairman

DIN: 00023824

Date: July 26, 2023

Place: New Delhi

Annexure-I

Statement containing the salient features of the financial statements of subsidiaries/ associates companies/ joint ventures
Form AOC-1

[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]

[Rs. In Lakhs]

Particulars	Name of Subsidiary				AOL Composites (Jiangsu) Co. Ltd. (Step down Subsidiary)
	Aksh Composites Private Limited	AOL FZE	AOL Technologies FZE	Aksh Technologies (Mauritius) Limited	
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, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
Exchange Rate (AED/INR)	NA	22.39	22.39	1.81	22.39
Share Capital	360.00	21,683.47	5,348.09	508.80	746.78
Reserves & Surplus	(739.65)	(28,406.16)	(1,821.15)	(492.06)	(848.99)
Total Assets	1,085.84	5,489.34	10,414.81	367.16	0.00
Total Liabilities (excluding share capital and reserves & surplus)	1465.50	13,017.52	6,887.88	350.42	43.49
Turnover	880.05	570.13	-	487.13	-
Profit/ (loss) before Taxation	(67.20)	(1,745.54)	(388.93)	(51.26)	(612.02)
Deferred Tax Income	(14.48)	-	-	-	-
Profit after Taxation	(52.72)	(1,745.54)	(388.93)	(51.26)	(612.02)
Proposed Dividend	-	-	-	-	-
% of shareholding	100	100	100	100	100

For and on behalf of the Board of Directors

As per our report of even date
For P. C. Bindal & Co
Chartered Accountants
Firm Registration Number: 003824N

Dr. Kailash Shantilal Choudhari
Chairman
DIN : 00023824

Gaurav Mehta
Chief Executive officer - Corporate Affairs &
Group Company Secretary

CA K. C. Gupta
Partner
Membership Number: 088638
Place: New Delhi
Date: May 19, 2023

Nikhil Jain
Chief Financial Officer

Anubhnav Raizada
Company Secretary

Annexure-II

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2022-23

1. Brief outline on CSR Policy of the Company

Aksh Optifibre Limited ("Company") is committed towards integrating economic, environmental and social concerns of our country with the Company's operations and growth. The Company being a responsible corporate entity has established a mechanism vide its Corporate Social Responsibility (CSR) Policy for undertaking the CSR activities. It is in compliance with Section 135 of the Companies Act, 2013 ("Act") and the Company (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules") as amended from time to time and has been duly approved by the Board of Directors.

The Objectives of this policy are elucidated hereunder:

- To make the stakeholders aware about CSR and how such activities are 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.

This Policy shall apply to all CSR initiatives and activities undertaken by the company location in India, for the benefit of different segments of the society at large, especially the deprived and underprivileged.

2. Composition of CSR Committee:

S I . No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sunil Puri (Chairman)	Independent Director	1	1
2	Mr. Sanjay Katyal (Member)	Independent Director	1	1
3	Mr. Harvinder Singh (Member)	Independent Director	1	1
4	Mr. Rikhab Chand Mogha (Member)	Non- Executive Director	1	1

3. The web-link of Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company are given below.

- Composition CSR Committee Web Link
<https://www.akshoptifibre.com/boardcommittees.php>
- CSR Policy Web Link
<https://www.akshoptifibre.com/corporate-governance.php>
- CSR Project Web Link
<https://www.akshoptifibre.com/csr.php>

4. Details of Impact assessment of CSR projects as per rule 8(3)(a) of the Companies (Corporate Social Responsibility Policy) Rules, 2014,

As per Rule 8 (3) (a) of CSR rules every company having average CSR obligation of ten crore rupees or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, shall undertake impact assessment, through an independent agency, of their CSR projects having outlays of one crore rupees or more, and which have been completed not less than one year before undertaking the impact study.

Aksh Optifibre Limited (the Company) does not fall in the limit given under rule 8 (3) (a) of CSR rules and hence, is not required to undertake impact assessment of its projects.

- (a) Average net profit of the company as per section 135(5): **Rs. 2,76,24,678.00**
 - (b) Two percent of average net profit of the company as per section 135(5): **Rs. 5,52,494.00**
 - (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**
 - (d) Amount required to be set off for the financial year, if any: **Nil**
 - (e) Total CSR obligation for the financial year [5(b)+5(c)-5(d)]: **Rs. 5,52,494.00**
- (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs. 18,71,760.00**
 - (b) Amount spent in Administrative Overheads: **Nil**
 - (c) Amount spent on Impact Assessment, if applicable: **Not Applicable**
 - (d) Total amount spent for the Financial Year [6(a)+6(b)+6(c)]: **Rs. 18,71,760.00**
 - (e) CSR amount spent or unspent for the financial year 2022-23:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
18,71,760.00	Nil	Not Applicable	Nil	Nil	Not Applicable

(f) Excess amount for set off, if any: **13,19,266.00**

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per section 135(5)	5,52,494.00
(ii)	Total amount spent for the Financial Year	18,71,760.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	13,19,266.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	13,19,266.00

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5), if any.	Amount remaining to be spent in succeeding financial years. (in Rs.)	Deficiency, if any
					Amount (in Rs).	Date of transfer.	
1.	2021-22	Nil	NA	Nil	Nil	NA	NA
2.	2020-21	Nil	NA	Nil	Nil	NA	NA
3.	2019-20	Nil	NA	Nil	Nil	NA	NA
	Total	Nil	NA	Nil	Nil	NA	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NO**

If Yes, enter the number of Capital assets created/ acquired: N.A

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the Property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered Address
Not Applicable							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **NOT APPLICABLE**

for Aksh Optifibre Limited

Gaurav Mehta

Chief Executive officer- Corporate Affairs & Group Company Secretary

Sunil Puri

Chairman-CSR Committee

Date: May 19, 2023

Place: New Delhi

Form No. MR-3
SECRETARIAL AUDIT REPORT
(For the Financial Year ended on March 31, 2023)
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

I 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"/ "AKSH") CIN: L24305RJ1986PLC016132 and having registered office at F-1080, Phase-III, RIICO Industrial Area, Bhiwadi, Rajasthan - 301019. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Aksh Optifibre Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the **Financial Year ended March 31, 2023**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Aksh Optifibre Limited for the financial year ended March 31, 2023 according to the provisions of:

- I. The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent applicable during the review period;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(not applicable to the Company during the period under review)**;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(not applicable to the Company during the period under review)**;
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not applicable to the Company during the Audit Period)**;
 - (g) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**;
 - (h) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during the Audit Period)**; and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- VI. I further report that, having regard to the compliance system prevailing in the Company and based on the representation made by the management of the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the general laws applicable to the Company.

I have also examined compliance with the applicable clauses of the Secretarial Standards with respect to Meetings of the Board of Directors (SS-1) and General Meeting (SS-2) issued by the Institute of Company Secretaries of India;

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

- a. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance (or with requisite compliances for holding of a Board Meeting at a shorter notice in case of urgency, if applicable), 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.
- c. As per the minutes of meetings duly recorded and signed by the Chairman, the most of the majority decisions of the Board were carried through unanimously. The dissenting members' views, if any, were recorded as part of the minutes.

I further report that, based on the information provided and the representation made by the Company and also on the review of compliance reports / certificates taken on record by the Board of Directors of the Company, in my opinion, 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:

The Company had received orders passed by the Whole-time Member of SEBI dated June 28, 2019 and Adjudicating Officer of SEBI dated February 28, 2020, whereby the Company was debarred from accessing the security market for a period of five years commencing from the Order date and penalty of Rs. 10,15,00,000/- (Rupees Ten Crore and Fifteen lakhs) was imposed, by respective orders.

The Company had filed an appeal against the said orders before the Securities Appellate Tribunal ("the Tribunal"). The Tribunal pronounced its order on June 27, 2022 wherein it reduced the penalty imposed on the Company to Rs. 25,00,000/- (Rupees Twenty-Five Lakhs) and the Debarment period of the Company was relaxed to Three years (Period of Three years expired on June 27, 2022).

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

For Jayant Gupta and Associates

Jayant Gupta

Practicing Company Secretary

FCS : 7288

CP : 9738

PR No. : 759/2020

UDIN : F007288E000676088

Place : New Delhi

Date : July 26, 2023

Annexure to Secretarial Audit Report of Aksh Optifibre Limited for financial year ended March 31, 2023

The Members,

AKSH OPTIFIBRE LIMITED

Management Responsibility for Compliances

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices I followed provide a reasonable basis for my opinion.
3. I have relied upon the books, records and documents made available by the Company to us through electronic means and in digital format.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Jayant Gupta and Associates

Jayant Gupta

Practicing Company Secretary

FCS : 7288

CP : 9738

PR No. : 759/2020

UDIN : F007288E000676088

Place : New Delhi

Date : July 26, 2023

Annexure-IV

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

[Particulars pursuant to Section 134(m) of the Companies Act, 2013 read with Rules 8(3) of the Companies (Accounts) Rules, 2014]

Information as required pursuant to Section 134(m) of the Companies Act, 2013 read with Rules 8(3) of the Companies (Accounts) Rules, 2014 forming part of the Director's Report for the financial year ended March 31, 2023 are as follows:

1.	CONSERVATION OF ENERGY	
(a)	the steps taken or impact on conservation of energy	<ul style="list-style-type: none"> - Bobbin shaft length increased for 200 take ups. - Increased length capacity in bobbin to reduce changeover time of FRP Rod to reduce power consumption. - Reduced FRP production changeover time and power consumption respectively - Increased efficiency in fibre drawing process to reduce power consumption by 6% over last year. - VFD installed in cooling tower for chiller for power saving of 10%. - De-centralization of soft water pumps for sheathing lines, 20% saving. - Compressed air wiper replaced with high efficiency air blowers and modified Spurger, 20% saving - Reduction in consumption of power and power cost per FKM/CKM
(b)	the steps taken by the company for utilising alternate sources of energy.	Using 100 KWP Solar Power in Reengus Plant.
(c)	the capital investment on energy conservation equipments;	NIL
2.	TECHNOLOGY ABSORPTION [Research and Development (R&D)]	
(a)	the efforts made towards technology absorption	<ul style="list-style-type: none"> - Working on project to increase solar plant capacity up to 350 KW. - Working on battery backup solution to dispose DG set from premises. - Installed Helium recovery system in Fibre drawing line to reduce consumption of Helium gas (Natural resource). - Developed 7 new vendors for major raw materials of OF & OFC
(b)	the benefits derived like product improvement, cost reduction, product development or import substitution;	<ul style="list-style-type: none"> - New product development for customer specific applications. - Cost Reduction, quality improvement & ensured timely availability of Raw Materials.
(c)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
	a. Technology imported	
	b. Year of Import	Not Applicable
	c. Has the technology been fully absorbed	
	d. If not fully absorbed, areas where this has not taken place, reasons thereof;	
(d)	the expenditure incurred on Research and Development.	NIL

4. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows is provided below:

Foreign Exchange earned : Rs. 8,341.77 Lakhs

Foreign Exchange outgo : Rs. 7,324.65 Lakhs

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 disclosure on the Corporate Governance section 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") 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.

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. The Composition of the Board as on March 31, 2023 is as follows:

Name of Director	CATEGORY OF DIRECTORSHIP
Dr. Kailash Shantilal Choudhari	PROMOTER & CHAIRMAN (NON-EXECUTIVE DIRECTOR)
Mr. Satyendra Kumar Gupta	NON-EXECUTIVE, NON INDEPENDENT DIRECTOR
Mr. Rikhab Chand Mogha	NON-EXECUTIVE, NON INDEPENDENT DIRECTOR
Ms. Anuja Bansal	NON-EXECUTIVE- INDEPENDENT DIRECTOR
Mr. Harvinder Singh	NON-EXECUTIVE - INDEPENDENT DIRECTOR
Mr. Sanjay Katyal	NON-EXECUTIVE - INDEPENDENT DIRECTOR
Mr. Sunil Puri	NON-EXECUTIVE - INDEPENDENT DIRECTOR

No Director of the Company holds directorship in any other listed entity.

As per the statutory requirement of Regulation 26(1) of the Listing Regulations, none of the Directors on the Board of your Company is holding directorships in more than 10 Public Companies and memberships of more than 10 Committees along with the Chairmanship of not more than 5 Committees across all the Companies in which they are Directors.

As per the statutory requirements of the Listing Regulations, 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. The Company has received declaration from each of the Independent Directors of the Company confirming that he/she meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013, rules framed thereunder and Regulation 16(1)(b) of Listing Regulations. It is confirmed that in the opinion of the Board of Directors, the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

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 Company has prescribed 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. The key qualification and the Directors of the Company holding the same is provided below:

S. No.	Key Qualification	Name of Directors possessing such qualifications
1	Industry Experience and Knowledge	Dr. Kailash Shantilal Choudhari, Mr. Satyendra Kumar Gupta, Mr. Rikhab Chand Mogha, Mr. Sanjay Katyal
2	Legal	Mr. Satyendra Kumar Gupta, Ms. Anuja Bansal, Mr. Harvinder Singh
3	Finance	Mr. Satyendra Kumar Gupta, Ms. Anuja Bansal, Mr. Harvinder Singh, Mr. Sanjay Katyal, Mr. Sunil Puri
4	Marketing	Dr. Kailash Shantilal Choudhari, Mr. Rikhab Chand Mogha, Mr. Sanjay Katyal, Mr. Sunil Puri
5	Human Resource	Mr. Satyendra Kumar Gupta, Ms. Anuja Bansal, Mr. Sanjay Katyal, Mr. Harvinder Singh
6	Operations	Dr. Kailash Shantilal Choudhari, Mr. Sanjay Katyal, Mr. Rikhab Chand Mogha, Mr. Sunil Puri

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 the Listing Regulations, the Board meets at least once in every quarter to review the results and other items of agenda as required under Listing Regulations, 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. All relevant information, much beyond what has been stipulated and the Companies Act, applicable Secretarial Standards and Listing regulations is provided to the Board of Directors to enable informed decision making process.

During the financial year ended March 31, 2023, the Board of Directors held 5 (Five) 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 13, 2022 (ii) July 29, 2022 (iii) August 25, 2022 (iv) October 21, 2022 and (v) January 20, 2023.

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 Annual General Meeting, Number of other Directorships, Committee memberships and Chairmanships held by them as on March 31, 2023 are given below:

Name	Shares held	No. of other Directorships*	No of other Committee positions held**		No. of Board Meetings held during FY 2022-2023	No. of Board Meetings attended during FY 2022-2023	Attendance at the 35th AGM held on September 16, 2022
			Chairman	Member			
Dr. Kailash Shantilal Choudhari	20,205,678	Nil	Nil	Nil	5	4	Yes
Mr. Satyendra Kumar Gupta	100	Nil	Nil	Nil	5	5	Yes
Mr. Rikhab Chand Mogha	Nil	Nil	Nil	Nil	5	5	Yes
Ms. Anuja Bansal	Nil	Nil	Nil	Nil	5	5	Yes
Mr. Harvinder Singh	Nil	Nil	Nil	Nil	5	5	Yes
Mr. Sanjay Katyal	Nil	Nil	Nil	Nil	5	4	Yes
Mr. Sunil Puri	Nil	Nil	Nil	Nil	5	5	Yes

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

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

None of the Directors is related to any other Director/Key Managerial Personnel of the Company as on March 31, 2023.

During the Financial year, Mr. Charan Deep Singh had resigned from the position of CFO & KMP of the Company and Mr. Anubhav Raizada has been appointed as Company Secretary and Compliance Officer (KMP) of the Company w.e.f. May 13, 2022. Mr. Nikhil Jain has been appointed as Chief Financial Officer; CFO (KMP) of the Company w.e.f. June 01, 2022.

Separate Independent Directors' Meetings

As per the provisions of the Companies Act, 2013 & Regulation 25(3) of Listing Regulations, 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 July 29, 2022 during the Financial Year ended March 31, 2023 and the following activities were undertaken by them at the meeting:

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

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 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 understanding of the role and responsibilities of the Director;
- c) to 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 and major legal amendments impacting their role as Directors.

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 Company has Nomination and Remuneration 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. During the Financial Year 2022-23 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 evaluation process endorsed the Board Members' confidence in the ethical standards of the Company, the resilience of the Board and the Management in navigating the Company during challenging times, cohesiveness amongst the Board Members, and the openness of the Management in sharing strategic information to enable Board Members to discharge their responsibilities and fiduciary duties.

Performance Evaluation of Independent Directors:

Pursuant to Regulation 17 of Listing Regulations 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 Jayant Gupta & 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.

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 Chief Executive Officer of the Company is enclosed as **Annexure-B**.

3. COMMITTEES OF DIRECTORS & POLICIES

A. AUDIT COMMITTEE

Terms of reference

The role and scope are in line with those prescribed by Regulation 18 of Listing Regulations. 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 the FY 2022-23 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.

Meetings of Audit Committee

During the financial year, four meetings of the Audit Committee were held on the following dates:

(i) May 12, 2022 (ii) July 29, 2022 (iii) October 21, 2022 and (iv) January 20, 2023.

Composition

The composition of Audit Committee is as below:

S. No.	Name	Category	Position
1.	Mr. Harvinder Singh	Non-Executive-Independent Director	Chairman
2.	Ms. Anuja Bansal	Non-Executive-Independent Director	Member
3.	Mr. Sunil Puri	Non-Executive-Independent Director	Member
4.	Mr. Satyendra Kumar Gupta	Non-Executive, Non Independent Director	Member

The attendance of the meeting of Audit Committee is given in consolidated manner mentioned below under the head, Meetings of Board Committees held during the year and Director's Attendance as on March 31, 2023.

All the members of the Audit Committee as on March 31, 2023 are Independent Director except Mr. Satyendra Kumar Gupta who is Non- Executive, Non Independent Director of the Company. All the members have sound knowledge of accounts, audit, finance, internal controls, law etc.

The Audit Committee invites such executives, as it considers appropriate (and particularly the head of the finance function) to be present at its meetings. The Chief Financial Officer attend the meetings. The Statutory Auditor, Internal & Cost Auditor are also invited to the meetings.

B. NOMINATION AND REMUNERATION COMMITTEE

Terms of reference

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.

Meetings of Nomination and Remuneration Committee

During the financial year, one (1) meeting of the Nomination and Remuneration Committee were held on May 12, 2022.

Composition

The Composition of the Committee is as below:

S. No.	Name	Category	Position
1.	Mr. Sanjay Katyal	Non-Executive-Independent Director	Chairman
2.	Ms. Anuja Bansal	Non-Executive-Independent Director	Member
3.	Mr. Harvinder Singh	Non-Executive-Independent Director	Member
4.	Mr. Satyendra Kumar Gupta	Non-Executive, Non Independent Director	Member

The attendance of the meeting of Nomination and Remuneration Committee is given in consolidated manner mentioned below under the head, Meetings of Board Committees held during the year and Director's Attendance as on March 31, 2023.

The Company has a Nomination & Remuneration Policy in place. The same is available on the website of the company at <http://www.akshoptifibre.com/corporate-governance.php>

Details of Director's Remuneration

During the financial year, the Non-Executive Directors of the Company were paid sitting fees for attending meetings of the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility (CSR) Committee Meetings. Further, Mr. Satyendra Kumar Gupta, Non-Executive Director was also paid professional fees in the capacity of professional consultant, as approved by Shareholders passed vide postal ballot dated January 06, 2021.

The details of sitting/professional fees paid to the Directors are given below::

S. No.	Name of Director	Sitting Fees paid (Rs.)	Others (Rs.)	Total (Rs.)
1	Dr. Kailash Shantilal Choudhari	1,60,000	-	1,60,000
2	Satyendra Kumar Gupta	3,00,000	71,50,000*	74,50,000
3	Rikhab Chand Mogha	2,40,000	-	2,40,000
4	Sanjay Katyal	2,20,000	-	2,20,000
5	Anuja Bansal	3,20,000	-	3,20,000
6	Harvinder Singh	3,20,000	-	3,20,000
7	Sunil Puri	3,20,000	-	3,20,000

*Professional Fees during the reporting period.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of reference

The role and terms of reference of Stakeholders Relationship Committee shall cover areas mentioned under SEBI Listing Regulations/and Companies Act, 2013 and rules related thereto/other SEBI Laws/Regulations, as applicable from time to time, inter-alia, other matters as may be delegated by the Board of Directors from time to time.

Meeting of Stakeholders Relationship Committee

During the period under review, one (1) meeting of the Stakeholders Relationship Committee was held on January 20, 2023.

Composition

The composition of the Committee is as below:

S. No.	Name of Director	Category	Position
1.	Ms. Anuja Bansal	Non-Executive- Independent Director	Chairperson
2.	Mr. Sanjay Katyal	Non-Executive- Independent Director	Member
3.	Mr. Sunil Puri	Non-Executive- Independent Director	Member
4.	Mr. Rikhab Chand Mogha	Non- Executive, Non Independent Director	Member

Mr. Gaurav Mehta, erstwhile Chief-Corporate Affairs & Company Secretary of the Company, was designated as the Compliance Officer for resolution of Shareholders/Investors Complaints. Subsequent to the appointment of Mr. Anubhav Raizada as Company Secretary w.e.f., May 13, 2022, he has been designated as the Compliance Officer of the Company.

Kfin Technologies Limited acts as the Registrar & share transfer agents (R & T Agents) of the Company for servicing the shareholder's requests who holds 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.

The attendance of the meeting of Stakeholders Relationship Committee is given in consolidated manner mentioned below under the head, Meetings of Board Committees held during the year and Director's Attendance as on March 31, 2023.

Investors' Compliant - The status of Investor Compliant is given below as on March 31, 2023

Number of shareholders' complaints received	Number of Complaints not resolved	Number of pending complaints
2	NIL	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 Company has a Corporate Social Responsibility Policy in place. The same is available on the website of the company at <http://www.akshoptifibre.com/corporate-governance.php>

Meeting of Corporate Social Responsibility Committee

During the period under review, one (1) meeting of the Corporate Social Responsibility Committee was held on May 12, 2022.

Composition

The Composition of the Committee is as below:

S. No.	Name of Director	Category	Position
1.	Mr. Sunil Puri	Non-Executive-Independent Director	Chairperson
2.	Mr. Harvinder Singh	Non-Executive-Independent Director	Member
3.	Mr. Sanjay Katyal	Non-Executive-Independent Director	Member
4.	Mr. Rikhab Chand Mogha	Non-Executive, Non Independent Director	Member

The attendance of the meeting of Corporate Social Responsibility Committee is given in consolidated manner mentioned below under the head, Meetings of Board Committees held during the year and Director's Attendance as on March 31, 2023.

E. FINANCE COMMITTEE

The Board of Directors of the Company have delegated certain powers to the Finance Committee, as decided by the Board from time to time. The role of Finance Committee is defined by the Board.

Meeting of Finance Committee

During the period under review, one (1) meeting of the Finance Committee was held on August 12, 2022.

Composition

The Composition of the Committee is as below:

S. No.	Name of Director	Category	Position
1.	Mr. Satyendra Kumar Gupta	Non-Executive-Non Independent Director	Chairman
2.	Mr. Rikhab Chand Mogha	Non-Executive- Non Independent Director	Member
3.	Ms. Anuja Bansal	Non-Executive-Independent Director	Member

The attendance of the meeting of Finance Committee is given in consolidated manner mentioned below under the head, Meetings of Board Committees held during the year and Director's Attendance as on March 31, 2023.

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

Meetings of Board Committees held during the year and Director's Attendance as on March 31, 2023:

Board Committees	Audit Committee	Stakeholders Relationship Committee	CSR Committee	Nomination & Remuneration Committee	Finance Committee
Meetings held during FY 2022-23	4	1	1	1	1
Director's Attendance					
Dr. Kailash Shantilal Choudhari	NA	NA	NA	NA	NA
Mr. Satyendra Kumar Gupta	4	NA	NA	1	1
Mr. Rikhab Chand Mogha	NA	1	1	NA	1
Ms. Anuja Bansal	4	1	NA	1	1
Mr. Harvinder Singh	4	NA	1	1	NA
Mr. Sanjay Katyal	NA	1	1	1	NA
Mr. Sunil Puri	4	1	1	NA	NA

*NA- Not Applicable.

The Committees of the Company were not Reconstituted during the year.

F. SENIOR MANAGEMENT

As on March 31, 2023, The senior management of the Company consists of total six officials including Chief Executive Officer, Chief Financial Officer and Company Secretary as detailed below:

1. Mr. Gaurav Mehta
2. Mr. Nikhil Jain
3. Mr. Anubhav Raizada
4. Mr. Lokesh Khandelwal
5. Mr. Anil Gupta
6. Mr. Puneet Chandna

During the reporting period, Mr. Anubhav Raizada appointed as Company Secretary w.e.f., May 13, 2022, Mr. Nikhil Jain appointed as Chief Financial Officer w.e.f., June 01, 2022 and Mr. Puneet Chandna has been appointed as COO(FRP) w.e.f., January 01, 2023 in place of Mr. Ankur Shah who has resigned from the closure of working hours of December 27, 2022.

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.

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.

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.

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 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 <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 were denied access to the Audit Committee. The whistle blower policy is available on the website of the company 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.

vii. 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.

viii. 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.

4. GENERAL BODY MEETINGS

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

Financial Year	Date of AGM	Venue	Time	Special Resolutions passed
2021-22	16.09.2022	Through Video Conference/ Other Audio Video Means	11:30 AM	None
2020-21	28.09.2021	Through Video Conference/ Other Audio Video Means	11:30 AM	None
2019-20	21.09.2020	Through Video Conference/ Other Audio Video Means	11.30 AM	One

Postal Ballot

During the year under review, no special resolution was passed through Postal Ballot.

None of the business proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

5. DISCLOSURES

- During the financial year, the Company has not entered into any transaction of the material nature with its promoters, the Directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of the Company at large.
- During the last three years, 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 or any Statutory Authority.
- The Tribunal pronounced its order on June 27, 2022, wherein the Appeals filed by the Company were partly allowed. The penalty imposed on the Company has been reduced from Rs. 10,15,00,000/- (Rupees Ten Crore and Fifteen Lakhs Only) to Rs. 25,00,000/- (Rupees Twenty-Five Lakhs Only). The Debarment period of the Company has been relaxed from Five years to Three years. The Three years' period elapsed on June 27, 2022.
- The Company has established a Vigil Mechanism/Whistle Blower Policy as per the requirement of the SEBI Listing Regulations, 2015 and the Companies Act, 2013. It is affirmed that no personnel have been denied access to the Audit Committee.
- All Mandatory requirements as per Listing Regulations, 2015 have been complied with by the Company.
- 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 of interest with the Company at large. Details of all related party transactions form a part of the accounts as required under Ind AS 24 as notified by the Ministry of Corporate Affairs and the same are given in Note 35 to the Financial Statements.

- g) In terms of Regulation 17(8) of the Listing Regulations 2015, the Chief Executive Officer and Chief Financial Officer has made a certification to the Board of Directors in the prescribed format for the financial year which has been reviewed by the Audit Committee and taken on record by the Board.
- h) The Company has taken cognizance of discretionary requirements under Regulation 27(1) of the Listing Regulations, 2015 and accordingly there is separate posts of Chairman and CEO.
- i) Internal Auditors reports directly to the Audit Committee and Financial Statements are with Unmodified Audit Opinion.
- j) As regards the other Non-Mandatory requirements, the Company shall adopt the same as and when necessary.

6. DISCLOSURE OF LOANS AND ADVANCES TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED

The details of Loans and Advances to Firms/Companies in which directors are interested is given in the notes to financial statements.

7. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

During the reporting period, there were no such agreements binding listed entities.

8. MEANS OF COMMUNICATION

The information like Quarterly/Half Yearly/Annual Financial Results are promptly submitted to the Stock Exchanges to enable them to host 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 hosted on the Company's website 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, 2022	July 29, 2022	July 30, 2022
Quarter ended September 30, 2022	October 21, 2022	October 22, 2022
Quarter ended December 31, 2022	January 20, 2023	January 21, 2023
Quarter and year ended March 31, 2023	May 19, 2023	May 20, 2023

9. SUBSIDIARY COMPANIES

As on March 31, 2023, Company has One Indian Wholly Owned Subsidiary namely Aksh Composites Private Limited and Three Overseas Wholly Owned Subsidiary namely AOL-FZE, incorporated in SAIF Zone, Sharjah (U.A.E), 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, 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.

10. GENERAL SHAREHOLDERS INFORMATION

Registered Office

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

Address of Correspondence

A-32 2nd Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi - 110044.

Compliance Officer and Contact Address:

Mr. Anubhav Raizada

Company Secretary and Compliance Officer

A-32 2nd Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi - 110044

Telephone: 91-11-49991700, Fax: 91-11-49991800

E-mail: anubhav@akshoptifibre.com,

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

10.1 Annual General Meeting

1.	Date, Time and Venue of the 36 th Annual General Meeting	Tuesday, September 5, 2023 at 11:30 A.M. Meeting will be held through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) facility
2.	Financial Calendar	April 01, 2022 to March 31, 2023
3.	Book Closure Dates	Wednesday, August 30, 2023, to Tuesday, September 5, 2023 (Both days inclusive)
4.	Dividend Payment Date	Not Applicable
5.	Listing on Stock Exchanges	
(A)	Equity Shares	Stock Code/ Symbol
	The BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001. Website: www.bseindia.com	'532351'
	The National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1, "G Block" Bandra Kurla Complex, Bandra (E), Mumbai - 400051. Website: www.nseindia.com	'AKSHOPTFBR'
6.	ISIN Code for the Company's Equity Shares	INE523B01011
7.	Corporate Identification Number (CIN)	L24305RJ1986PLC016132
8.	Listing Fees	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.
9.	Share Transfer System	Kfin Technologies Limited (<i>formerly known as Kfin Technologies Private Limited</i>) is your Company's Share Transfer Agent. The communications regarding shares, dividends, change of address, etc., may be addressed to: Kfin Technologies Limited. Selenium, Tower-B, Plot no. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032
10.	Investor queries/request for transfer, transmission, issue of duplicate certificates etc to be sent	Kfin Technologies Ltd.
11.	Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, if any.	Not Applicable
12.	Plant Locations	<ol style="list-style-type: none"> 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. Aksh Composites Private Limited (Manufacturing division of Wholly Owned Subsidiary of the Company) FRP Manufacturing Facility, Silvassa Survey No. : 2/2/1, Village Karad, Madhuban Dam Road, Silvassa - 396230, U.T. of Dadra & Nagar Haveli, India 5. AOL FZE (Manufacturing division of Wholly Owned Subsidiary of the Company) AOL FRP Division, JAFZA, UAE Plot No. S10914, PO Box. 17267, Jabel Ali, Free Trade Zone, UAE 6. Aksh Technologies (Mauritius) Ltd (Manufacturing division of Wholly Owned Subsidiary of the Company) Optical Fibre Cable Manufacturing Division, Mauritius. Industrial Zone Trianon -1721-10, Mauritius 7. AOL Technologies FZE (Manufacturing division of, Wholly Owned Subsidiary of Company) (Yet to be operational) Optical Fibre Manufacturing Division Plot No. S-30121B, Jabel Ali, Free Trade Zone, Dubai (UAE)
13.	Service Division	<ol style="list-style-type: none"> 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
15.	Commodity price risk or foreign exchange risk and hedging activities	There are no commodities where the exposure of the Company in the particular commodity is material. Further, the Company is exposed to foreign exchange risks on its imports of raw materials/trading goods and export of finished goods. The Company has internal procedures in place to manage foreign exchange risks.

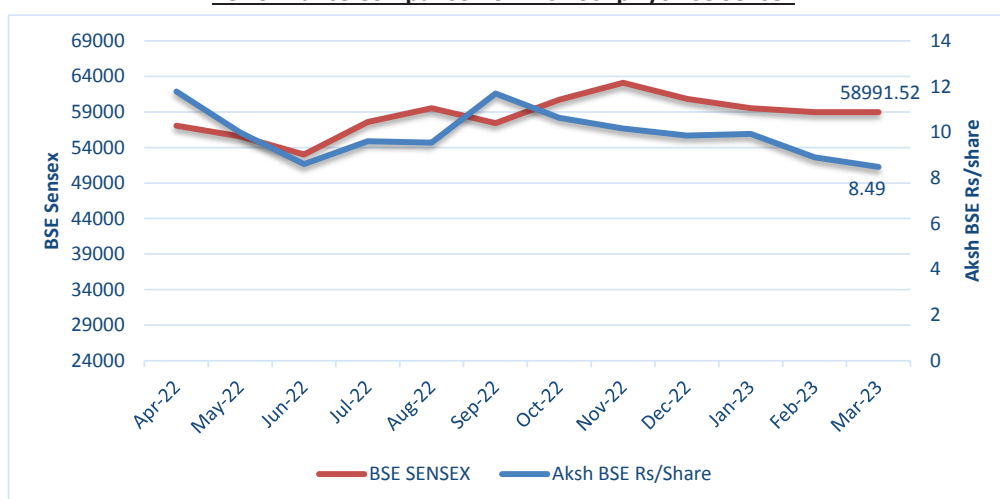
Members holding shares in electronic mode are requested to intimate the change in their address, bank details, etc. to their respective Depository Participants (DPs) and those holding shares in physical mode are requested to intimate the above details to the Share Transfer Agent of the Company, M/s Kfin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

10.2 Market Price Data

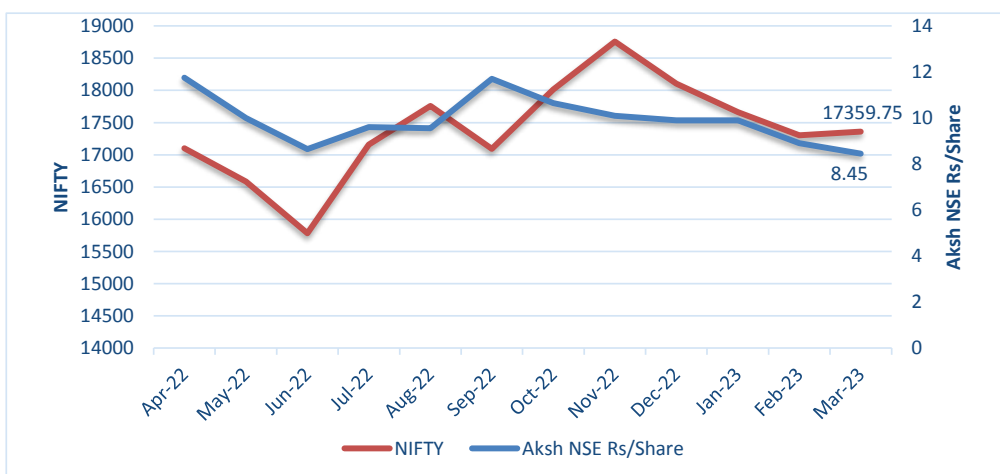
Monthly high/ low prices and volume of the shares of the Company as traded at The BSE Limited, Mumbai (BSE) and National Stock Exchange (NSE) during the financial year under review are provided below:

Month	AKSH BSE PRICE (Rs.)			AKSH NSE PRICE (Rs.)		
	High	Low	Volume (in lakhs)	High	Low	Volume (in lakhs)
April, 2022	13.72	10	34.56	13.90	9.85	139.77
May, 2022	12	9.44	15.10	12.30	9.40	61.82
June, 2022	10.79	8.01	12.78	10.90	8.10	59.79
July, 2022	10.5	8.5	16.78	10.50	8.45	79.65
August, 2022	10.14	9.12	19.15	10.15	9.10	90.53
September, 2022	14.35	9.58	62.67	14.30	9.50	302.72
October, 2022	12.8	10	20.67	13.00	9.80	83.70
November, 2022	10.89	10	12.15	11.10	9.85	54.26
December, 2022	11.33	8.6	21.01	11.40	8.65	96.75
January, 2023	11.59	9.76	14.09	11.60	9.70	97.00
February, 2023	10.35	8.61	8.30	10.35	8.60	38.75
March, 2023	9.7	8.1	13.47	9.75	8.30	63.55

Performance Comparison of Aksh Scrip V/s Bse Sensex



Performance Comparison of Aksh Scrip V/s NIFTY



10.3 Distribution of Shareholding as on March 31, 2023

Sl. no	Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Equity
1	1 - 50	13323	18.91	266005	0.16
2	51 - 100	9329	13.24	872846	0.54
3	101 - 200	8300	11.78	1457947	0.90
4	201 - 500	14344	20.36	5656747	3.48
5	501 - 1000	10511	14.92	9138090	5.62
6	1001 - 2000	6225	8.84	10009824	6.15
7	2001 - 5000	4995	7.09	17189675	10.57
8	5001 - 10000	1891	2.68	14523332	8.93
9	10001 - 20000	804	1.14	11571436	7.11
10	20001 - 50000	488	0.69	15484718	9.52
11	50001 - 100000	145	0.21	10644872	6.54
12	100001 and above	91	0.13	65882479	40.49
	TOTAL:	70446	100.00	162697971	100.00

10.4 Shareholding Pattern

The Shareholding of different categories of the Shareholders as on March 31, 2023 is given below:

Category of Share holders	No. of Shares	Amount	% Holding
Promoters	4,54,70,335	22,73,51,675	27.95
FIs/ NRIs/FPIs/Clearing Members	28,68,846	1,43,44,230	1.76
Corporate bodies	62,12,855	3,10,64,275	3.82
Trusts/HUFs	64,65,764	3,23,28,820	3.97
IEPF	97,699	4,88,495	0.06
Public	10,15,82,472	50,79,12,360	62.44
Total	16,26,97,971	81,34,89,855	100.00

10.5 Dematerialization of Shares and Liquidity

The Shares of the Company are in Compulsory Demat Mode. The Shares of the Company are actively traded on BSE and NSE and never suspended from trading.

The breakup of Equity Share Capital held with the depositories and in physical form as on March 31, 2023 is as follows:

Category	No. of Equity Shares Held	% age of Capital
NSDL	9,42,77,472	57.95
CDSL	6,83,14,570	41.99
Physical	1,05,929	0.06
Total	16,26,97,971	100.00

10.6 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.

10.7 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:

(Rs. In Lakhs.)

Type of Services	FY 2022-23	FY 2021-22
Audit fees	46.13	41.16
Tax Audit Fees	5.00	5.00
Other audit services	-	-
Reimbursement of expenses	2.21	0.80
	53.34	46.96

10.8 Complaint pertaining to sexual harassment

During the Financial Year, no complaint was filed and is pending with the Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

10.9 Compliance with Mandatory Requirements

The Company has complied with all the applicable Corporate Governance requirements under the Listing Regulations. Specifically, The Company confirms compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-regulation (2) of Regulation 46 of the Listing Regulations.

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, Phase III RIICO Industrial Area,
Bhiwadi-301019, Rajasthan**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **AKSH OPTIFIBRE LIMITED** having **CIN: L24305RJ1986PLC016132** (hereinafter referred to as 'the Company'), produced before me 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 my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 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.	Full Name	DIN	Date of Appointment
1.	Mr. Kailash Shantilal Choudhari	00023824	05/04/1986
2.	Mr. Rikhab Chand Mogha	08579064	09/10/2019
3.	Mr. Sanjay Katyal	00299412	09/06/2020
4.	Ms. Anuja Bansal	08755399	09/06/2020
5.	Mr. Satyendra Kumar Gupta	00035141	01/12/2020
6.	Mr. Harvinder Singh	08443544	10/02/2021
7.	Mr. Sunil Puri	09056198	10/02/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my 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 Jayant Gupta and Associates

(Jayant Gupta)

Practicing Company Secretary
FCS : 7288
CP : 9738
PR: 759/2020
UDIN: F007288E000675901

Place : New Delhi
Date : July 26, 2023

Annexure-B

CERTIFICATE

This is to certify that, to the best of my knowledge and belief, for the financial year ended on March 31, 2023, all Board members and Senior Management Personnel have affirmed compliance with the code of Conduct for Directors and Senior Management respectively.

Gaurav Mehta

Chief Executive Officer-
Corporate Affairs & Group Company Secretary

Date : July 26, 2023
Place : New Delhi

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

(Certificate on compliance with Corporate Governance requirements under SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members

Aksh Optifibre Limited

F-1080, Phase III, RIICO Industrial Area,

Bhiwadi, Rajasthan- 301019

1. This report contains details of compliance of conditions of corporate governance by Aksh Optifibre Limited ('the Company') for the year ended March 31, 2023, as stipulated in Regulations 17 to 27, clause (b) to (i) and (t) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations').

Management's Responsibility for compliance with the conditions of Listing Regulations

2. The compliance with the terms and conditions contained in the Corporate Governance, including the preparation and maintenance of all relevant supporting records and documents, is the responsibility of the management of the Company.

Practising Company Secretary's Responsibility

3. My responsibility is limited to examining the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Pursuant to the requirements of the Listing Regulations, it is my responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31, 2023.

Opinion

5. In my opinion, and to the best of my information and explanations given to me and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended on March 31, 2023.
6. I 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.

Restriction on use

7. The certificate is addressed and provided to the Members of the Company solely for the purpose to enable the Company to comply with the requirements of the Listing Regulations, and the same shall not be used by any other person or for any other purpose.

For Jayant Gupta and Associates

(Jayant Gupta)

Practicing Company Secretary

FCS : 7288

CP : 9738

PR : 759/2020

UDIN: F007288E000676044

Place: New Delhi
Date: July 26, 2023

CEO/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, 2023 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 listed entity's internal control system over financial reporting.

Gaurav Mehta

(Chief Executive Officer-Corporate Affairs & Group Company Secretary)

Nikhil Jain

(Chief Financial Officer)

Date: May 18, 2023

Place: New Delhi



Management Discussion and Analysis

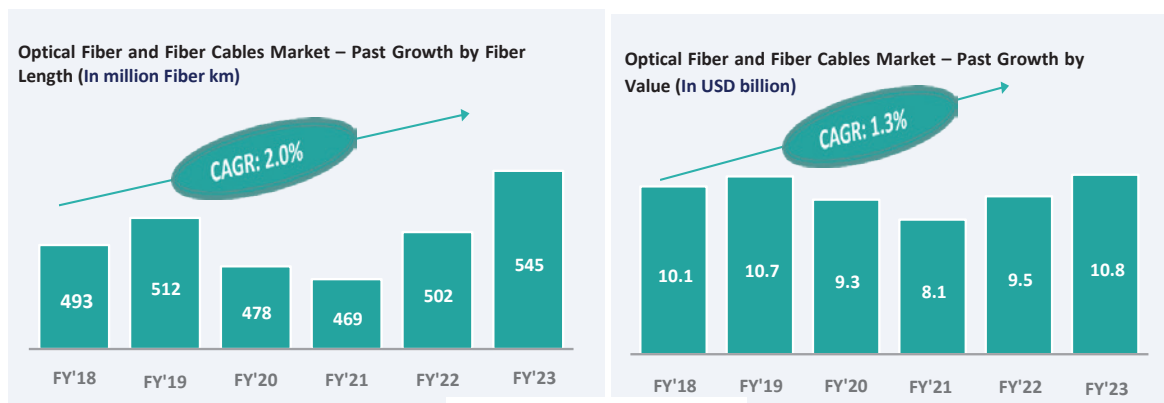
Industry Structure and Development

The Fiber Optic Cable Market size is around USD 11,633.07 million in 2023, and is expected to reach USD 18,096.84 million by 2028, growing at a CAGR of 9.24% during the forecast period (2023-2028). To meet the deployment problems posed by end-use applications, optical fibres are shrinking in size. As telecom operators began seeking high fiber count cables in lower dimensions, optical fiber and cable companies began investing in R&D to create smaller fibres and cables. Moreover, undersea cables serve as the internet's backbone. Around 350 undersea cables covering 1.2 million kilometres that connect nearly 100 nations.

The global fiber optic cable market was valued at USD 10,349.63 million in the previous year and is expected to reach USD 18,096.84 million over

The government programs to support 5G deployment across the globe drive market growth. For instance, the European Commission recognized the importance of the 5G network early and established a public-private partnership to develop and research 5G technology. As a result, the European Commission announced public funding of over USD 861 million to support 5G deployment across Europe through the Horizon 2020 Program. Although fiber optic cable offers a host of benefits, such as higher bandwidth, low latency, and a higher degree of reliability and flexibility, they often are an expensive choice as the installation for these devices may go up to thousands of dollars. This high installation cost may impact the market growth for Fiber Optics.

Figure 1: Growth of Optical Fiber and Fiber Cables Market: Growth and Development



Source: V4C Market Research and Analytics

the forecast period. The evolution of fifth-generation networks and fiber optic infrastructure has driven digital transformation across industries. Optical fiber cable offers better security, reliability, bandwidth, and security than copper cables. With growing online transactions and virtual meetings, companies need 5G and optical fiber cable to stay competitive. These cables are cost-effective, convenient, and easy solutions for many industrial applications, such as lighting and decorations, data transmission, surgeries, and mechanical inspections.

Key Developments:

- In November 2022, Arelion, a Swedish connectivity provider, announced a plan to build two high-capacity fiber optic routes between Mexico and the United States through Texas
- In December 2022, Lumen Technologies deployed Corning's optical technologies SMF-28 Ultra fiber and SMF-28 ULL fiber to advance its intercity infrastructure. Lumen upgraded more than

24,000 route miles across its US intercity network

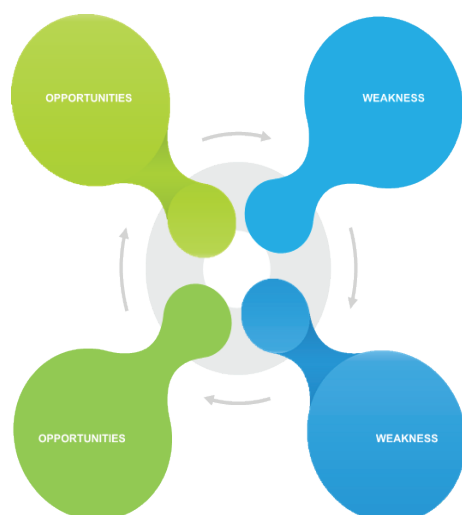
- Countries like China and South Korea have seen increased demand for fiber optical cables after large scale deployment of 5G deployments. India has also witnessed large scale optical fiber need due to 5G deployment in 2023.
- Due to the increasing demand for 5G connections, many players are expanding their production capabilities. For instance, in December 2022, Ericsson announced scaling up the production capacity and operations with its partner Jabil in Pune.
- Railways will lay down about 7000 Rkm of OFC to eventually cover the entire railway network across the country.

Opportunities and Threats

Global Optical Fiber and Fiber Cables Market:

Opportunities

- With growing online transactions and virtual meetings, companies need 5G and optic fiber cable to stay competitive. These cables are cost-effective, convenient, and easy solutions for many industrial applications, such as lighting and decorations, data transmission, surgeries, and mechanical inspections.
- In addition to the tide of 5G construction, there is also the demand for submarine cables that has a pulling effect on fiber optic cables. More than 95% of the world's international data is transmitted through submarine optical cables.
- The evolution of fifth-generation networks and fiber optic infrastructure has driven digital transformation across industries.



Source: V4CMarketResearchandAnalytics

Threats

- Dumping of low quality fiber cables in the export market by few countries poses a threat to market growth. A network made up of poor quality fiber optic will also reduce the asset life of the network, thereby increasing the total cost of ownership of such poor quality networks.
- High cost of optical fiber cables may pose a threat to market growth in developing and less developed countries.
- Overcapacity of optical fiber producers in China has created price

pressures on the industry.

- The macroeconomic pressures in several parts of the world, especially in Europe and America is posing a threat to investments in optical fiber networks.

Indian Optical Fiber and Fiber Cables Market:

Opportunities

- In India, with 5G coming in, the fiberization in the country will increase by about three-fold to 60 million fiber km annually, driven by tower and small cell fiberization. An investment of INR 590-930 billion will be required for fiber deployment and microwave in the next five years to set up digital infrastructure for smooth roll out of 5G.
- Government programmes like BharatNet and Smart Cities adds to the demand of fiber deployment, necessitating a complete tower fabrication.
- Rise of cloud adoption across industries and growing demand for OFC from the IT and Telecom sector, along with increasing adoption of Fiber to Home (FTTH) connectivity will drive overall market growth.



Source: V4CMarketResearchandAnalytics

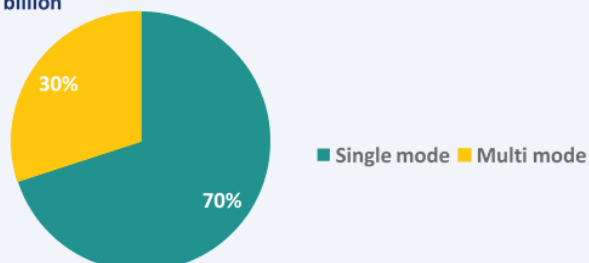
Threats

- High raw material costs, increasing logistics issues and downturn in the economic growth are expected to pose a threat to the growth in fiber optics cable market in India.
- Unprincipled trade-practices continue to pose threats to the OFC-industry. Several foreign players are frequently dumping low-quality fiber at predatory prices in the Indian market, impacting Indian manufacturers.
- Concerns regarding impact of 5G and low intensity radiofrequency (RF) electronic magnetic field (EMF) radiation on human health have been raised, which may impact growth of optical fiber cables growth in India.

Future Outlook & Growth Levers

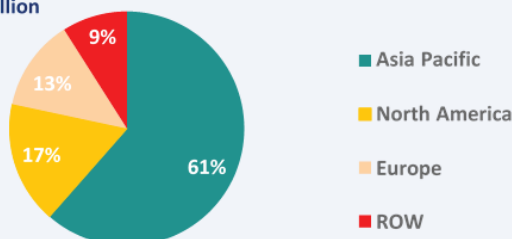
The Global fibre optic demand seems to be robust for next five years. Maximum growth is supposed to come from North America and Asia Pacific region for the Telecom and Datacenters.

Global Optical Fiber and Fiber Cables Market - Share by Type (FY'23)
In USD billion



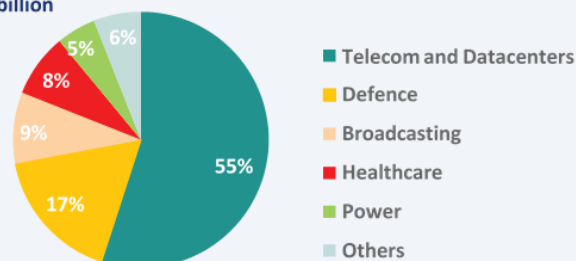
Source: V4C Market Research and Analytics

Global Optical Fiber and Fiber Cables Market - Share by Region (FY'23)
In USD billion



Source: V4C Market Research and Analytics

Global Optical Fiber and Fiber Cables Market - Share by End Use (FY'23)
In USD billion



Source: V4C Market Research and Analytics

Global Future Outlook:

With growing online transactions and virtual meetings, companies need optic fiber cable to stay competitive. These cables are cost-effective, convenient, and easy solutions for many industrial applications. These days Optic fiber cable offers better security, reliability, bandwidth, and security than copper cables. As a result of which their application is set to grow during the coming years.

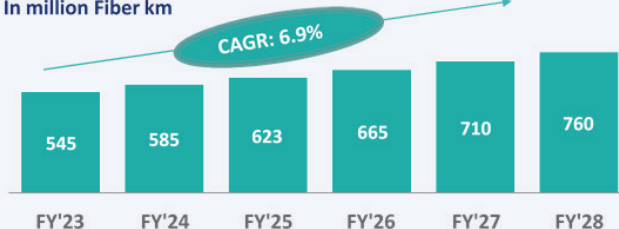
The increasing adoption of the Internet and wireless communication in modern life is expected to lead to a dramatic increase in demand for broadband transmission capacity across the world. Fiber optic cables offer several benefits in the telecommunication industry, including high speed and bandwidth, low attenuation, immunity to electromagnetic interference, high reliability, less maintenance. As a result, the sector will be main growth driver.

China accounted for the highest share of the global optical cable fiber market, and the country is expected to witness steady growth during the coming years. Yangtze Optical Fibre and Cable is a leading provider of optical fiber cables in China. Some of the other players in the country

included Hengtong Optoelectronics, Fiberhome Communications, Zhongtiao, Fortis).

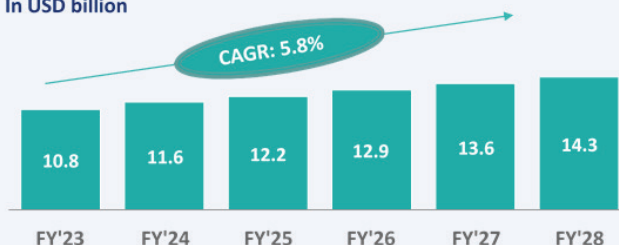
According to estimates in V4C Research report, It is expected that during the coming years, North America will witness double digit growth with USA and Canada witnessing high growth in the sector.

Optical Fiber and Fiber Cables Market – Future Forecast by Fiber Length
In million Fiber km



Source: V4C Market Research and Analytics

Optical Fiber and Fiber Cables Market – Future Forecast by Value
In USD billion

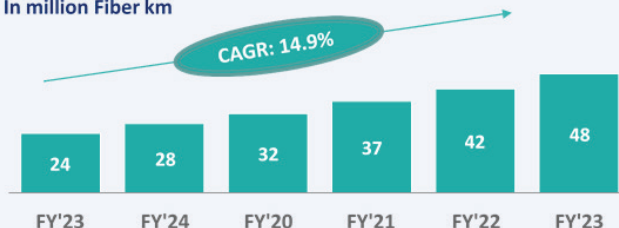


Source: V4C Market Research and Analytics

Indian Future Outlook:

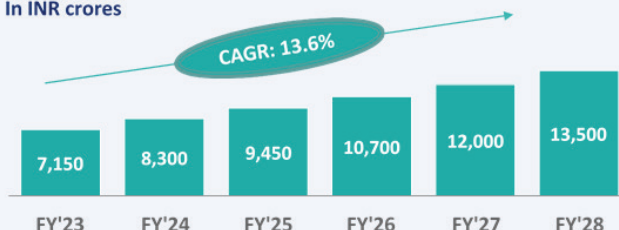
Rising demand for Optical fiber cables from the Datacenter and Telecom sector, an increase in the number of handheld devices, increased adoption of FTTH (Fiber to the Home) connectivity, and an increase in the number of data centers are expected to drive the optical fiber cable market in India during the forecast period. Fiber optic cables offer the advantage of infinite bandwidth, which makes them capable of handling vast amounts of information. They are used to connect different network nodes in telecommunication networks, such as cell towers, data centers, and internet service providers, enabling the exchange of large amounts of data between different locations.

Optical Fiber and Fiber Cables Market – Future Forecast by Fiber Length
In million Fiber km



Source: V4C Market Research and Analytics

Optical Fiber and Fiber Cables Market – Future Forecast by Value
In INR crores



Source: V4C Market Research and Analytics

Fiber optic cables have also enabled the development of high-speed internet connections and advanced communication technologies, such as video conferencing, online gaming, and cloud computing. As a result of this, there usage will rise further in the coming years. Indian consumers are increasingly shifting towards internet-driven applications such as video on demand, HDTV, etc., which is boosting investments towards OFC network expansion throughout the country.

A large chunk of working-class populations in India owns high-end smartphones supporting various technologies such as Wi-Fi, 3G, etc. This class of consumers will boost the demand for on-the-go high-speed data services.

FRP Business

FRP Rod (Fiberglass reinforced plastic rod) being one of the major components of OFC (Optical Fibre Cables), The requirement and demand for FRP rods are expected to increase significantly with the advent of 5G technologies and its penetration and expansion in India. In order to have OFC Di-electric/metal free FRP Rod is being used as a CSM (central strength member) as well as embedded in the sheath which also keep OFC light weighted. Being an anti-buckling element is another advantage.

FRP rods are widely used in OFC for last mile connectivity preferred over conventional steel wire. The demand for FRP rod has been mainly driven by geographies like North America and Europe with emerging economies following. The domestic demand of FRP rod is likely to be robust in view of the ongoing and upcoming ambitious government plan of connecting rural parts of India, especially in the efforts to increase last mile connectivity where FTTH cable's demand should be growing significantly. As India is catching up fast with developed countries in terms of last mile Fibre penetration, overall demand shall be sustainable for coming years.

There is also reasonable potential in the alternative use of FRP rod in other sectors like energy, automotive and construction, replacing conventional materials.

Services Business

Government of India has planned to expand FTTH in Villages and already started implementation through BSNL in Gram Panchayats. AKSH is also working in Rajasthan with BSNL for the same. AKSH is looking for huge opportunities in this program called Bharat net in other states of India. Government of India has taken in Gati Shakti Project, OFC Back bone network creation by state government so there is ample opportunity for participation in this program. 5G network roll out expected to start for enterprises in this financial year. AKSH is looking to have tie up for implementation of 5G Enterprises network with 5G Service Providers.

E-governance sector is also increasing as lots of B2C services provider are coming to use the emitra network for deliver their services and Mobile Governance is also becoming popular, AKSH is also planning for B2C services delivery through Mobile.

Surveillance is need of every state so lots of Projects are coming where need of surveillance and creation of transmission OFC network. SD WAN implementation is becoming popular in India for providing reliable redundant connectivity, so we look forward to get business in the implementation of the same.

Risks and Concerns

Global Optical Fiber and Fiber Cables Market[^]

- **Fragility:** Usually optical fiber cables are made of glass, which lends to they are more fragile than electrical wires. In addition, glass can be affected by various chemicals including hydrogen gas (a problem in underwater cables), making them need more cares when deployed underground.
- **Installation issues:** It is not easy to splice fiber optic cable. And if they are bent too much, they will break. Fiber cable is highly susceptible to becoming cut or damaged during installation or construction activities. All these make it difficult to install.
- **Attenuation and Dispersion:** As transmission distance is getting longer, light will be attenuated and dispersed, which requires extra optical components like EDFA to be added.
- **Higher cost than copper cables:** Despite the fact that fiber optic installation costs are dropping, installing fiber optic cabling is still relatively higher than copper cables. Copper cable installations also do not need extra care like fiber cables. However, optical fiber is still moving into the local loop, and through technologies such as FTTx (fiber to the home, premises, etc.) and PONs (passive optical networks), enabling subscriber and end user broadband access.

Indian Optical Fiber and Fiber Cables Market[^]

- **Cost issues:** One of the major challenges for the industry is going to be providing reliable and cost-effective products in a short amount of time. The capacity of the current industry is currently relatively low at present as only a few companies are manufacturing fibers in India
- **Issues in covering interior rural areas:** India has a huge digital experience divide between Urban and Rural India. While the existing optic fiber cable network in the urban area is dense with huge outreach, the rural areas have seen still lagged behind significantly despite improvements and faces challenges to cover rural areas across states
- **Low per capita usage** - The fiber kilometer (fkm) per capita in India is lower than other key markets which is major cause for concern. India's per capita fiber coverage is 0.09 fkm, which is incredibly low compared with to 1.35 fkm in Japan, 1.34 fkm in the U.S. and 1.3 fkm in China. Added to this, fiber is also needed to ensure the delivery of several 5G use cases
- **Regulatory issues:** India has complex Right of Way (RoW) regulations, with different rules and charges for different states and districts. Further, approvals from several departments make it extremely tough to build optical fiber infrastructure for broadband - one of the key concerns and minimal optical fiber network in the country

[^]Source: V4C Market Research and Analytics

Lens Business

According to the Technavio Research study, expected to grow at a CAGR of 4% until 2024 growing by a value of US \$3.21 billion. Asia-Pacific is one the segments with a huge opportunity owing to number of small and medium scale lens manufacturers and the geography is expected to contribute to almost 43% of the entire demand. 90% of the ophthalmic lenses from China and given the government's focus on "Make in India" initiative, lot of customers would be looking forward to buy from an Indian manufacturer. Apart from this, the anti-China sentiments and the rise

of Atmanirbhar Bharat, which asks individuals and organizations to be vocal for local and the 80% lesser lead-time of India compared to China along with better after sales services will drive the demand up for the lens manufactures. With these key drivers, there is a possibility that the prices of lens will increase by 5-10%, which would help increase, the margins of the manufacturer.

HUMAN RESOURCES at AKSH, employees are its prime assets & a vital key to its success. We at AKSH are committed to create a professional culture to nurture and enable people to grow in their profiles alongside Company's success.

Company constantly strives to enhance the skills of the employees in alignment with the business requirement and continue to engage them through various initiatives in the realm of learning & development opportunities, reward & recognition, employee engagement activities & career growth.

- ✧ Company promotes activities related to leadership development at workplace to build internal talent and leadership pool for future organization requirement.
- ✧ This leadership development is carried out by incorporating various HR interventions at workplace which includes:-
 - Role based training need identification
 - Stringent Succession Planning for the Critical positions in the organization
 - Identification of employees for High Potential Development
 - Promotions of employees to next level in organization as a reward of exemplary performance in the organization
 - Strategic Talent Acquisition at different levels with levels of assessments to filter right candidate
- ✧ Training and Workshops at AKSH Optifibre is carried out keeping in mind the individual development requirement as well as organization requirement from the role. Thus, helps the individual to gain knowledge from varied platforms from External sources, Job enrichment, engagement as well as Team Building activities.

- ✧ We are organization which focus on engaging employees to create high Employee Value Proposition as we believe that an engaged employee is a productive employee.
- ✧ Employees engagement has taken a new direction during pandemic where the employees were not only working from home full time but also their productivity has increased, the work from home and frequent discussions at different level has encouraged our employees to work effectively, comfortably and in a tech savvy manner with confidence.
- ✧ We, with the help of our effective Goal setting process manage the work performance of the employees in a very defined and cascaded manner and to help our employees to keep pace with the changing growth requirement in industry.

INTERNAL CONTROL AND THEIR ADEQUACY

Internal audit is used as an effective tool to check and enhance the efficacy of systems, processes and controls of the Company. It is carried out by an independent agency. The review plan, drawn in consultation with the senior management, covers all major areas. The standard operating procedure compliance and management-approved policies are reviewed and areas of improvement, if any, are identified. The observations and suggestions for improvement form a part of the report. The report is discussed with Senior Management and the Board's Audit Committee. Wherever necessary, adequate corrective measures are initiated to ensure compliance.

RISK MANAGEMENT FRAMEWORK

The Company has a Risk Management framework in place, which comprises the identification of potential risk areas, evaluation of intensity, mitigation plans and procedures for the risk management, formulated both at the enterprise and at the operating level. The framework seeks to facilitate building a common understanding of the exposure to the various risks and uncertainties at an early stage for timely response and their effective mitigation.



II Financial Performance

Source of funds

1. Share capital

The Company has only one class of shares - equity shares of par value Rs. 5/- each. Authorized share capital is Rs. 26,005 lakhs, divided into 5,201.00 lakhs equity shares of Rs. 5/- each. There has been no change in the Issued, Subscribed and Paid up capital of the Company, which is Rs. 8134.90 lakhs as at March 31, 2023.

2. Other Equity

Capital Reserve

The balance as at March 31, 2023 amounted to Rs. 2,223.35 Lakhs, is same as at March 31, 2022.

Securities Premium

The balance as at March 31, 2023 amounted to Rs. 33,064.11 lakhs, same as at March 31, 2022.

Retained Earnings

There is a net deficit of Rs. 13,414.23 lakhs in the Retained Earnings as at March 31, 2023, as compared to net deficit of Rs. 14,970.04 lakhs as at March 31, 2022.

During the year ended March 31, 2023, the Company incurred a net profit after tax of Rs. 1,542.53 lakhs, as compared to the net profit after tax of Rs. 1,701.85 lakhs during the year ended March 31, 2022.

Shareholder funds

The total shareholder funds increased to Rs. 30,008.13 lakhs as at March 31, 2023 as compared to Rs. 28,452.32 lakhs as at March 31, 2022.

The book value per share increased to Rs. 18.44 as on March 31, 2023, as compared to Rs. 17.49 as at March 31, 2022.

Application of Funds

3. Property, Plant and Equipment

Addition to gross block

During the year ended March 31, 2023, an amount of Rs. 771.17 lakhs were added to gross block of fixed assets as compared Rs. 249.21 lakhs (including Rs. 109.12 Lakhs in Right of use Assets as per Ind AS 116), during the previous year ended March 31, 2022.

Deductions to gross block

During the year ended March 31, 2023, there has been deduction from gross block aggregating Rs. 11,337.88 Lakhs.

Capital work-in-progress

There has been increase of Rs. 3.18 Lakhs in Capital work in progress.

Capital expenditure commitments

The Company has a no capital commitment (net of advances) as at March 31, 2023 as compared to Rs. 138.52 lakhs as at March 31, 2022.

4. Loans (current and non-current)

Loans includes loan and advances to related party Rs. 3,197.54 lakhs (PY Rs 2,781.87 Lakhs) and loan and advances to others Rs. 350 lakhs (PY Rs 350 Lakhs) as at March 31, 2023.

5. Trade Receivables (current and non-current)

Trade receivables of Rs. 7,785.72 lakhs as at March 31, 2023 as compared to Rs 10,643.07 lakhs as at March 31, 2022, which are considered good and realizable. Debtors are at 28.45% of gross revenues, representing 104 days of gross revenues for the year ended March 31, 2023, as compared to 35.34% of gross revenues, representing 129 days of the gross revenues for the previous year ended March 31, 2022.

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 820.47 lakhs as at March 31, 2023 as compared to Rs. 153.03 lakhs as at March 31, 2022. Interest accrued includes Rs. 15.42 lakhs on fixed deposits and Rs. 213.61 lakhs on other deposits as at March 31, 2023, as compared to Rs. 18.11 lakhs and Rs. 165.06 lakhs respectively as at March 31, 2022. Foreign exchange forward contract amounts to Rs. (0.15) Lakhs as at March 31, 2023 as compared to NIL amount as at March 31, 2022. Security Deposit amounts to Rs. 205.17 Lakhs as at March 31, 2023 as compared to Rs. 198.98 lakhs as at March 31, 2022.

7. Inventories

Inventories amounted to Rs. 2,082.34 Lakhs as at March 31, 2023 as compared to Rs. 3,473.38 lakhs as at March 31, 2022. 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. 405.17 lakhs as at March 31, 2023 as compared to Rs. 612.48 lakhs as at March 31, 2022.

The cash equivalents also include Deposits with original maturity of less than 12 months amounted to Rs 51.18 lakhs as at March 31, 2023 as compared to NIL amount as at March 31, 2022.

The cash equivalents also include balance in unpaid dividend account amounted to Rs 6.05 lakhs as at March 31, 2023 as compared to Rs. 6.06 lakhs as at March 31, 2022.

Cash on hand amounted to Rs. 3.34 lakhs as at March 31, 2023 as compared to Rs. 9.31 lakhs at March 31, 2022.

Other bank balance amounted to Rs. 173.76 lakhs as at March 31, 2023 as compared to Rs. 1,251.93 lakhs at March 31, 2022.

Liabilities

9. Trade Payables (current and non-current)

Trade payables amounted to Rs. 3,416.77 Lakhs as at March 31, 2023, as compared to Rs. 6,959.08 Lakhs as at March 31, 2022.

10. Provisions (current and non-current)

Long term and short-term provisions for employee benefits amounted to Rs. 159.86 lakhs as at March 31, 2023, as compared to Rs. 435.25 lakhs as at March 31, 2022.

11. Short Term Borrowings

Short-term borrowings amounted to Rs. 7,644.13 lakhs as at March 31, 2023, as compared to Rs. 9,731.83 lakhs as at March 31, 2022.

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

Other financial liabilities amounted to Rs. 4,124.37 lakhs as at March 31, 2023, as compared to Rs. 4,491.87 lakhs as at March 31, 2022.

13. Other current liabilities

Other current liabilities amounted to Rs. 554.81 lakhs (including Rs 336.25 lakhs relating to advance from customers) as at March 31, 2023, as compared to Rs. 929.47 lakhs (including Rs 662.34 lakhs relating to advance from customers) as at March 31, 2022.

III Results of Operations

The Company reported a net profit after tax amounted to Rs. 1,542.53 lakhs during the year ended March 31, 2023, as compared to the profit of Rs. 1,701.85 lakhs during the previous year ended March 31, 2022.

1. Revenue from Operations

Revenues were generated mainly from sale of finished goods, traded goods and services. During the year ended March 31, 2023, the Company's revenue from operations was Rs 27,371.21 lakhs as compared to Rs. 30,119.67 lakhs during the previous year ended March 31, 2022.

2. Other Income

Other income amounted to Rs. 399.80 lakhs for the year ended March 31, 2023, as compared to Rs. 625.24 lakhs during the previous year ended March 31, 2022.

3. Cost of goods sold

Cost of goods sold amounted Rs. 13,811.19 lakhs (50.46% of gross revenue) during the year ended March 31, 2023 as compared to Rs. 15,522.11 lakhs (50.49% of gross revenue) during the previous year ended March 31, 2022. It includes Rs. 12,050.13 lakhs (previous year Rs 14,116.60 lakhs) relating to raw material consumed, Rs. 1160.87 lakhs (previous year Rs. 748.37 lakhs) relating to purchase of traded goods and Rs. 600.19 lakhs (previous year Rs. 657.14 lakhs) relating to increase/ (decrease) in inventories.

4. Employee Benefit Expense

Employee benefit expense amounted to Rs. 2,150.07 lakhs during the year ended March 31, 2023, as compared to Rs. 2,188.63 lakhs during the previous year ended March 31, 2022.

5. Other Expenses

Other expenses amounted to Rs. 6,896.31 lakhs during the year ended March 31, 2023 as compared to Rs. 7,170.32 lakhs during the previous year ended March 31, 2022.

6. Depreciation

Depreciation and amortization amounted to Rs. 1,516.03 lakhs during the year ended March 31, 2023 as compared to Rs. 1,496.25 lakhs during the previous year ended March 31, 2022.

7. Finance Cost

Finance Cost amounted to Rs. 1,255.36 lakhs during the year ended March 31, 2023 as compared to Rs. 1,976.18 lakhs during the previous year ended March 31, 2022. Finance cost includes Rs. 115.90 lakhs on interest on Cash credit facility as compared to Rs. 569.69 lakhs, during previous year ended March 31, 2022.

8. Exceptional (expense)/ income

Exceptional item, Income/ (Expense) for the year ended March 31, 2023 represents Balances written back Rs. 56.55 lakhs, gain on foreign exchange on items other than operational Rs. 237.81 lakhs, Loss on sale of Property, Plant and Equipment Rs. (75.29) lakhs, Provision for doubtful debts & balances written off related to operation Rs. (103.61) lakhs.

9. Tax Expenses

Income Tax

During the year ended March 31, 2023, the Company has made tax provision of Rs. 581.68 Lakhs and an adjustment of tax relating to earlier years of Rs. 25.91 Lakhs.

Deferred Tax

During the year ended March 31, 2023, the Company has created provision for deferred tax by Rs. 107.39 lakhs.

10. Earnings Per Share (EPS) after exceptional item

Basic and Diluted EPS

Basic and Diluted EPS after exceptional item decreased to Rs. 0.95 per share for the year 2023, from Rs. 1.05 per share for the year ended March 31, 2022. The weighted average shares used in computing EPS is 162,697,971 for the year ending March 31, 2023, same as year ending March, 2022.

11. Segmental Profitability

(Amount in Lakhs)

Segment Results	YE Mar 23	YE Mar 22	%age Increase/ (Decrease)
Manufacturing			
Revenues	21,431.99	25,284.46	(15.23)%
EBIT	2,852.03	3,829.12	(25.52)%
EBIT (%)	13.31%	15.14%	
Services			
Revenues	5,939.22	4,835.21	22.83%
EBIT	872.75	734.67	18.79%
EBIT (%)	14.69%	15.19%	

IV Consolidated Financial Performance

Company's revenue from operations amounted to Rs. 28,654.71 lakhs during the year ended March 31, 2023, as compared to Rs. 31,635.73 lakhs in the previous year ended March 31, 2022.

Manufacturing revenue is Rs. 22,715.49 lakhs during the year ended March 31, 2023 from Rs. 26,800.52 lakhs during the previous year ended March 31, 2022, a decrease of 15.24% as compare with previous year ended on March 31, 2022.

The Profit before interest, depreciation, taxes, amortization and exceptional items amounted to Rs. 5,045.76 lakhs (18% of revenue) during the year ended March 31, 2023 as against Rs. 5,523.75 lakhs (17.21% of revenue) in the previous year ended on March 31, 2022.

Profit before tax and exceptional item amounted to Rs. 743.97 lakhs (2.60% of revenue) during the year ended March 31, 2023 as against profit of Rs. 586.94 lakhs (1.86% of revenue) in the previous year ended on March 31, 2022.

Loss after tax and exceptional item is Rs 1,357.68 lakhs (4.74% of revenue) during the year ended March 31, 2023 as against Rs. 41.53 lakhs (0.13% of revenue) in the previous year ended March 31, 2022.

KEY FINANCIAL RATIOS (CONSOLE)

	Ratios	FY23	FY22	Difference	Reason for Change
a.	Debtors Turnover Ratio	4.88	4.07	19.90%	Ratio is improved due to decrease in debtors and better realization from trade receivables of Holding Company.
b.	Inventory turnover Ratio	4.34	3.62	19.88%	Group has significantly reduced the holding period of inventory due to which ratio is improved.
c.	Interest Coverage Ratio	1.40	1.23	14.00%	Ratio has increased due to increase in earnings before interest and tax and decrease in interest cost due to repayment of debt.
d.	Current Ratio	0.31	0.48	-35.41%	Ratio has decreased due to decrease in current assets as compared to current liabilities.
e.	Debt Equity Ratio	2.42	2.01	-20.40%	Ratio has increased due to increase in exceptional loss and decrease in profit.
f.	Operating Profit Margin %	17.44%	17.21%	1.27%	Percentage has improved due to decrease in cost of goods sold.
g.	Net Profit Margin % or Sector - Specific equivalent ratios, as applicable	-4.69%	-0.13%	-	Percentage has decreased due to increase in exceptional loss.
h.	RONW%	-17.99%	-0.40%	-	Percentage has decreased due to increase in exceptional loss and decrease in equity.

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 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 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 opinion.

Emphasis of Matter

We draw your attention to the notes to the standalone financial statements;

- a) Note 46 regarding that the Company has foreign currency payable aggregating to Rs 155.67 lakhs and Rs 1,948.16 lakhs which are outstanding for more than six months and three years respectively, as of 31st March, 2023. The Company also has foreign currency receivable balances aggregating to Rs. 4,277.51 lakhs which are outstanding for more than nine months, as of 31st March, 2023. As on the date of signing of financial statements, the Company is in the process of applying for necessary extension in consultation with RBI consultant. Management does not expect any material implication on account of delays under the existing regulations.
- b) Note 47 regarding all secured lenders who have classified bank account of the Company with them as Non-Performing Assets (NPA) as per prescribed norms issued by Reserve Bank of India (RBI), although provision of interest in respect of such borrowings has been accounted for in books of accounts.

- c) Note 49 to the standalone financial statements, which states, the Subsidiary Company namely AOL Technologies FZE, Dubai has Capital work in progress as on 31st March 2023 amounting to Rs. 9,294.38 lakhs in respect of Optical Fibre Manufacturing Plant. The Subsidiary Company is also in default with the Banks towards repayment of its borrowing obligation. Presently the project has been suspended due to paucity of funds. During the year, Subsidiary Company has carried out impairment testing by registered valuer. Based on the valuation report dated 1st May 2023, of the registered valuer, no provision is considered necessary for any diminution in value of investment.
- d) Note 50 to the standalone financial statements, which states, the Subsidiary Company namely AOL FZE, Dubai has been incurring losses from last few years, resulting in erosion of net worth. The Subsidiary Company is also in default with the Banks towards repayment of its borrowing obligation. Presently the project has been suspended due to paucity of funds. During the year, Subsidiary Company has carried out impairment testing by registered valuer. Based on the valuation report dated 1st May 2023, of the registered valuer, no provision is considered necessary for any diminution in value of investment.

Our opinion is not modified in respect of point no (a) & (d) mentioned above.

Key Audit Matters

Key audit matters ('KAM') 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. In addition to the matter described in the Basis for Opinion we have determined below to be the Key audit matters to be communicated in our report.

S.No.	Key Audit Matter	Auditor's Response
1.	Assessing Impairment of the carrying value of Trade receivable and loan receivable from subsidiary companies (Refer note No 51 of the accompanying standalone financial statements) As on 31st March 2023, The Company has exposure in Trade receivable and loan receivable (Including Interest) amounting to Rs.3,992.05 lakhs & Rs.3,197.54 lakhs respectively in subsidiary companies. As on 31st March, 2023 net worth of subsidiary companies is Negative. As above mentioned Trade Receivables and loan receivable are significant to the Company's standalone financial statements. The Collectability of receivables is a key element of the company's working capital management, which is managed on an ongoing basis by its management. Further Company has also applied to RBI for extension of period for realisation of unrealised export proceeds from foreign subsidiaries and the application is currently under process. Given the magnitude and inherent uncertainty involved in the judgement, involved in estimating impairment assessment of receivables, we have identified this as a key audit matter.	Our audit procedures included the following: (i) Obtained an understanding of management's process and evaluated design and tested operating effectiveness of controls around identification and determining the provision for Impairment of receivable. (ii) Obtained trade receivable external confirmation. (iii) Assessed the competence, objectivity, and capabilities of the management staff for the purpose of this assessment. Furthermore, we assessed the adequacy and appropriateness of the disclosures in the standalone financial statements.
	Litigations - Contingencies As described in note 40 to the standalone financial statements, <ul style="list-style-type: none"> The Holding Company has merger with M/s APAksh Brodband Limited on approval of Scheme of Amalgamation vide order passed by the NCLT, New Delhi on 08.11.2017. A complaint of evasion of stamp duty on the said amalgamation order was received by the State Directorate of Revenue Intelligence (SDRI). Matter was duly represented by Aksh on July 05, 2022 to effect that both the entries have relationship of Parent entity and Subsidiary with Parent entity having 99.92% ownership of Subsidiary. So there was no transfer of any property under this Amalgamation. Further, under the amalgamation of parent entity with subsidiary, no stamp duty is payable. This matter has been considered as a key audit matter considering that The Company has ongoing litigation with relevant authorities which could have a significant impact on the financial statements of the Company, if the potential exposure were to materialise. The amounts involved are significant, and the application of Indian Accounting Standards to determine the amount, if any, to be provided as a liability or disclosed as a contingent liability, is inherently subjective.	In view of the significance of the matter, our procedures included, but were not limited to, the following: (i) Assessing the appropriateness of the design and implementation of the Company's controls over the assessment of litigations. Necessary meetings are conducted with in-house legal counsel and/or legal team. (ii) Discussions with management in respect of application filled by Company with Deputy Inspector General, Registration and Stamps, Jaipur, against this order. (iii) We assessed the value of provision / contingent liability in light of position taken by the company, nature of exposure, applicable regulations and related correspondence with the authorities. As a result of the above audit procedures, the management's assessment of provision for contingencies was considered to be appropriate.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone 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 management and 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS). 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 and Board of Directors are 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 Standalone Financial Statements

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

Other Matters

The Standalone Financial Statements for the year ended 31st March 2022 have been audited by previous auditor B G G & Associates, Chartered Accountants, and had expressed a qualified opinion vide their report dated May 13, 2022. Reliance has been placed on the figures and other information incorporated for the purpose of these Standalone Financial Statements.

Our opinion is not modified in respect of above matter.

Report on Other Legal and Regulatory Requirements

- 1) 1) As required by Section 197(16) of the Act, we report that the Company has not paid any remuneration to its director during the year, hence provisions and limits laid down under Section 197 read with Schedule V to the Act are not applicable.
- 2) As required by the Companies (Auditor's Report) Order, 2020 (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 Flows 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 Indian accounting standards (Ind AS) specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the director as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 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 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:
 - i. 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 statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March 2023;
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. During the year the Company has not declared or paid dividend under section 123 of the Companies Act, 2013.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

Place: New Delhi
Date: 19th May, 2023

For P. C. Bindal & Co.
Chartered Accountants
Firm Registration Number :003824N
CA K. C. Gupta
Partner
Membership no.: 088638
UDIN: 23088638BGSQPH3010

“Annexure A” to the Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members 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:

- i.
 - a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment’s and relevant details of right of use- assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) The Company has a program of physical verification of Property, Plant and Equipment’s (except the assets installed at customer premises) and right of use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment’s were due for verification during the year and were physically verified during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us and from our examination of books of account and other documents, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the assessee) disclosed in the financial statements are held in the name of the company.
 - d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (A) 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.
 - (B) According to the information & explanation given to us, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Further, the quarterly returns or statements filed by the company with such banks or financial institutions are generally in agreement with the books of account of the Company and no material differences were noticed during its reconciliation with books.
- iii. According to the information and explanation given to us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year and hence reporting under clause 3(iii) (a) to (f) of the Order is not applicable to the Company.
- iv. According to the information and explanations given to us and examination of books of account, in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act, to the extent applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Section 73 - 76 of the Act and the rules framed there under. Therefore, the provisions of Clause 3(v) of the Order are not applicable to the Company.
- vi. 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.
- vii.
 - (a) The Company is generally regular in depositing undisputed statutory dues including goods and service tax, provident fund, employees’ state insurance, duty of customs and other material statutory dues, as applicable, with the appropriate authorities.

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, 2023 for a period of more than six months from the date they became payable except Service tax of Rs.6.06 lakhs.

 - (b) According to the information and explanations given to us, there are no dues of income tax, Goods & Service Tax, service tax, duty of customs, duty of excise which have not been deposited on account of any dispute except of the following amounts:-

Name of Statute	Nature of Dues	Disputed Amount Rs. in Lakhs	Period to which amount relates	Forum where disputes pending
Central Excise Act, 1944	Excise Duty	22.35	2007-09	Asst. Commissioner, Bhiwadi
Central Excise Act, 1944	Excise duty	32.79	2007-09	Asst. Commissioner, Bhiwadi
Central Excise Act, 1944	Excise duty	4.02	2013-14	Customs, Excise and Service Tax Appellate Tribunal(CESTAT) CESTAT, Delhi
Central Excise Act, 1944	Excise duty	15.60	June 2016 to June 2017	Asst. Commissioner, Bhiwadi
Finance Act, 1994	Service Tax	0.91	January 2011 to November 2011	Commissioner, Jaipur
Central Excise Act, 1944	Excise Duty	5.78	March 2014 to December 2014	Asst. Commissioner, Bhiwadi
Income Tax Act, 1961	Income tax	91.01	A.Y 2010-11	Commissioner Income Tax (Appeals), Delhi
Income Tax Act, 1961	Income tax	195.46	A.Y 2013-14	Commissioner Income Tax (Appeals), Alwar (Rajasthan)
Income Tax Act, 1961	Income tax	28.72	A.Y 2018-19	Income Tax Appellate Tribunal, Delhi
Provident Fund Act	Provident Fund	7.60	2004-05	Hon'ble High Court, Jaipur
Central Excise Act, 1944	Excise duty	8.08	February 2015 to June 2017	Asst. Commissioner, Bhiwadi

viii According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) According to the information available with us, The Company has outstanding default as on balance sheet date in repayment of dues to the banks and financial institution during the year. Detail as under:

Name of Lender	Rs. in Lakhs (Principal)	Rs. in Lakhs (Interest)	Period of Default -in range (Interest)
HDFC Bank	289.37	147.85	0 to 180 days
HDFC Bank	286.07	214.96	181 to 360 days
HDFC Bank	765.49	456.41	361 to 720 days
HDFC Bank	769.10	602.01	More than 721 days
Union Bank of India	110.00	175.00	0 to 180 days
Union Bank of India	315.78	-	181 to 360 days
Union Bank of India	881.00	-	361 to 720 days
Union Bank of India	2119.91	-	More than 721 days

The Company has also defaulted in repayment of following dues to the financial institution and banks, which were paid on or before the Balance Sheet date. Detail as under:

Name of Lender	Rs. in Lakhs (Principal)	Rs. in Lakhs (Interest)	Period of Default -in range (Interest)
HDFC Bank	-	2.83	0 to 180 days
HDFC Bank	15.18	-	181 to 360 days
HDFC Bank	365.88	8.61	361 to 720 days
HDFC Bank	434.84	-	More than 721 days
Punjab National Bank	31.15	34.95	0 to 180 days
Punjab National Bank	31.15	-	181 to 360 days
Punjab National Bank	31.15	-	361 to 720 days
Punjab National Bank	15.58	-	More than 721 days
Union Bank of India	-	345.23	0 to 180 days
Union Bank of India	-	385.25	181 to 360 days
Union Bank of India	-	229.64	361 to 720 days
Union Bank of India	705.52	-	More than 721 days

- (b) In our opinion and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has not taken any term loan during the year, hence reporting of utilisation of fund received from term loan are not applicable and also reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, fund raised on short term basis have, prima facie, not been used during the year for long term purposes by the Company.
- (e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures; hence, reporting under clause 3(ix) (e) of the Order is not applicable.

- (f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year based on the pledge of securities held in its subsidiaries, joint ventures or associate companies, hence, reporting under clause 3(ix)(f) of the Order is not applicable.
- x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x) (b) of the Order is not applicable.
- xi. (a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of our audit.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) During the course of our examination of the books and records of the Company, and according to the information's given by the management, the Company has not received any whistle blower complaints during the year.
- xii. The Company is not a Nidhi Company, 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 section 188 of the Companies Act, 2013 where applicable, for all transaction with the related parties and the details of related party transactions have been properly disclosed in the standalone financial statements as required by the applicable Indian accounting standards.
- xiv. (a) In our opinion and according to information and explanations given by the management, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- 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. (a) 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) (a), (b) and (c) of the Order are not applicable to the Company.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a fund specified in schedule VII of the Companies Act in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) (a) of the order is not applicable for the year.
- (b) In our opinion and according to the information and explanation provided to us, the company is not required to spent fund pursuant to any ongoing project, hence, reporting under clause 3(xx)(b) of the Order is not applicable.

Place: New Delhi
Date: 19th May, 2023

For P. C. Bindal & Co.
Chartered Accountants
Firm Registration Number :003824N
CA K. C. Gupta
Partner
Membership no.: 088638
UDIN: 23088638BGSQPH3010

“Annexure B” to the Independent Auditor’s Report

(Referred to in paragraph 3(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Member of Aksh Optifibre Limited of even date)

Report on the Internal Financial Controls under clause (i) of Sub-section 3 of section 143 of Companies Act, 2013

We have audited the internal financial controls over financial reporting of Aksh Optifibre Limited (“the Company”) as of 31st March, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2023, based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: New Delhi
Date: 19th May, 2023

For P. C. Bindal & Co.
Chartered Accountants
Firm Registration Number :003824N
CA K. C. Gupta
Partner
Membership no.: 088638
UDIN: 23088638BGSQPH3010

Standalone Balance Sheet

for the year ended March 31, 2023

(Amount in Lakhs)

	Notes	31-Mar-2023	31-Mar-2022
Assets			
Non-current assets			
Property, Plant and Equipments	3(a) (i & ii)	12,577.83	13,433.38
Capital work-in-progress	3(b)	3.18	-
Intangible assets	4	39.33	27.17
Financial assets			
Investments	5	18,485.33	18,485.33
Loans	6	2,780.12	2,392.39
Trade receivables	11	3,963.28	-
Other financial assets	7	953.77	311.53
Other non-current assets	9	10.46	265.16
		38,813.30	34,914.96
Current assets			
Inventories	10	2,082.34	3,473.38
Financial assets			
Trade receivables	11	3,822.44	10,643.07
Cash and cash equivalents	12	465.74	627.85
Other Bank Balances	13	173.76	1,251.93
Loans	6	767.42	739.48
Other financial assets	7	300.90	223.65
Current tax assets (net)	8 (b)	-	31.60
Other current assets	9	647.07	1,046.02
		8,259.67	18,036.98
Total Assets		47,072.97	52,951.94
Equity and liabilities			
Equity			
Equity Share capital	14	8,134.90	8,134.90
Other Equity	15	21,873.23	20,317.42
		30,008.13	28,452.32
Non-current liabilities			
Financial liabilities			
Borrowings	16	-	1,114.20
Lease liabilities	17	333.81	402.96
Trade Payables	18	-	-
(a) total outstanding dues to micro & small enterprises		-	-
(b) total outstanding dues other than above		455.50	-
Other financial liabilities	19	3.18	15.59
Deferred tax liabilities (net)	8 (a)	651.05	363.85
Provisions	20	155.48	173.22
		1,599.02	2,069.82
Current liabilities			
Financial liabilities			
Borrowings	21	7,644.13	9,731.83
Lease liabilities	17	69.16	55.52
Trade payables	18	-	9.49
(a) total outstanding dues to micro & small enterprises		-	9.49
(b) total outstanding dues other than above		2,961.27	6,949.59
Other financial liabilities	19	4,121.34	4,491.87
Other current liabilities	22	554.80	929.47
Provisions	20	4.38	262.03
Current tax liabilities (net)	8 (b)	110.74	-
		15,465.82	22,429.80
Total Equity and liabilities		47,072.97	52,951.94
Summary of significant Accounting policies	2.1		
The accompanying notes (1-56) are an integral part of the financial statements			

For and on behalf of the Board of Directors

As per our report of even date
For P. C. Bindal & Co
Chartered Accountants
Firm Registration Number: 003824N

Dr. Kailash Shantilal Choudhari
Chairman
DIN : 00023824

Gaurav Mehta
Chief Executive officer - Corporate Affairs &
Group Company Secretary

CA K. C. Gupta
Partner
Membership Number: 088638

Nikhil Jain
Chief Financial Officer

Anubhnav Raizada
Company Secretary

Place: New Delhi
Date: May 19, 2023

Standalone Statements of Profit and Loss

for the year ended March 31, 2023

(Amount in Lakhs)

	Notes	31-Mar-2023	31-Mar-2022
Income			
Revenue from operations	23	27,371.21	30,119.67
Other income	24	399.80	625.24
Total Income (I)		27,771.01	30,744.91
Expenses			
Cost of raw material and components consumed	25	12,050.13	14,116.60
Purchase of traded goods	26	1,160.87	748.37
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	27	600.19	657.14
Employee benefits expense	28	2,150.07	2,188.63
Finance costs	29	1,255.36	1,976.18
Depreciation and amortisation expense	30	1,516.03	1,496.25
Other expense	31	6,896.31	7,170.32
Total expense (II)		25,628.96	28,353.49
Profit before exceptional items and tax, (I) - (II)		2,142.05	2,391.42
Exceptional item	32	115.46	5.70
Profit before tax		2,257.51	2,397.12
Tax expenses			
Current tax		581.68	658.77
Deferred tax		107.39	36.50
Adjustment of tax relating to earlier periods		25.91	-
Income tax expense		714.98	695.27
Profit for the year		1,542.53	1,701.85
Other comprehensive income			
i) items that will not be reclassified to profit or (loss) in subsequent periods		18.74	74.39
ii) Income tax relating to these items		(5.46)	(21.66)
Other comprehensive income for the year, net of tax		13.28	52.73
Total comprehensive income/(expense) for the year		1,555.81	1,754.58
Earnings per equity share of Rs. 5/- each	37		
Basic earnings per equity share		0.95	1.05
Diluted earnings per equity share		0.95	1.05
Summary of significant Accounting policies	2.1		
The accompanying notes (1-58) are an integral part of the financial statements			

For and on behalf of the Board of Directors

As per our report of even date
For P. C. Bindal & Co
Chartered Accountants
Firm Registration Number: 003824N

CA K. C. Gupta
Partner
Membership Number: 088638

Place: New Delhi
Date: May 19, 2023

Dr. Kailash Shantilal Choudhari
Chairman
DIN : 00023824

Nikhil Jain
Chief Financial Officer

Gaurav Mehta
Chief Executive officer - Corporate Affairs &
Group Company Secretary

Anubhnav Raizada
Company Secretary

Standalone Cash Flow statements

for the year ended March 31, 2023

(Amount in Lakhs)

	31-Mar-2023	31-Mar-2022
Cash flow from operating activities		
Profit before tax	2,257.51	2,397.12
Adjustment to reconcile profit before tax to net cash flows :		
Depreciation / amortization and impairment of Property, Plant & Equipment	1,516.03	1,618.22
Bad debts (net of provision)	-	(89.38)
Provision / (Reversal) of Doubtful Debts and Advances (Net)	103.61	-
Loss on sale of property, plant and equipment	75.29	10.49
Finance Costs	1,255.36	1,976.18
Other comprehensive income	18.74	74.39
Interest income	(309.38)	(405.11)
Operating profit before working capital changes	4,917.16	5,581.90
Movements in working capital:		
Increase / (Decrease) in trade payables, financial and other liabilities	(3,998.41)	(300.06)
Increase / (Decrease) in provisions	(275.39)	(190.20)
Decrease / (Increase) in trade receivable	2,753.74	(337.68)
Decrease / (Increase) in inventories	1,391.04	165.46
Decrease / (Increase) in other assets	758.34	918.47
Cash generated from operations	5,546.48	5,837.89
Direct taxes paid	(290.90)	(185.88)
Net cash flow from operating activities (A)	5,255.58	5,652.01
Cash flows from investing activities		
Purchase of property, plant and equipment, including intangible assets and capital work in progress net of payments / (payable)	(565.25)	(263.29)
Decrease / (Increase) in Right to use of assets (lease assets)	-	(97.85)
Proceeds from sale of property, plant and equipment	23.23	14.04
Decrease/ (Increase) in loan & advances	-	100.00
Decrease / (Increase) in loan & advances (pursuant to Ind AS 109)	(137.06)	(99.41)
Interest received	30.78	287.07
Net cash flow from / (used in) investing activities (B)	(648.30)	(59.44)
Cash flow from financing activities		
Repayment of long term borrowings	(1,114.20)	(1,076.91)
Repayment of Short-term borrowings (including current maturities)	(2,087.70)	(3,080.24)
Increase / (Decrease) in lease liability	(55.52)	58.89
Unpaid dividend transferred to IEPF Fund	-	(1.36)
Interest paid	(1,511.97)	(1,111.85)
Net cash flow from / (used in) financing activities (C)	(4,769.39)	(5,211.47)
Net increase/ (decrease) in cash and cash equivalents (A + B + C)	(162.11)	381.11
Cash and cash equivalents at the beginning of the year	627.85	246.74
Cash and cash equivalents at the end of the Period	465.74	627.85
Components of cash and cash equivalents		
Cash on hand	3.34	9.31
FDR with original maturity less than 12 months	51.18	-
With banks on current account	405.17	612.48
Unpaid dividend accounts	6.05	6.06
Total cash and cash equivalents	465.74	627.85
Summary of significant Accounting policies		
The accompanying notes (1-56) are an integral part of the financial statements		

Note: The above Statement of Cash flows has been prepared under the Indirect method set out in Ind AS-7 'Statement of Cash Flows'.

For and on behalf of the Board of Directors

As per our report of even date
For P. C. Bindal & Co
Chartered Accountants
Firm Registration Number: 003824N

Dr. Kailash Shantilal Choudhari
Chairman
DIN : 00023824

Gaurav Mehta
Chief Executive officer - Corporate Affairs &
Group Company Secretary

CA K. C. Gupta
Partner
Membership Number: 088638

Nikhil Jain
Chief Financial Officer

Anubhnav Raizada
Company Secretary

Place: New Delhi
Date: May 19, 2023

Statement of Changes in Equity

for the year ended March 31, 2023

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

	Nos.	(Amount in Lakhs)
As at 1 April 2021	162,697,971	8,134.90
Changes in Equity Share Capital due to Prior period Errors	-	-
Reinstated Balances as at the Beginning of the Reporting Period	162,697,971	8,134.90
Changes in Equity Share Capital during the Year	-	-
As at 31 March 2022	162,697,971	8,134.90
Changes in Equity Share Capital due to Prior period Errors	-	-
Reinstated Balances as at the Beginning of the Reporting Period	162,697,971	8,134.90
Changes in Equity Share Capital during the Year	-	-
As at 31 March 2023	162,697,971	8,134.90

B. Other Equity (refer note no. 15)

	(Amount in Lakhs)				
	Securities premium	Capital reserve	Remeasurment of defined benefit plans	Retained earnings	Total other equity
As at 1 April 2021	33,064.11	2,223.35	(146.32)	(16,578.30)	18,562.84
Profit for the year	-	-	-	1,701.85	1,701.85
Other comprehensive income	-	-	52.73	-	52.73
Total comprehensive income for the year	-	-	52.73	1,701.85	1,754.58
Balance as at 31 March 2022	33,064.11	2,223.35	(93.59)	(14,876.45)	20,317.42
Balance as at 1 April 2022	33,064.11	2,223.35	(93.59)	(14,876.45)	20,317.42
Profit for the year	-	-	-	1,542.53	1,542.53
Other comprehensive income	-	-	13.28	-	13.28
Total comprehensive income for the year	-	-	13.28	1,542.53	1,555.81
Balance As at 31 March 2023	33,064.11	2,223.35	(80.31)	(13,333.92)	21,873.23

The accompanying notes (1-56) are an integral part of the financial statements

For and on behalf of the Board of Directors

As per our report of even date
For P. C. Bindal & Co
 Chartered Accountants
 Firm Registration Number: 003824N

Dr. Kailash Shantilal Choudhari
 Chairman
 DIN : 00023824

Gaurav Mehta
 Chief Executive officer - Corporate Affairs &
 Group Company Secretary

CA K. C. Gupta
 Partner
 Membership Number: 088638

Nikhil Jain
 Chief Financial Officer

Anubhnav Raizada
 Company Secretary

Place: New Delhi
 Date: May 19, 2023

Notes to standalone financial statements

for the year ended March 31, 2023

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 (hereinafter referred to as the 'Ind AS') as notified by ministry of Corporate affairs pursuant to section 133 of Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

The financial statements have been prepared on accrual and going concern basis. 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

Notes to standalone financial statements

for the year ended March 31, 2023

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 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.

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. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue from the sale of goods is measured on the basis of contracted price net of returns, Liquidation damage, trade discount & volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc.

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.

Revenue from a contract to provide services is recognised based on terms of agreements/arrangements with the customers as the service is performed and there are no unfulfilled performance obligations.

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.

Notes to standalone financial statements

for the year ended March 31, 2023

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.

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 April 1, 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 Company has adopted Ind AS 116-Leases effective April 1, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (April 1, 2019). Accordingly, previous period information has not been restated.

Notes to standalone financial statements

for the year ended March 31, 2023

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

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

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

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

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or incremental borrowing rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

k) Provisions

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

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 twelve 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.

Notes to standalone financial statements

for the year ended March 31, 2023

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.

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.

Notes to standalone financial statements

for the year ended March 31, 2023

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 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.

Notes to standalone financial statements

for the year ended March 31, 2023

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

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

- (i) **Ind AS 1 - Presentation of Financial Statements** - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.
- (ii) **Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors** - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.
- (iii) **Ind AS 12 - Income Taxes** - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

Notes to standalone financial statements for the year ended March 31, 2023

3 (a) (i) Property, Plant and Equipments	(Amount in Lakhs)												
	Freehold Land	Leasehold Land	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, 2021	1.84	728.06	4,517.81	24,487.45	3,398.66	1,331.44	657.57	340.82	380.29	316.07	22.70	34.19	36,216.90
Additions	-	-	-	61.65	27.35	-	19.48	0.21	3.26	27.68	-	-	139.63
Disposals/ adjustments #	(1.84)	-	-	(157.97)	-	-	-	-	-	-	-	(11.41)	(171.22)
At March 31, 2022	-	728.06	4,517.81	24,391.13	3,426.01	1,331.44	677.05	341.03	383.55	343.75	22.70	22.78	36,185.31
Additions	-	-	395.06	209.43	97.97	-	0.36	0.24	3.55	26.38	-	-	732.99
Disposals / adjustments			(0.96)	(8,413.00)		(423.61)	(73.83)	(114.95)	(41.93)	(118.15)	-0.01		(9,186.44)
At March 31, 2023	-	728.06	4,911.91	16,187.56	3,523.98	907.83	603.58	226.32	345.17	251.98	22.69	22.78	27,731.86
Accumulated Depreciation													
At April 1, 2021	-	46.08	1,244.13	15,784.37	2,659.85	867.49	426.43	214.77	236.48	278.10	22.12	15.27	21,795.09
Charge for the year	-	7.37	149.34	902.23	165.77	46.92	57.51	18.13	53.61	-	-	1.66	1,402.54
Impairment provision	-	-	-	121.97	-	-	-	-	-	-	-	-	121.97
Disposals / adjustments	-	-	-	(137.40)	-	-	-	-	-	-	-	(7.47)	(144.87)
At March 31, 2022	-	53.45	1,393.47	16,671.17	2,825.62	914.41	483.94	232.90	290.09	278.10	22.12	9.46	23,174.73
Charge for the year	-	7.37	160.03	932.91	140.87	42.34	56.29	18.14	52.25			1.11	1,411.32
Disposals / adjustments	-	-	(0.86)	(8,360.74)		(389.66)	(70.08)	(112.92)	(39.96)	(113.58)	(0.01)	-	(9,087.82)
At March 31, 2023	-	60.82	1,552.64	9,243.33	2,966.49	567.09	470.15	138.12	302.38	164.52	22.11	10.57	15,498.23
Net Block value													
At March 31, 2023	-	667.24	3,359.27	6,944.23	557.49	340.74	133.43	88.20	42.79	87.46	0.58	12.21	12,233.63
At March 31, 2022	-	674.61	3,124.34	7,719.96	600.39	417.03	193.11	108.13	93.46	65.65	0.58	13.32	13,010.58

Notes:

- Title deed of all immovable properties (other than the properties where the company is lessee) are in the name of the Company.
- No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- *During the year, the Company has discarded assets which have been fully depreciated and not in use.

Notes to standalone financial statements

for the year ended March 31, 2023

	(Amount in Lakhs)	
3 (a) (ii) Right of Use Assets	Building	Vehicle
Movements during the year		
At April 1, 2021	479.16	66.39
Addition	109.12	-
Deletion	-	66.39
At March 31, 2022	588.28	-
Addition	-	-
Deletion	-	-
At March 31, 2023	588.28	-
Accumulated Depreciation		
At April 1, 2021	113.14	49.30
Addition	50.62	7.79
Modification	1.72	9.30
Deletion	-	(66.39)
At March 31, 2022	165.48	-
Addition	78.60	-
Modification	-	-
Deletion	-	-
At March 31, 2023	244.08	-
Net Block value		
At March 31, 2023	344.20	-
At March 31, 2022	422.80	-

Notes:

- (i) (The Company incurred Rs 76.13 lakhs during the year ended March 31, 2023 towards expenses relating to short-term leases (i.e. less than twelve month) and leases of low-value assets. The total cash outflow for leases is Rs 178.15 lakhs for the year ended March 31, 2023 including cash outflow of short-term leases and leases of low-value assets.
- (ii) The Company's leases mainly comprise of Buildings and Vehicles.

3 (b). Capital Work-in-progress

(Amount in Lakhs)

At 31st March 2023	3.18
At 31st March 2022	-

CWIP aging schedule	Mar-23				
CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	3.18	-	-	-	3.18
Projects temporarily suspended	-	-	-	-	-

CWIP aging schedule	Mar-22				
CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Notes to standalone financial statements

for the year ended March 31, 2023

4. Intangible assets

(Amount in Lakhs)

Gross block	
At April 1, 2021	2,787.06
Additions	0.46
Disposals / adjustments	-
At March 31, 2022	2,787.52
Additions	38.18
Disposals / adjustments	(2,151.44)
At March 31, 2023	674.26
Accumulated Amortisation	
At April 1, 2021	2,725.05
Charge for the year	35.30
Disposals / adjustments	-
At March 31, 2022	2,760.35
Charge for the year	26.11
Disposals / adjustments	(2,151.54)
At March 31, 2023	634.93
Net block value	
At March 31, 2023	39.33
At March 31, 2022	27.17

5. Financial assets - Investments

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Investment in subsidiaries :		
Equity Instruments (Unquoted)		
586 (March 31, 2022: 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, 2022: 3,600,000) Equity Shares of Rs. 10/- each fully paid up in Aksh Composites Private Limited (India)	337.42	337.42
100,000 (March 31, 2022 : 1,00,000) Equity Shares of AED 10/- each fully paid up in AOL Technologies FZE (Dubai)	180.90	180.90
2,558,053 (March 31, 2022 : 2,558,053) Equity Shares of MUR 10/- each fully paid up in Aksh Technologies (Mauritius) Limited (Mauritius)	525.27	525.27
Deemed investment in subsidiaries # (refer note no.35(e))	1,043.06	1,043.06
Total (a)	16,822.83	16,822.83
	31-Mar-23	31-Mar-22
Preference Instruments (Unquoted)		
26,32,124 (March 31 2022: 26,32,124) 6% non cumulative optionally convertible Preference share of Arab Emirates Dhiram (AED) 10 each in AOL Technologies FZE (Dubai)	5,159.31	5,159.31
538 (March 31, 2022: 538) 6% non cumulative optionally convertible Preference share of Arab Emirates Dhiram (AED) 50,000 each in AOL FZE (Dubai)	5,096.92	5,096.92
Total (b)	10,256.23	10,256.23
Less : Provision for Dimnution in value of Investment of AOL FZE (Dubai) (c)	8,593.73	8,593.73
Total (a+b-c)	18,485.33	18,485.33
Other Details		
Investment in subsidiaries	18,485.33	18,485.33
Investment in others		

#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 Company to its subsidiaries, since the guarantee has been provided by Company 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. Also the company has deferred interest receivable from subsidiary and the same is repayable in 8 equal quarterly installment from April 2024 onwards.

Notes to standalone financial statements

for the year ended March 31, 2023

6. Financial assets - Loans

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Non-Current		
Loan and advances to related parties # (refer note no.35 (d))	2,780.12	2,392.39
	2,780.12	2,392.39
Current		
Loan and advances to related parties (refer note no.35 (d))	417.42	389.48
Loan and advances to others	350.00	350.00
	767.42	739.48
Break-up:		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	3,547.54	3,131.87
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
	3,547.54	3,131.87

Loans / advances repayable on demand

	31-Mar-23		31-Mar-22	
Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	417.42	11.77%	389.48	12.44%
	417.42	11.77%	389.48	12.44%

7. Financial assets - Other Financial Assets

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Non Current		
Security deposit *	133.30	158.50
Margin Money #	820.47	153.03
	953.77	311.53
Current		
Security deposit*	71.87	40.48
Interest accrued on fixed deposits	15.42	18.11
Interest accrued on other deposits	213.61	165.06
	300.90	223.65

*Security deposit are financial assets and are refundable in cash. These are measured based on effective interest method.

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

8 (a) . Deferred Tax

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Deferred Tax Liability		
Fixed assets: Impact of difference between tax depreciation and depreciation / amortisation charged for the financial reporting	1,099.10	1,182.42
Gross deferred tax liability	1,099.10	1,182.42
Deferred tax asset		
Provision for doubtful debts	30.17	-
Carry forward of business Losses	-	-
Disallowances under the Income Tax Act, 1961	417.88	644.20
Gross deferred tax asset	448.05	644.20
MAT credit	-	174.37
Deferred Tax Assets / (Liability) (net)	(651.05)	(363.85)

Notes to standalone financial statements

for the year ended March 31, 2023

Reconciliation of deferred tax assets / (liability)

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Opening deferred tax assets / (liability) (net)	(363.85)	208.83
Deferred tax credit / (charge) recorded in statement of profit & loss	(107.39)	(36.50)
Deferred tax credit / (charge) recorded in OCI	(5.46)	(21.66)
Utilisation of MAT credit	(174.37)	(514.52)
Closing deferred tax assets/(liability) (net)	(651.05)	(363.85)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate:

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Accounting profit before income tax	2,257.51	2,397.12
Impairment provision (Refer note no 44)	-	-
Considered for tax purpose	2,257.51	2,397.12
At India's statutory income tax rate of 29.120% (March 31, 2022: 29.120%)	657.39	698.04
Impact of permanent disallowances under Income Tax Act	30.97	7.94
Others	0.72	(10.71)
At the effective income tax rate of 30.524% (March 31, 2022: 29.005%)	689.08	695.27
Income tax expense reported in the statement of profit and loss	689.08	695.27

8 (b). Current Tax Assets and Liabilities

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Current tax asset	-	31.60
Current tax liability	110.74	-

9. Other Assets

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Non-Current		
Capital advances	-	253.99
Prepaid expenses	10.46	11.17
Total Other Non-Current Assets	10.46	265.16
Current		
Advances recoverable in cash or kind	471.34	406.75
Prepaid expenses	22.13	34.80
Balances with statutory / government authorities	153.60	604.47
Total Other Current Assets	647.07	1,046.02

10. Inventories

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
(Valued at lower of cost and net realisable value)		
Finished and traded goods (Includes stock in transit Rs.228.91, March 31,2022: Rs. 441.99 lakhs)	864.32	1,309.70
Raw material	556.62	1,336.96
Semi finished goods	339.42	494.23
Stores, spares and others	321.98	332.49
	2,082.34	3,473.38
Amount recognised in profit and loss		

Write-down to inventories to net realisable value amounted to Rs. Nil (March 2022: Rs. 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.

Notes to standalone financial statements

for the year ended March 31, 2023

11. Financial assets - Trade Receivables

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Non-current		
Trade receivables	-	-
Receivables from related parties (refer note no.35 (d))	3,963.28	-
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	-	-
	3,963.28	-
Less : Provision for doubtful debts	-	-
	3,963.28	-
Current		
Trade receivables	3,897.28	6,850.48
Receivables from related parties (refer note no.35 (d))	28.77	3,792.59
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	-	-
	3,926.05	10,643.07
Less : Provision for doubtful debts	103.61	-
	3,822.44	10,643.07
Breakup of security details		
Secured, considered good	-	-
Unsecured, considered good	7,785.72	10,643.07
Considered doubtful	103.61	-
	7,889.33	10,643.07

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:

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Trade receivables	-	-
Associated borrowing	-	-

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 :

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Trade receivables	359.56	499.13

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 60 days.

For period wise ageing detail of trade receivable refer note no 11A.

Notes to standalone financial statements

for the year ended March 31, 2023

11A. Financial assets - Trade Receivables

(Amount in Lakhs)

		Mar-23					
Particulars		Outstanding for following periods from due date of Payment					Total
		Less then 6 months	6 months-1 years	1-2 years	2- 3 years	More than 3 years	
(i)	Undisputed Trade Receivables- Considered Good	2,951.80	277.34	295.19	105.60	4,155.78	7,785.72
(ii)	Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	103.61	103.61
(iii)	Undisputed Trade Receivables Credit Impaired	-	-	-	-	-	-
(iv)	Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
(v)	Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables Credit Impaired	-	-	-	-	-	-

		Mar-22					
Particulars		Outstanding for following periods from due date of Payment					Total
		Less then 6 months	6 months-1 years	1-2 years	2- 3 years	More than 3 years	
(i)	Undisputed Trade Receivables- Considered Good	5,074.92	338.67	707.93	1,394.76	3,126.79	10,643.07
(ii)	Undisputed Trade Receivables-which have significant increase in credit risk						
(iii)	Undisputed Trade Receivables Credit Impaired						
(iv)	Disputed Trade Receivables- Considered Good						
(v)	Disputed Trade Receivables-which have significant increase in credit risk						
(vi)	Disputed Trade Receivables Credit Impaired						

12. Financial assets - Cash and Cash equivalents

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Balances with banks:		
On current accounts*	405.17	612.48
FDR with original maturity less than 12 months	51.18	-
On unpaid dividend account	6.05	6.06
Cash on hand	3.34	9.31
	465.74	627.85

*Includes earmarked bank balances amounting to Rs Nil (March 31, 2022 : Rs. 200 Lakhs)

13. Financial assets - Other Bank Balances

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Margin Money#	173.76	1,251.93
	173.76	1,251.93

#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, 2023

14. Share Capital

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Authorized Shares (Nos)		
520,100,000 (March 31,2022 : 520,100,000) Equity Shares of Rs. 5/- each	26,005.00	26,005.00
Issued, subscribed and fully paid-up shares (Nos.)		
162,697,971 (March 31,2022 : 162,697,971) Equity Shares of Rs. 5/- each	8,134.90	8,134.90
	8,134.90	8,134.90

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

Equity Shares

		31-Mar-23	31-Mar-22
At the beginning of the year	Nos.	162,697,971	162,697,971
Issued during the year	Nos.	-	-
Outstanding at the end of the year	Nos.	162,697,971	162,697,971
At the beginning of the year	Rs. in Lakhs	8,134.90	8,134.90
Issued during the year	Rs. in Lakhs	-	-
Outstanding at the end of the year	Rs. in Lakhs	8,134.90	8,134.90

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. 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) Shares held by shareholders more than 5%

	31-Mar-23		31-Mar-22	
Name of shareholder	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
Kailash Shantilal Choudhari	20,205,678	12.42	20,205,678	12.42
Total	20,205,678	12.42	20,205,678	12.42

(c) Shares held by Promoters at the end of the year

Promoter Name	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
Kailash Shantilal Choudhari	20,205,678	12.42	20,205,678	12.42
Seema Choudhari	7,000,000	4.30	7,000,000	4.30
Sharda Popatlal Sundesha	6,969,562	4.28	6,969,562	4.28
Shailesh Popatlal	6,901,723	4.24	6,901,723	4.24
Bharti Shailesh Sundesha	4,092,372	2.52	4,092,372	2.52
Rohan Kailash Choudhari	150,500	0.09	150,500	0.09
Rashi Choudhari	150,500	0.09	150,500	0.09
Total	45,470,335	27.94	45,470,335	27.94

There is no change in shareholding of promoters in above mentioned years.

(d) 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-23	31-Mar-22
32,901 No's Fully Paid Up Equity Shares allotted to minority shareholders of erstwhile APaksh Broadband Limited during financial year 2017-18	-	-

Notes to standalone financial statements

for the year ended March 31, 2023

15. Other Equity

(Amount in Lakhs)

		31-Mar-23	31-Mar-22
Securities Premium Account	(A)	33,064.11	33,064.11
Capital Reserves	(B)	2,223.35	2,223.35
Retained Earnings			
Balance as per the last financial statements		(14,970.04)	(16,724.62)
Profit for the year		1,542.53	1,701.85
Add: Other Comprehensive Income		13.28	52.73
Closing Balance	(C)	(13,414.23)	(14,970.04)
Total Other Equity	(A+B+C)	21,873.23	20,317.42

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.

16. Financial liabilities - Non-Current Borrowings

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Non-Current Borrowings		
Secured Loans		
Foreign Currency Loan from Bank	-	409.82
Indian Rupee Loan from Banks	-	704.38
Total Non-Current long term borrowings	-	1,114.20
The above amount includes		
Secured borrowings	-	1,114.20
Current maturities of long term debt		
Term Loans		
Secured Loans		
Foreign Currency Loan from Bank	1,186.51	1,541.67
Indian Rupee Loan from Banks	4,328.83	3,746.72
Total Current Maturities	5,515.34	5,288.39
The above amount includes		
Secured borrowings	5,515.34	5,288.39
Unsecured borrowings	-	-
Amount disclosed under the head "Short term borrowings" (refer note no. 21)	(5,515.34)	(5,288.39)
	-	-

Nature of Security and Terms of Repayment of Long term borrowings

Indian rupee loan from banks amounting to Rs 4,328.83 lakhs (March 31, 2022: Rs 4,451.10 lakhs) carries interest rate ranging between 9.45% p.a. to 13.60% 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 Shantilal Choudhari.

Foreign currency term loan from banks amounting to Rs.1,186.51 lakhs (March 31, 2022: Rs 1,951.49 lakhs) carries interest rate ranging between 5.30 % to 6.45% 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 Shantilal Choudhari.

Notes to standalone financial statements

for the year ended March 31, 2023

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

Name of lender		Borrowings		
		Delay in repayment during the year		Default as at March 31, 2023
Promoter Name	Rs. in Lakhs	Period of default	Rs. in Lakhs	Period of default
Punjab National Bank*	31.15	0-180 days	-	0-180 days
	31.15	181-360 days	-	181-360 days
	31.15	361-720 days	-	361-720 days
	15.58	More than 720 days	-	More than 720 days
HDFC Bank	-	0-180 days	289.37	0-180 days
	15.18	181-360 days	286.07	181-360 days
	365.88	361-720 days	765.49	361-720 days
	434.84	More than 720 days	769.10	More than 720 days
Union Bank of India	-	0-180 days	110.00	0-180 days
	-	181-360 days	315.78	181-360 days
	-	361-720 days	881.00	361-720 days
	47.10	More than 720 days	723.90	More than 720 days
	972.03		4,140.71	

Name of lender		Interest		
		Delay in payment during the year		Default as at March 31, 2023
Interest	Rs. in Lakhs	Period of default	Rs. in Lakhs	Period of default
Punjab National Bank *	34.95	0-180 days	-	0-180 days
HDFC Bank	2.83	0-180 days	147.16	0-180 days
	-	181-360 days	168.32	181-360 days
	8.61	361-720 days	333.33	361-720 days
	-	More than 720 days	341.90	More than 720 days
Union Bank of India	203.30	0-180 days	-	0-180 days
	144.08	181-360 days	-	181-360 days
	70.26	361-720 days	-	361-720 days
	-	More than 720 days	-	More than 720 days
	464.03		990.71	

Name of lender		Stand by Letter of Credit (SBLC) / Working Capital Loan		
		Delay in repayment during the year		Default as at March 31, 2023
Stand by Letter of Credit (SBLC) / Working Capital Loan	Rs. in Lakhs	Period of default	Rs. in Lakhs	Period of default
HDFC Bank	-	0-180 days	0.69	0-180 days
	-	181-360 days	46.64	181-360 days
	-	361-720 days	123.07	361-720 days
	-	More than 720 days	260.10	More than 720 days
Union Bank of India	141.93	0-180 days	175.00	0-90 days
	241.17	181-360 days	-	91-180 days
	159.38	361-720 days	-	181-360 days
	658.43	More than 720 days	1,396.01	More than 720 days
	1,200.91		2,001.51	

*During the year, the Company has entered into One Time Settlement (OTS) with Punjab National Bank and has paid Rs. 555 Lakhs against Book outstanding of Rs. 731 Lakhs resulting in a total gain of Rs. 176 Lakhs out of which Rs. 87 Lakhs has been included in other income and balance adjusted against finance cost.

Notes to standalone financial statements

for the year ended March 31, 2023

17. Lease Liabilities

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Non-Current		
Lease Liabilities	333.81	402.96
	333.81	402.96
Current		
Lease Liabilities	69.16	55.52
	69.16	55.52

18. Financial liabilities - Trade Payables

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Non-Current		
Trade Payables to micro and small enterprises (refer note no. 43)	-	-
Trade Payables to others	455.50	-
	455.50	-
Other Details		
Trade payables to related parties (Refer note no. 35 (d))	-	-
Others	455.50	-
Current		
Trade Payables to micro and small enterprises (refer note no. 43)	-	9.49
Trade Payables to others	2,961.27	6,949.59
	2,961.27	6,959.08
Other Details		
Trade payables to related parties (Refer note no. 35 (d))	-	102.24
Others	2,961.27	6,856.84

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

For period wise ageing detail of trade payable refer note no 18A.

18A. Financial liabilities - Trade Payables

(Amount in Lakhs)

Particulars	Mar-23				Total
	Less Than 1 Year	1-2 years	2- 3 years	More than 3 years	
MSME	-	-	-	-	-
Others	1,489.77	38.49	-	1,888.51	3,416.77
Disputed Dues Others	-	-	-	-	-

Particulars	Mar-22				Total
	Less Than 1 Year	1-2 years	2- 3 years	More than 3 years	
MSME	8.30	-	1.19	-	9.49
Others	4,903.19	229.90	298.59	1,517.91	6,949.59
Disputed Dues Others	-	-	-	-	-

19. Financial liabilities - Other Financial Liabilities

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Non-Current		
Financial guarantee obligation	3.18	15.59
Total Non-Current financial liabilities	3.18	15.59
Current		
Interest accrued and due on borrowings / trade payable	1,633.05	1,889.66
Unclaimed Dividend 2017-18*	6.05	6.06
Foreign exchange forward contracts	0.15	-
Financial guarantee obligation	12.41	14.07
0% Security Deposits	158.85	130.89
Others	2,310.83	2,451.19
Total Current financial liabilities	4,121.34	4,491.87

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

Notes to standalone financial statements

for the year ended March 31, 2023

20. Provisions

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Non-Current		
Provision for Gratuity & Compensated Absences (refer note no. 33)	155.48	173.22
	155.48	173.22
Current		
Provision for Gratuity & Compensated Absences (refer note no. 33)	4.38	262.03
	4.38	262.03

21. Short Term Borrowings

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Secured Loans		
Working capital facilities from Banks	732.78	2,389.01
Stand by letter of Credit (SBLC)	1,396.01	2,054.43
Current maturities of long term debt - Secured Long Term Debt (Refer Note no. 16)	5,515.34	5,288.39
	7,644.13	9,731.83
Total secured loans	7,644.13	9,731.83
Total unsecured loans	-	-

Working capital facilities includes cash credit, Invoked SBLC from banks and are secured by first pari-passu charge by way of 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 Shantilal Choudhari. It carries interest in the range of 10.85% to 14.70 % p.a.

Quarterly returns / statements filed by the company with banks are generally in agreement with the books of account of the Company and no material deviation were noticed during reconciliation.

LC Discounting are unsecured and carries interest @ 5.65% to 7.80% p.a.

22. Other Current Liabilities

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Advance from Customers	336.25	662.34
Others	218.55	267.13
	554.80	929.47

23. Revenue From Operations

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Revenue from contracts with customers		
Sale of products		
- Finished goods	20,012.59	23,833.21
- Traded goods	987.37	1,006.60
Sale of services	6,082.18	4,692.25
Other operating revenue		
- Scrap sales	52.88	45.65
- Export Incentives	104.56	197.52
- Exchange Fluctuation	109.97	207.60
- Other operating revenue	21.66	136.84
	27,371.21	30,119.67

(a) Disaggregation of revenue has been disclosed on the basis business segment and geography (refer note no. 34)

Notes to standalone financial statements

for the year ended March 31, 2023

(b) Reconciliation of Revenue from operations with contract price

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Contract price	27,146.98	29,595.41
Less: Rebate / Discount	11.96	17.70
Total revenue from operations	27,135.02	29,577.71

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

(c) Contract balances

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Contract Liabilities		
Advance from customers	336.25	662.34
Total	336.25	662.34
Receivables		
Trade receivables	3,926.05	10,643.07
Less: Provision for doubtful debts	(103.61)	-
Total	3,822.44	10,643.07

Receivables is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance.

24. Other Income

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Interest income		
on deposits	64.76	56.84
on advances to related parties	30.60	30.60
on other advances	214.02	317.67
Other non-operating Income	90.42	220.13
	399.80	625.24

25. Cost of raw material and components consumed

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Inventory at the beginning of the year	1,336.96	752.23
Add: Purchases	11,269.79	14,701.33
	12,606.75	15,453.56
Less: inventory at the end of the year	556.62	1,336.96
Cost of raw material and components consumed	12,050.13	14,116.60

26. Details of purchase of traded goods

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Telecom & electronic items	1,160.87	748.37
	1,160.87	748.37

27. (Increase)/ decrease in inventories

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Inventories at the end of the year		
Finished/Traded goods	864.32	1,309.70
Semi Finished goods	339.42	494.23
	1,203.74	1,803.93
Inventories at the beginning of the year		
Finished/traded goods	1,309.70	2,099.66
Semi finished goods	494.23	361.41
	1,803.93	2,461.07
	600.19	657.14

Notes to standalone financial statements

for the year ended March 31, 2023

28. Employee benefits expense

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Salaries, wages and bonus	1,840.28	1,872.10
Contribution to provident and other funds	173.84	179.98
Gratuity	67.93	75.40
Staff welfare expenses	49.22	45.95
Directors Sitting Fees	18.80	15.20
	2,150.07	2,188.63

29. Finance costs

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Interest on Cash Credit	115.90	569.69
Interest on Term Loan	932.16	1,056.95
Interest Others *	87.76	133.44
Bank Charges	119.54	216.10
	1,255.36	1,976.18

*Interest on lease liabilities is Rs. 46.50 lakhs for the year ended on March 31, 2023 (March 31, 2022 Rs 45.73 Lakhs).

During the year, the Company has capitalised borrowing costs of Nil (March 31, 2022: Nil) incurred on the borrowings specifically availed for expansion of production facilities. The interest expense disclosed above is net of the interest amount capitalised.

30. Depreciation and amortisation expense

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Depreciation of Property, Plant & Equipment	1,411.32	1,402.54
Depreciation on Right to use of Assets (Lease Assets)	78.60	58.41
Amortisation of intangible assets	26.11	35.30
	1,516.03	1,496.25

31. Other expenses

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Consumption of stores and spares	402.52	516.23
Power and Fuel	769.28	799.99
Packing Material Consumed	645.51	956.23
Repair & Maintenance		
- Plant & Machinery	147.41	121.43
- Buildings	19.81	10.00
- Others	73.79	69.44
Sub-contracting expenses	3,228.12	3,056.87
Marketing & Service Charges	118.42	133.46
Freight & Cartage (Outward)	239.30	400.80
Travelling & Conveyance	193.72	83.70
CSR Expenditure*	18.72	22.89
Postage & Telephone	24.49	23.55
Insurance	103.49	98.21
Rent	8.22	13.59
Professional & Legal Expenses	480.21	532.11
Auditors' Remuneration**	46.21	40.91
Other expenses	377.09	290.91
	6,896.31	7,170.32

Notes to standalone financial statements

for the year ended March 31, 2023

*Details of CSR Expenditure

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
a) Gross amount required to be spent during the year	5.52	19.46
b) Amount Spent during the year ending on		
i) Construction/acquisition of an asset	-	-
ii) on Purchase other than (i) above	18.72	22.89
c) Shortfall at the end of the Year	-	-
d) Total of previous years shortfall	-	-
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Horticulture and Social welfare	Horticulture and Education
g) Details of related party transactions	Nil	Nil

**Payment to auditor

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
As auditor:		
Audit fee	39.00	35.00
Tax Audit Fees	5.00	5.00
In other capacity:		
Other services (certification fees)	-	-
Reimbursement of expenses	2.21	0.91
	46.21	40.91

32. Exceptional Item

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Foreign Exchange Fluctuations	237.81	94.70
Balances written off Income/ (Expense)	56.55	132.84
Provision for Doubtful Debts	(103.61)	-
Bad Debts (net of provision)	-	(89.38)
Loss on sale of property, plant and equipment	(75.29)	(10.49)
Impairment provision on property, plant and equipments	-	(121.97)
	115.46	5.70

33. 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 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:

(Amount in Lakhs)

	Gratuity Funded	Compensated absences
Defined benefit obligation at April 1, 2021	498.44	141.73
Interest expense	33.89	9.64
Service cost	42.50	32.97
Benefits paid	(124.53)	(77.76)
Actuarial (gain)/ loss on obligations	(74.39)	(31.54)
Defined benefit obligation at March 31, 2022	375.93	75.04
Interest expense	27.18	5.43
Service cost	41.88	22.61
Benefits paid	(289.38)	(24.17)
Actuarial (gain)/ loss on obligations	(18.42)	(16.26)
Defined benefit obligation at March 31, 2023	137.19	62.65

Notes to standalone financial statements

for the year ended March 31, 2023

Reconciliation of fair value of plan assets and defined benefit obligation:

(Amount in Lakhs)

	Gratuity Funded	Compensated absences
Present value of obligation	375.93	75.04
Fair value of plan assets	15.72	-
Net assets / (liability) recognized in balance sheet as provision as at 31 March 2022	(360.21)	(75.04)
Present value of obligation	137.19	62.65
Fair value of plan assets	39.99	-
Net assets / (liability) recognized in balance sheet as provision as at 31 March 2023	(97.21)	(62.65)

Amount recognised in Statement of Profit and Loss:

(Amount in Lakhs)

	Gratuity Funded	Compensated absences
Current service cost	42.50	32.97
Net interest expense	32.90	9.64
Net actuarial (gain)/loss recognised during the year	-	(31.54)
Amount recognised in Statement of Profit and Loss for year ended March 31, 2022	75.40	11.07
Current service cost	41.88	22.61
Net interest expense	26.05	5.43
Net actuarial (gain)/loss recognised during the year	-	(16.26)
Amount recognised in Statement of Profit and Loss for year ended March 31, 2023	67.93	11.78

Amount recognised in Other Comprehensive Income:

(Amount in Lakhs)

	Gratuity Funded	Compensated absences
Actuarial (gain)/ loss on obligations	74.39	-
Return on plan assets (excluding amounts included in net interest expense)	-	-
Amount recognised in Other Comprehensive Income for year ended March 31, 2022	74.39	-
Actuarial (gain)/ loss on obligations	18.42	-
Return on plan assets (excluding amounts included in net interest expense)	0.32	-
Amount recognised in Other Comprehensive Income for year ended March 31, 2023	18.74	-

Changes in the fair value of plan assets are, as follows:

(Amount in Lakhs)

	Gratuity Funded	Compensated absences
Fair value of plan assets at April 1, 2021	14.72	-
Actual return on plan assets	1.00	-
Benefits paid	-	-
Employer contribution	-	-
Fair value of plan assets at March 31, 2022	15.72	-
Actual return on plan assets	1.46	-
Benefits paid	-	-
Employer contribution	22.81	-
Fair value of plan assets at March 31, 2023	39.99	-

Notes to standalone financial statements

for the year ended March 31, 2023

The major categories of plan assets of the fair value of the total plan assets are as follows:

	31-Mar-23	31-Mar-22
Investment Details	Gratuity	Gratuity
Funds Managed by Insurer	100%	100%

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	31-Mar-23	31-Mar-22
Average Past Service	2.90	2.06
Average Age	38.21	37.88
Average remaining working life	16.79	17.12
Discounting rate	7.38%	7.23%
Future salary Increase	7.00%	7.00%

Sensitivity analysis:

Sensitivity Analysis of the defined benefit obligation - Gratuity Plan

	31-Mar-23	31-Mar-22
Impact on defined benefit obligation	137.19	375.93
Delta effect of +0.5% change in discount rate	(6.04)	(4.92)
Delta effect of -0.5% change in discount rate	6.47	5.28
Delta effect of +0.5% change in salary increase	6.06	4.85
Delta effect of -0.5% change in salary increase	(5.71)	(4.56)

Sensitivity Analysis of the defined benefit obligation - Compensated absences

	31-Mar-23	31-Mar-22
Impact on defined benefit obligation	62.65	75.04
Delta effect of +0.5% change in discount rate	(2.69)	(3.41)
Delta effect of -0.5% change in discount rate	2.87	3.65
Delta effect of +0.5% change in salary increase	2.86	3.64
Delta effect of -0.5% change in salary increase	(2.70)	(3.43)

Maturity Profile of Defined Benefit Obligation (Gratuity)

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
0 to 1 Year	1.31	273.50
1 to 2 Year	8.50	5.40
2 to 3 Year	8.78	6.56
3 to 4 Year	6.65	6.15
4 to 5 Year	13.34	6.30
6 Year onwards	98.61	78.02

Defined contribution plans

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Employer's Contribution to Provident Fund	152.14	152.73
Employer's Contribution to ESI	-	3.03
Employer's Contribution to NPS	21.70	24.22
	173.84	179.98

34. 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 standalone financial statements

for the year ended March 31, 2023

(A) Primary segment

(Amount in Lakhs)

Particulars	Manufacturing			Services			Total	
	31-Mar-23	31-Mar-22		31-Mar-23	31-Mar-22		31-Mar-23	31-Mar-22
Segment Revenue								
External Turnover	21,431.99	25,284.46		5,939.22	4,835.21		27,371.21	30,119.67
Inter Segment Turnover	-	-		-	-		-	-
Total Revenue	21,431.99	25,284.46		5,939.22	4,835.21		27,371.21	30,119.67
Segment Results before Interest and Taxes	2,852.03	3,829.12		872.75	734.67		3,724.78	4,563.79
Less : Finance Costs							1,255.36	1,976.18
Add : Interest Income							309.38	405.11
Add : Exceptional Items							115.46	5.70
Add/(Less): Unallocated (Expenses)/ Income							(636.75)	(601.30)
Profit before Tax							2,257.51	2,397.12
Other Information								
Segment Assets	20,153.36	26,292.54		4,343.17	4,439.14		24,496.53	30,731.68
Unallocated Assets							22,576.44	22,220.26
Total Assets	20,153.36	26,292.54		4,343.17	4,439.14		47,072.97	52,951.94
Segment Liabilities	14,572.89	22,003.35		1,303.95	1,767.93		15,876.84	23,771.28
Unallocated Liabilities							1,188.00	728.34
Share Capital & reserves							30,008.13	28,452.32
Total Liabilities	14,572.89	22,003.35		1,303.95	1,767.93		47,072.97	52,951.94
Depreciation and Amortization	1,242.05	1,230.65		273.98	265.60		1,516.03	1,496.25

Note:-

Total Revenue is after elimination of inter segment turnover March 31, 2023: Nil (March 31, 2022: Nil)

(B) Secondary segment

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Revenue from external customer*		
Within India	20,292.54	18,074.47
Outside India	7,078.67	12,045.20
Total Revenue as per statement of profit and loss	27,371.21	30,119.67

*The revenue information above is based on the locations of the customers.

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Non-Current Operating Assets**		
Within India	12,620.34	13,460.55
Outside India	-	-
Total	12,620.34	13,460.55

**** 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 Nil (March 31, 2022: Nil)

35. 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:

Notes to standalone financial statements

for the year ended March 31, 2023

(a) Subsidiary Companies/ Step Down Subsidiary:

- 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)

(b) Key Management personnel (KMP) and their relatives:

- Dr. Kailash Shantilal Choudhari (Chairman)
- Mr. Satyendra Gupta (Non-Executive-Non-Independent Director)
- Mr. Harvinder Singh (Independent Director)
- Mr. Sunil Puri (Independent Director)
- Mr. Sanjay Katyal (Independent Director)
- Ms. Anuja Bansal (Independent Director)
- Mr. Rikhab Chand Mogha (Non-Executive-Non-Independent Director)
- Mr. Rahul Mogha (Relative of Non-Independent Director)
- Mr. Charandeep Singh (Chief Financial Officer till 13.05.2022)
- Mr. Nikhil Jain (Chief Financial Officer w.e.f 01.06.2022)
- Mr. Gaurav Mehta (Chief- Corporate Affairs & Company Secretary till 03.02.2022 and elevated as Chief Executive Officer-Corporate Affairs & Group Company Secretary w.e.f. 04.02.2022)
- Mr. Anubhava Raizada (Company Secretary w.e.f. 13.05.2022)
- Mr. Pramod Kumar Srivastava (Chief Executive Officer till 06.08.2021)

(c) Transaction with related parties

(Amount in Lakhs)

Nature of Transaction	Subsidiaries	KMP	Total
Re-imbursement of expenses	2.55	-	2.55
	1.92	-	1.92
Interest income on Loan	30.60	-	30.60
	30.60	-	30.60
Short term employee benefits	-	156.18	156.18
	-	150.46	150.46
Purchase / Services Received	478.77	71.50	550.27
	225.73	66.00	291.73
Sale (including capital goods) (net of returns)	175.03	-	175.03
	6.90	-	6.90
Sitting Fees	-	18.80	18.80
	-	15.20	15.20

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

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Subsidiaries		
Trade Receivables	3,992.05	3,792.59
Loan and advances receivable	3,197.54	2,781.87
Advance to Supplier	10.01	8.12
Trade and other Payables	-	(102.24)
KMP		
Trade and other Payables	(17.67)	(49.33)

Notes to standalone financial statements

for the year ended March 31, 2023

(e) Deemed investment in subsidiaries*

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
AOL FZE (Dubai)	868.99	868.99
AOL Technologies FZE (Dubai)	174.07	174.07
	1,043.06	1,043.06

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. For the year ended March 31, 2023, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2022: Nil)

36. Detail of loans given, Investment made and guarantee given covered under section 186(4) of the Companies Act, 2013

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
(a) Loan given by the Company for general business purposes during the year :		
AOL FZE (Dubai)	-	-
Aksh Composite Private Limited	-	-
AOL Technologies FZE (Dubai)	-	-
Aksh Technologies (Mauritius) Limited, (Mauritius)	-	-
(b) Investment made are given under respective head (refer note no 5)		
AOL Technologies FZE, (Dubai)	-	-
AOL FZE (Dubai)	-	-
Aksh Technologies (Mauritius) Limited, (Mauritius)	-	-
(c) Corporate guarantee given by the Company during the year		
AOL FZE (Dubai)	-	-

For year ended transaction with related parties refer note no.35

37. 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:

	31-Mar-23	31-Mar-22
Profit for the year	1,542.53	1,701.85
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	0.95	1.05
Diluted EPS (on nominal value of Rs. 5 per share) Rs./share	0.95	1.05

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.

Notes to standalone financial statements

for the year ended March 31, 2023

(a) 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.

(b) 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.

(c) 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 33.

(e) 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

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	138.52
Outstanding export obligation under EPCG scheme	2,168.32	2,168.32

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.

40. Contingent liabilities

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
(a) Disputed Liabilities in appeal		
Sales tax matters	726.49	123.09
Service tax	22.29	19.40
Excise / custom duty	66.94	159.36
Goods and Service Tax	64.62	-
Income tax matters	361.30	429.62
Others [#]	2,365.01	1,151.42
(b) Outstanding amount of duty saved against advance license	1,080.00	939.29
(c) Outstanding amount of duty saved against EPCG scheme	703.45	361.39
(d) Corporate guarantees given	6,756.58	6,252.43

Notes to standalone financial statements

for the year ended March 31, 2023

#APAksh Broadband Limited was merged with the Holding company on approval of Scheme of Amalgamation vide order passed by the NCLT, New Delhi on 08.11.2017. A notice of evasion of stamp duty on the said amalgamation order was received from the State Directorate of Revenue Intelligence (SDRI). Subsequently, matter was duly represented by the Holding company on July 05, 2022 to the effect that both the entries have relationship of Holding and Subsidiary with Parent entity having 99.92% ownership of Subsidiary. So there was no transfer of any property under this Amalgamation and accordingly, no stamp duty is payable.

Presently the holding company has disputed the demand (including interest and penalty) amounting to Rs. 2,244.73 lakhs with relevant authorities which could have a significant impact on the financial statements of the Company, if the potential exposure were to materialise. Considering guidance provided in Ind AS 37 Provisions, contingent liabilities and contingent assets and discussion with legal consultants, management is of opinion that no such liability will arise in future.

41. Derivatives Instruments

A. Forward contracts outstanding as at the reporting date:-

(Amount in Lakhs)

	Currency	31-Mar-23	31-Mar-22
Forward contracts to sell	USD	-	-
	EURO	1.00	-
	GBP	-	-

B. Particulars of foreign currency receivable as at the reporting date

(Amount in Lakhs)

	Currency	31-Mar-23	31-Mar-22
Export of goods	USD	59.29	68.65
	EURO	6.08	11.58
Advance to Vendor	USD	1.12	0.49
	EURO	-	0.16
	AED	-	0.05
Interest receivable on advances	USD	37.79	37.79

C. Particulars of foreign currency payable as at the reporting date

(Amount in Lakhs)

	Currency	31-Mar-23	31-Mar-22
Import of goods and services	USD	36.16	47.62
	EURO	2.82	2.11
Advance from customers	USD	10.73	14.73
	EURO	0.46	-
Term Loan	USD	14.44	14.44
	EURO	-	-

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

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Name of Subsidiary		
AOL FZE (Dubai)	2,649.46	2,279.95
Aksh Composites Private Limited	412.52	384.98
AOL Technologies, FZE	130.67	112.44
Aksh Technologies (Mauritius) Limited	4.90	4.50

Notes to standalone financial statements

for the year ended March 31, 2023

B. Maximum Balance during the year

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Name of Subsidiary		
AOL FZE (Dubai)	2,649.46	2,324.77
Aksh Composites Private Limited	412.52	384.98
AOL Technologies, FZE	130.67	114.65
Aksh Technologies (Mauritius) Limited	4.90	4.50

43. Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
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	-	9.49
Interest due on above	-	4.36
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.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	26.52
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	-	26.52

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 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.

Notes to standalone financial statements

for the year ended March 31, 2023

Interest rate sensitivity

(Amount in Lakhs)

	Increase /Decrease in Basis points	Effect on profit before tax
31-Mar-23		
Base Rate	+50	(35.91)
Base Rate	-50	35.91
31-Mar-22		
Base Rate	+50	(49.93)
Base Rate	-50	49.93

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 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

(Amount in Lakhs)

	Changes in USD	Effect on profit before tax	Changes in Euro	Effect on profit before tax
31-Mar-23				
	+5%	151.45	+5%	12.53
	-5%	(151.45)	-5%	(12.53)
31-Mar-22				
	+5%	113.79	+5%	40.59
	-5%	(113.79)	-5%	(40.59)

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

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are also set accordingly

(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 March 31, 2023 and March 31, 2022 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 will encounter difficulty in meeting the obligation associated with its Financial Liabilities that are settled by delivering cash or another Financial Assets. The Company's approach to manage Liquidity is to have sufficient liquidity to meet its liabilities when

Notes to standalone financial statements

for the year ended March 31, 2023

they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Company's reputation. The Company has been experiencing liquidity problems due to delayed in realisation of receivables. 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 Company's liquidity management process as monitored by management includes the following:-

- (i) Day to day funding, managed by monitoring future cash flows to ensure that requirement can be met.
- (ii) Maintaining rolling forecast of the Company's liquidity position on the basis of expected cash flows.
- (iii) Strengthen of financial control with focus on realization of its receivables.

Exposure to Liquidity Risk

The following are the remaining contractual maturities of financial liabilities at the reporting data. The contractual cash flow amount are gross and undiscounted, and includes interest accrued

(Amount in Lakhs)

	Payable on demand	0-12 months	1-5 years	> 5 years	Total
As at March 31, 2023					
Borrowings	732.78	5,515.34	1,396.01	-	7,644.13
Trade payables	-	2,961.27	455.50	-	3,416.77
Other financial liabilities (including lease liabilities)	-	4,124.52	223.44	110.37	4,458.33
	732.78	12,601.13	2,074.95	110.37	15,519.23
As at March 31, 2022					
Borrowings	4,443.44	5,288.39	1,114.20	-	10,846.03
Trade payables	-	6,959.08	-	-	6,959.08
Other financial liabilities (including lease liabilities)	-	4,562.98	283.18	119.78	4,965.94
	4,443.44	16,810.45	1,397.38	119.78	22,771.05

45. Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The draft rules for the Code on Social Security, 2020 have been released by the Ministry of Labour and Employment on November 13, 2020. The Company and its Indian subsidiary are in the process of assessing the additional impact on Provident Fund contributions and on Gratuity liability contributions and will complete their evaluation and give appropriate impact in the financial statements in the period in which the rules are notified become effective and the related rules to determine the financial impact are published.

46. Overdue outstanding foreign currency receivable and payable

The Company has foreign currency payable aggregating to Rs 155.67 lakhs and Rs 1,948.16 lakhs which are outstanding for more than six months and three years respectively, as of March 31, 2023. The Company also has foreign currency receivable balances aggregating to Rs 4,277.51 lakhs which are outstanding for more than nine months, as of March 31, 2023. As on the date of signing of financial statement, the Company is in the process of applying for necessary extension in consultation with RBI Consultant. Management does not expect any material implication on account of delays under the existing regulations.

47. Classification of bank accounts of the Company by lenders as Non-performing assets

Consequent upon classification of Company account as NPA with its lenders, the Company has submitted the restructuring proposal for restructuring of debt under RBI Circular dated June 07, 2019 "Prudential Framework for Resolution of Stressed Assets" to lead bank which is expected to be completed shortly.

48. Application pending in Policy Relaxation Committee (PRC) for extension of Validity period of Advance license

The Company has outstanding three advance licenses for the purpose of saving duty on import with the condition of export obligation as on 31st March 2023, however in respect of pending all three licenses on which duty saved amounting to Rs 786.69 lakhs, required export obligation not fulfilled by the Company during the validity period of license. The Company has already filled application under PRC for extension period of above-mentioned license and the same is currently pending in PRC. Management is of the view that extension will be granted and required export obligation will be fulfilled in the extended period of advance license.

Notes to standalone financial statements

for the year ended March 31, 2023

49A. Impairment testing of Optical Fibre Manufacturing Plant of foreign subsidiary

The Foreign Subsidiary Company namely AOL Technologies FZE, Dubai (wholly owned subsidiary company) has Capital work in progress as on March 31, 2023 amounting to Rs. 9,294.38 lakhs in respect of Optical Fibre Manufacturing Plant. Presently the project has been suspended due to paucity of funds and in view of the continuing positively evolving optical fibre market and improved pandemic situation. Based on above mentioned information and considering the requirement of Ind AS-36 (Impairment of Assets), the management of the Company has carried out impairment assessment by registered valuer. Based on the valuation report received from such valuer no provision is considered necessary for any diminution in value of any assets.

49B. Impairment testing of FRP Manufacturing Plant of foreign subsidiary

The Foreign Subsidiary Company namely AOL FZE, Dubai (wholly owned subsidiary company) has been incurring losses from last few years, resulting in erosion of net worth. The Company is also in default with the Banks towards repayment of its borrowing obligation. Further at presently operations of above mentioned subsidiary are suspended due to various reason. Based on above mentioned information and considering the requirement of Ind AS-36 (Impairment of Assets), the management of the Company has carried out impairment assessment by registered valuer. Based on the valuation report received from such valuer no provision is considered necessary for any diminution in value of any assets.

50. Disclosure regarding relationship with struck-off Companies

The Company has not entered into any transaction nor it is having any balance outstanding with struck-off companies as defined under section 248 of Companies Act, 2013.

51. Impairment testing of Trade and loan receivable from subsidiary Companies

As on Balance Sheet date, The Company has exposure in Trade receivable and loan receivable (Including Interest) amounting to Rs. 3,992.05 lakhs & Rs. 3,197.54 lakhs respectively. The above mentioned balances receivable with related parties are net of payable. As on March 31, 2023 net worth of subsidiary companies is Negative. The Company has also applied for extension of un-realised export proceeds to Reserve Bank of India. Further due to pandemic of COVID-19 situation and suspension of operation of subsidiary, there is some delay in payment realisation. Management is of the view that Full amount is recoverable from subsidiary companies and no provision against the same is required to be recognised in books.

52. Impairment testing of Ophthalmic lens Plant

The Company has started lens plant in financial year 2017-18 for production of ophthalmic lens but the Company has not achieved desired production capacity due to technical constraint, resulting fixed cost increase of the lens plant with low contribution, hence cash loss incurred in lens plant in current year as well as in previous years. As on March 31, 2023, WDV (including capital work in progress) of Ophthalmic Lens Plant is Rs 2,902.38 lakhs. Based on above mentioned information and considering the requirement of Ind AS-36 (Impairment of Assets), the management of the Company has carried out impairment assessment by registered valuer. Based on the valuation report received from such valuer no provision is considered necessary for any diminution in value of any assets.

53. Registration of charges or satisfaction with Registrar of Companies (ROC)

(Amount in Lakhs)

Name of Lender	Loan Sanctioned	Charge Created	Difference	Remarks
Union Bank of India	29,855.00	37,169.00	7,314.00	Consortium charge was created by Union Bank of India for all lenders in previous years, however during the current year, Company has closed it's borrowings with one of lender namely "Punjab National Bank", however charge against the same was not satisfied on MCA portal.

54. Financial Ratios

(Amount in Lakhs)

Particulars	Numerator	Denominator	31-Mar-23	31-Mar-22	Variance (%)
Current Ratio	Current Assets	Current Liabilities	0.53	0.80	-33.59%
Debt-Equity	Total Debt	Shareholder's Equity	0.31	0.45	-30.93%
Debt Service Coverage Ratio	EBITDA	Debt Service (Interest+Principal Repayment)	0.74	0.80	-8.05%
Return on Equity (ROE)	Net Income after Tax	Shareholder's Equity	5.28%	6.17%	-14.49%
Inventory Turnover ratio	Cost of Goods Sold	Average Inventory	4.97	4.36	13.91%
Trade Receivables turnover ratio	Revenue from Operations	Average Trade Receivables	3.78	2.89	31.04%
Trade Payable turnover ratio	Purchases	Average Trade Payables	2.72	2.35	15.76%
Net capital turnover ratio	Revenue	Working Capital	-3.80	-6.86	-44.60%
Net profit ratio	Net Profit	Total Revenue	5.55%	5.54%	0.34%
Return on Capital Employed (ROCE)	EBIT	Capital Employed	11.32%	15.35%	-26.25%
Return on Investment (ROI)	Return	Investment	6.19%	4.05%	53.12%

Notes to standalone financial statements

for the year ended March 31, 2023

Explanation to Ratios where Variance in Ratio is more than 25% as compared to previous year

1. Current ratio decline due to increase in current liability and at the same time decline in current assets of the Company.
2. Debt Service Coverage Ratio: Ratio decline due to decline in Cash Profit before Interest.
3. Trade Receivables turnover ratio: Ratio is improved due to increase in Turnover and realization from some old Trade receivables.
4. Net capital turnover ratio: Ratio declined due to decline in current assets as compared to current liabilities of the Company.
5. Return on Capital Employed (ROCE): Ratio decline due to increase in Net Loss.
6. Return on Investment (ROI): Ratio improved due to Investment in FDR having increase in rate as compared to previous year.

55. Capital management

Capital of the Company, for the purpose of capital management, include issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise shareholders value. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings.

The Company monitors capital using gearing ratio, which is debt divided by total capital plus debt. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

	(Amount in Lakhs)	
	31-Mar-23	31-Mar-22
Borrowings	7,644.13	10,846.03
Less: Cash and cash equivalents	465.74	627.85
Net debt	7,178.39	10,218.18
Total equity	30,008.13	28,452.32
Gearing ratio	23.92%	35.91%

No changes were made in the objectives, processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

56. Fair Values

	(Amount in Lakhs)	
	31-Mar-23	31-Mar-24
Derivative instruments		
Carrying value	0.15	-
Fair Value	0.15	-

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 March 31, 2023 and March 31, 2022

Notes to standalone financial statements

for the year ended March 31, 2023

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023 and March 31, 2022

	Level 1	Level 2	Level 3
Derivative			
At March 31, 2023	-	0.15	-
At March 31, 2022	-	-	-
There are no transfers among levels 1, 2 and 3 during the year.			
The accompanying notes (1-56) are an integral part of the financial statements			

As per our report of even date

For P. C. Bindal & Co

Chartered Accountants

Firm Registration Number: 003824N

CA K. C. Gupta

Partner

Membership Number: 088638

Place: New Delhi

Date: May 19, 2023

Dr. Kailash Shantilal Choudhari

Chairman

DIN : 00023824

Nikhil Jain

Chief Financial Officer

For and on behalf of the Board of Directors

Gaurav Mehta

Chief Executive officer - Corporate Affairs &

Group Company Secretary

Anubhav Raizada

Company Secretary

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 Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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 read with the Companies (Indian Accounting Standards) Rules 2015, as amended (Ind AS), of the consolidated state of affairs of the Group as at 31st March 2023, and its consolidated loss (including other comprehensive income), consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

We conducted our audit of the consolidated financial statements 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 Consolidated Financial Statements section of our report. We are independent of the Group 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 opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to the consolidated financial statements:

- a) Note 44 regarding the Holding Company has foreign currency payable aggregating to Rs.155.67 lakhs and Rs.1,948.16 lakhs which are outstanding for more than six months and three years respectively, as of 31st March, 2023. The Holding Company also has foreign currency receivable balances aggregating to Rs. 4,277.51 lakhs which are outstanding for more than nine months, as of 31st March, 2023. As on the date of signing of financial statements, the Holding Company is in the process of applying for necessary extension in consultation with RBI consultant. Management does not expect any material implication on account of delays under the existing regulations.
- b) Note 45 regarding all secured lenders have classified bank account of the Group with them as Non-Performing Assets (NPA)

as per prescribed norms issued by Reserve Bank of India (RBI), although provision of interest in respect of such borrowings has been accounted for in books of accounts.

- c) Note 48 to the consolidated financial statements, which states, the Subsidiary Company namely AOL Technologies FZE, Dubai has Capital work in progress as on 31st March 2023 amounting to Rs. 9,294.38 lakhs in respect of Optical Fibre Manufacturing Plant. The Subsidiary Company is also in default with the Banks towards repayment of its borrowing obligation. Presently the project has been suspended due to paucity of funds. During the year, Subsidiary Company has carried out impairment testing by registered valuer. Based on the valuation report dated 1st May 2023, of the registered valuer, no provision is considered necessary for any diminution in value of assets.
- d) Note 49 to the consolidated financial statements, which states, the Subsidiary Company namely AOL FZE, Dubai has been incurring losses from last few years, resulting in erosion of net worth. The Subsidiary Company is also in default with the Banks towards repayment of its borrowing obligation. Presently the project has been suspended due to paucity of funds. During the year, Subsidiary Company has carried out impairment testing by registered valuer. Based on the valuation report dated 1st May 2023, of the registered valuer, no provision is considered necessary for any diminution in value of assets.
- e) Note 49 B to the consolidated financial statements, which states, Step-down Subsidiary namely AOL Composites (Jiangsu) Co. Limited has discontinued its operation in China and has recognised the loss of Rs.547.17 lakhs during the quarter.

Our opinion is not modified in respect of point no (a) & (e) mentioned above.

Key Audit Matters

Key audit matters ('KAM') 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.

S.No.	Key Audit Matter	Auditor's Response
1.	Litigations - Contingencies <p>As described in note 50B to the consolidated financial statements, • The Holding Company has merger with M/s APAKsh Brodband Limited on approval of Scheme of Amalgamation vide order passed by the NCLT, New Delhi on 08.11.2017. A complaint of evasion of stamp duty on the said amalgamation order was received by the State Directorate of Revenue Intelligence (SDRI).</p> <p>Matter was duly represented by Aksh on July 05, 2022 to effect that both the entries have relationship of Parent entity and Subsidiary with Parent entity having 99.92% ownership of Subsidiary. So there was no transfer of any property under this Amalgamation. Further, under the amalgamation of parent entity with subsidiary, no stamp duty is payable.</p> <p>This matter has been considered as a key audit matter considering that The Company has ongoing litigation with relevant authorities which could have a significant impact on the financial statements of the Company, if the potential exposure were to materialise. The amounts involved are significant, and the application of Indian Accounting Standards to determine the amount, if any, to be provided as a liability or disclosed as a contingent liability, is inherently subjective.</p>	<p>In view of the significance of the matter, our procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> (i) Assessing the appropriateness of the design and implementation of the Company's controls over the assessment of litigations. Necessary meetings are conducted with in-house legal counsel and/or legal team. (ii) Discussions with management in respect of application filled by Company with Deputy Inspector General, Registration and Stamps, Jaipur, against this order. (iii) We assessed the value of provision / contingent liability in light of position taken by the company, nature of exposure, applicable regulations and related correspondence with the authorities. <p>As a result of the above audit procedures, the management's assessment of provision for contingencies was considered to be appropriate.</p>

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

The Holding Company's Management and 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 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 Management and 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the each entity 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 Respective Board of Directors of the entities included in the Group are 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 and Board of Directors of the Holding Company use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 Group (Holding Company and subsidiaries) 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.
- vi. Obtain sufficient appropriate audit evidence regarding the financial information of such entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of the entities included in the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

- (i) The Consolidated Financial Statements include the audited financial statement of one subsidiary whose financial statements reflect total assets of Rs. 367.16 lakhs as at 31st March, 2023, total revenue of Rs. 487.13 lakhs, total net loss after tax of Rs. 51.26 lakhs, total comprehensive loss of Rs. Rs.55.00 lakhs and net cash inflow of Rs.4.71 lakhs for the year ended on that date, as considered in the consolidated financial statements, which have been audited by its independent auditors. The independent auditor report on audited financial statements of this entity have been furnished to us and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.
- (ii) The Consolidated Financial Statements include the unaudited financial statements of two subsidiaries and one step-down subsidiary, whose Financial Statements reflect total assets of Rs. 15,904.15 lakhs as at 31st March, 2023, total revenue of Rs. 604.45 lakhs, total net loss after tax of Rs. 2,746.49 lakhs, total comprehensive loss of Rs. 4,213.09 lakhs and net cash inflow of Rs.4.99 lakhs for the year ended on that date, as considered in the consolidated financial statements, which have not been audited. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosure in respect of such subsidiary is based on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.
- (iii) The Consolidated Financial Statements for the year ended 31st March 2022 have been audited by previous auditor B G G & Associates, Chartered Accountants, and had expressed a qualified opinion vide their report dated May 13, 2022. Reliance has been placed on the figures and other information incorporated for the purpose of these Standalone Financial Statements.

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)1) As required by Section 197(16) of the Act, we report that the Holding Company has not paid any remuneration to its directors during the year hence the provisions of Section 197 read with Schedule V to the Act are not applicable.
- 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 the aforesaid consolidated financial statements;
 - 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 maintained for the purpose of preparation of consolidated financial statements;
- 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 2023 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company incorporated in India, none of the Director of the Group companies incorporated in India is disqualified as on 31st March 2023 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 and the operating effectiveness of such controls; refer to our report in "Annexure A", which is based on the Auditors' Reports of the Holding Company and its Subsidiary Company 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 Holding Company and its Subsidiary Company 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) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31st March 2023.
- (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 31st March 2023.
- (iv) (a) The respective Managements of the Company and its subsidiary which is company incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiary to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The respective Managements of the Company and its subsidiary which is company incorporated in India, whose financial statements have been audited under the Act, have represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiary from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) During the year, the Holding Company has not declared or paid dividend under section 123 of the Companies Act, 2013.
- h) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued for the Company and its Subsidiaries in the Consolidated Financial Statements of the Group, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For P. C. Bindal & Co.
Chartered Accountants
Firm Registration Number :003824N
CA K. C. Gupta
Partner
Membership no.: 088638
UDIN: 23088638BGSQPH3010

Place: New Delhi
Date: May 19, 2023

Annexure A” to the Independent Auditor’s Report

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

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)

We have audited the internal financial controls over financial reporting of Aksh Optifibre Limited (‘the Holding Company’) and its subsidiary companies which incorporated in India as at 31st March 2023, as of that date. In conjunction with our audit of the consolidated financial statements of the Company for the year ended and as on that date.

Management’s Responsibility for Internal Financial Controls

The Respective Board of Directors of the Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company and its subsidiary companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the ‘Guidance Note’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the ‘Guidance Note’) issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors’

judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on the internal control over financial reporting criteria established by the Company and its subsidiary companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Place: New Delhi
Date: May 19, 2023

For P. C. Bindal & Co.
Chartered Accountants
Firm Registration Number :003824N
CA K. C. Gupta
Partner
Membership no.: 088638
UDIN: 23088638BGSQPH3010

Consolidated Balance Sheet

for the year ended March 31, 2023

(Amount in Lakhs)

	Notes	31-Mar-2023	31-Mar-2022
Assets			
Non-current assets			
Property, Plant and Equipment	3 (a) (i) & (ii)	19,058.94	21,469.74
Capital work-in-progress	3 (b)	9,163.69	9,160.51
Intangible assets	4	39.35	27.17
Financial assets			
Investments	5	-	-
Other Financial Assets	7	1,004.19	368.30
Deferred tax assets (net)	8 (a)	311.98	474.99
Other non-current assets	9	10.46	339.83
		29,588.61	31,840.54
Current assets			
Inventories	10	2,416.33	4,239.41
Financial Assets			
Trade receivables	11	3,885.69	7,851.08
Cash and cash equivalents	12	480.41	631.79
Other Bank Balances	13	173.76	1,274.51
Loans	6	350.00	350.00
Other Financial Assets	7	300.90	263.90
Current tax assets	8 (c)	5.71	34.55
Other current assets	9	759.16	1,475.68
		8,371.96	16,120.92
Total Assets		37,960.57	47,961.46
Equity and liabilities			
Equity			
Equity Share capital	14	8,134.90	8,134.90
Other Equity	15	(588.82)	2,222.21
Total Equity		7,546.08	10,357.11
Non-current liabilities			
Financial Liabilities			
Borrowings	16	-	1,114.20
Lease Liability	17	2,185.00	2,347.29
Trade Payables	18		
(a) total outstanding dues to micro & small enterprises		-	-
(b) total outstanding dues other than above		551.72	-
Other Financial liabilities	19	9.25	-
Deferred tax liabilities (net)	8 (b)	352.31	263.39
Provisions	20	352.06	354.23
		3,450.34	4,079.11
Current liabilities			
Financial liabilities			
Borrowings	21	15,887.23	17,289.02
Lease Liability	17	277.03	236.61
Trade Payables	18		
(a) total outstanding dues to micro & small enterprises		-	22.37
(b) total outstanding dues other than above		4,501.49	8,586.15
Other financial liabilities	19	5,588.23	5,977.01
Other Current liabilities	22	594.99	1,141.33
Provisions	20	4.44	272.75
Current tax liabilities	8 (b)	110.74	-
		26,964.15	33,525.24
Total Equity and liabilities		37,960.57	47,961.46
Summary of significant Accounting policies	2.1		

The accompanying notes (1-54) are an integral part of the financial statements

For and on behalf of the Board of Directors

As per our report of even date
For P. C. Bindal & Co
Chartered Accountants
Firm Registration Number: 003824N

CA K. C. Gupta
Partner
Membership Number: 088638

Place: New Delhi
Date: May 19, 2023

Dr. Kailash Shantilal Choudhari
Chairman
DIN : 00023824

Nikhil Jain
Chief Financial Officer

Gaurav Mehta
Chief Executive officer - Corporate Affairs &
Group Company Secretary

Anubhnav Raizada
Company Secretary

Consolidated statements of Profit and Loss

for the year ended March 31, 2023

(Amount in Lakhs)

	Notes	31-Mar-2023	31-Mar-2022
Income			
Revenue from operations	23	28,654.71	31,635.73
Other income	24	279.06	454.21
Total revenue (I)		28,933.77	32,089.94
Expenses			
Cost of raw material and components consumed	25	12,205.89	14,704.84
Purchase of traded goods	26	1,160.87	748.37
(Increase) in inventories of finished goods, work-in-progress and traded goods	27	1,064.01	1,019.83
Employee benefit expenses	28	2,274.46	2,334.62
Finance costs	29	1,845.00	2,554.14
Depreciation and amortisation expense	30	2,456.79	2,382.67
Other expenses	31	7,182.78	7,758.54
Total expense (II)		28,189.80	31,503.01
Profit / (Loss) before exceptional items and tax, (I) - (II)		743.97	586.93
Exceptional (expense)/income	32	(1,422.62)	1.13
Profit / (Loss) before tax		(678.65)	588.06
Tax expenses			
Current tax		581.68	658.77
Deferred tax		71.44	(29.18)
Adjustment of tax relating to earlier periods		25.91	-
Income tax expense / (Income)		679.03	629.59
Loss for the year		(1,357.68)	(41.53)
Other comprehensive income			
i) items that will not be reclassified to Profit or (Loss) in subsequent periods		21.26	73.52
Income Tax relating to these items		(6.11)	(21.44)
ii) items that may be reclassified to Profit or (Loss) in subsequent periods			
Exchange differences on translation of foreign operations		(1,468.50)	30.45
Other comprehensive income for the year, net of tax		(1,453.35)	82.53
Total comprehensive income for the year		(2,811.03)	41.00
Earnings per equity share			
36			
Basic earnings per equity share		(0.83)	(0.03)
Diluted earnings per equity share		(0.83)	(0.03)
Summary of significant Accounting policies	2.1		

The accompanying notes (1-54) are an integral part of the financial statements

For and on behalf of the Board of Directors

As per our report of even date
For P. C. Bindal & Co
Chartered Accountants
Firm Registration Number: 003824N

Dr. Kailash Shantilal Choudhari
Chairman
DIN : 00023824

Gaurav Mehta
Chief Executive officer - Corporate Affairs &
Group Company Secretary

CA K. C. Gupta
Partner
Membership Number: 088638
Place: New Delhi
Date: May 19, 2023

Nikhil Jain
Chief Financial Officer

Anubhav Raizada
Company Secretary

Consolidated Cash Flow statements

for the year ended March 31, 2023

(Amount in Lakhs)

	31-Mar-2023	31-Mar-2022
Cash flow from operating activities		
Profit / (Loss) before tax	(678.65)	588.06
Adjustment to reconcile profit / (Loss) before tax to net cash flows :		
Depreciation/amortization and impairment of Property, Plant & Equipment	2,456.79	2,504.64
Bad Debts including provision for doubtful debts	(1,027.42)	(275.95)
Loss on sale of property, plant and equipment including w/off	685.19	14.86
Interest expense	1,845.00	2,554.14
Other comprehensive income	(1,447.24)	103.97
Interest income	(159.82)	(203.30)
Operating profit before working capital changes	1,673.85	5,286.42
Movements in working capital:		
Increase / (Decrease) in trade payables and other liabilities	(4,481.81)	(441.65)
Increase / (Decrease) in in provisions	(270.48)	(183.63)
Decrease / (Increase) in trade receivable	4,992.81	138.57
Decrease / (Increase) in inventories	1,823.08	629.82
Decrease / (Increase) in other assets	1,188.79	452.21
Cash generated from operations	4,926.24	5,881.74
Direct taxes paid	(293.64)	(188.45)
Net cash flow from operating activities (A)	4,632.60	5,693.29
Cash flows from investing activities		
Purchase of property, plant and equipment, including intangible assets and capital work in progress net of payments / (payable)	(441.11)	(87.50)
Decrease/(Increase) in Right to use of assets (Lease Assets)	-	(97.85)
Proceeds from sale of property, plant and equipment	23.23	14.04
Decrease/ (Increase) in loan & advances	-	100.00
Interest received	116.12	200.08
Net cash flow from investing activities (B)	(301.76)	128.77
Cash flow from financing activities		
Increase / (Decrease) of long term borrowings	(1,114.19)	(1,076.91)
Repayment of Short-term borrowings (including current maturities)	(1,401.79)	(3,200.79)
Increase / (Decrease) in Lease Liability	(121.87)	(58.27)
Unpaid dividend transferred to IEPF Fund	-	(1.36)
Interest paid	(1,844.37)	(1,111.83)
Net cash flow (used in) financing activities (C)	(4,482.22)	(5,449.16)
Net increase/(decrease) in cash and cash equivalents (A + B +C)	(151.38)	372.90
Cash and cash equivalents at the beginning of the year	631.79	258.89
Cash and cash equivalents at the end of the year	480.41	631.79
Components of cash and cash equivalents		
Cash on hand	4.01	9.94
FDR with original maturity less than 12 months	51.18	-
With banks on current account	419.17	615.79
Unpaid dividend accounts	6.05	6.06
Total cash and cash equivalents	480.41	631.79
Summary of significant Accounting policies		
The accompanying notes (1-54) are an integral part of the financial statements		

Note: The above Statement of Cash flows has been prepared under the Indirect method set out in Ind AS-7 'Statement of Cash Flows'.

For and on behalf of the Board of Directors

As per our report of even date
For P. C. Bindal & Co
Chartered Accountants
Firm Registration Number: 003824N

Dr. Kailash Shantilal Choudhari
Chairman
DIN : 00023824

Gaurav Mehta
Chief Executive officer - Corporate Affairs &
Group Company Secretary

CA K. C. Gupta
Partner
Membership Number: 088638

Nikhil Jain
Chief Financial Officer

Anubhvhav Raizada
Company Secretary

Place: New Delhi
Date: May 19, 2023

Statement of Changes in Equity

for the year ended March 31, 2023

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

	Nos.	(Amount in Lakhs)
As at 1 April 2021	162,697,971	8,134.90
Changes in Equity Share Capital due to Prior Period Error	-	-
Reinstated Balances as at the Beginning of the year	162,697,971	8,134.90
Changes in Equity Share Capital during the Year	-	-
As at 31 March 2022	162,697,971	8,134.90
Changes in Equity Share Capital due to Prior Period Error	-	-
Reinstated Balances as at the Beginning of the year	162,697,971	8,134.90
Changes in Equity Share Capital during the Year	-	-
As at 31 March 2023	162,697,971	8,134.90

B. Other Equity (refer note no. 15)

	Securities premium	Capital reserve	Foreign Currency Translation Reserve	Remeasurment of defined benefit plans	Retained earnings	Total other equity
Balance as at 1 April 2021	33,064.11	2,223.35	987.03	(145.00)	(33,948.27)	2,181.22
Loss for the year	-	-	-	-	(41.54)	(41.54)
Other comprehensive income	-	-	30.45	52.07	-	82.53
Total comprehensive income for the year	-	-	30.45	52.07	(41.54)	40.99
As at 31 March 2022	33,064.11	2,223.35	1,017.48	(92.93)	(33,989.81)	2,222.21
Balance as at 1 April 2022	33,064.11	2,223.35	1,017.48	(92.91)	(33,989.81)	2,222.21
Loss for the year	-	-	-	-	(1,357.68)	(1,357.68)
Other comprehensive income	-	-	(1,468.50)	15.15	-	(1,453.35)
Total comprehensive income for the year	-	-	(1,468.50)	15.15	(1,357.68)	(2,811.03)
As at 31 March 2023	33,064.11	2,223.35	(451.02)	(77.76)	(35,347.49)	(588.82)

For and on behalf of the Board of Directors

As per our report of even date
For P. C. Bindal & Co
 Chartered Accountants
 Firm Registration Number: 003824N

Dr. Kailash Shantilal Choudhari
 Chairman
 DIN : 00023824

Gaurav Mehta
 Chief Executive officer - Corporate Affairs &
 Group Company Secretary

CA K. C. Gupta
 Partner
 Membership Number: 088638

Nikhil Jain
 Chief Financial Officer

Anubhnav Raizada
 Company Secretary

Place: New Delhi
 Date: May 19, 2023

Notes to consolidated financial statements

for the year ended March 31, 2023

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 (hereinafter referred to as the 'Ind AS') as notified by ministry of Corporate affairs pursuant to section 133 of Companies Act, 2013 (Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

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) 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.

b) 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.

Group Companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (i) assets and liabilities are translated at the closing rate at the date of that balance sheet
- (ii) income and expenses are translated at average exchange rates. On Consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income and all resulting exchange differences are recognised in other comprehensive income.

Notes to consolidated financial statements

for the year ended March 31, 2023

c) 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.

d) Revenue recognition

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

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 Group expects to receive in exchange for those products or services. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

Revenue from the sale of goods is measured on the basis of contracted price net of returns, Liquidation damage, trade discount & volume rebates and any taxes or duties collected on behalf of the Government such as goods and services tax, etc.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group 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.

Revenue from a contract to provide services is recognised based on terms of agreements/arrangements with the customers as the service is performed and there are no unfulfilled performance obligations.

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.

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

Notes to consolidated financial statements

for the year ended March 31, 2023

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.

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

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 Group 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 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.

i) 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

Notes to consolidated financial statements

for the year ended March 31, 2023

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 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.

j) Lease

The Group has adopted Ind AS 116 Leases effective 1st April, 2019, using the modified retrospective method. The Group has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.

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

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

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

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

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or incremental borrowing rate used to determine lease payments. There measurement normally also adjusts the leased assets.

k) Provisions

Provisions are recognized 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 recognized 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 recognized 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 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 Group.

Notes to consolidated financial statements

for the year ended March 31, 2023

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.

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 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.

Notes to consolidated financial statements

for the year ended March 31, 2023

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.

n) 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.

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.

o) 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

Notes to consolidated financial statements

for the year ended March 31, 2023

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.

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) 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.

s) 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.

t) 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.

u) Dividends

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

v) 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.

w) Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below.

- a) **Ind AS 16 - Property Plant and equipment** - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.
- b) **Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets** - The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

Notes to consolidated financial statements

for the year ended March 31, 2023

(Amount in Lakhs)

3 (a) (i) Property, Plant and Equipments

	Freehold Land	Leasehold Land	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, 2021	1.84	728.06	6,474.83	31,826.43	3,398.66	1,334.75	659.86	386.19	420.87	325.87	87.19	34.19	45,678.74
Additions	-	-	-	61.25	27.35	-	19.48	0.21	3.26	27.68	-	-	139.23
Disposals / adjustments	(1.84)	-	-	(167.71)	-	-	-	-	-	-	-	(11.41)	(180.96)
At March 31, 2022	-	728.06	6,474.83	31,719.97	3,426.01	1,334.75	679.34	386.40	424.13	353.55	87.19	22.78	45,637.01
Additions	-	-	395.06	211.75	97.97	-	0.36	0.24	3.55	26.76	-	-	735.69
Disposals / adjustments	-	-	(47.19)	(9,152.55)	-	(423.61)	(73.83)	(124.94)	(49.31)	(119.53)	(0.01)	-	(9,990.97)
At March 31, 2023	-	728.06	6,822.70	22,779.17	3,523.98	911.14	605.87	261.70	378.37	260.78	87.18	22.78	36,381.73

Accumulated Depreciation

At April 1, 2021	-	46.08	1,529.94	17,915.98	2,659.85	868.40	427.25	228.45	250.13	287.20	67.49	15.28	24,296.05
Charge for the year	-	7.37	221.68	1,465.71	165.77	47.13	57.74	22.90	58.74	0.89	7.29	1.66	2,056.88
Preoperative Expense Adjustment	-	-	-	121.97	-	-	-	-	-	-	-	-	121.97
Disposals / adjustments	-	-	-	(141.93)	-	-	-	-	-	-	-	(7.47)	(149.40)
At March 31, 2022	-	53.45	1,751.62	19,361.73	2,825.62	915.53	484.99	251.35	308.87	288.09	74.78	9.47	26,325.50
Charge for the year	-	7.37	238.97	1,532.49	140.87	42.55	56.53	23.19	57.22	0.23	7.88	1.11	2,108.41
Impairment Recognition	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals / adjustments	-	-	(17.92)	(8,528.46)	-	(389.66)	(70.08)	(116.39)	(44.96)	(114.97)	(0.01)	-	(9,282.45)
At March 31, 2023	-	60.82	1,972.67	12,365.76	2,966.49	568.42	471.44	158.15	321.13	173.35	82.65	10.58	19,151.46

Net Block value

At March 31, 2023	-	667.24	4,850.03	10,413.41	557.49	342.72	134.43	103.55	57.24	87.43	4.53	12.20	17,230.27
At March 31, 2022	-	674.61	4,723.21	12,358.24	600.39	419.22	194.35	135.05	115.26	65.46	12.41	13.31	19,311.51

Notes:

(i) Title Deed of all immovable properties (other than the properties where the company is lessee) are in the name of Company.

(ii) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereund

(Amount in Lakhs)

Notes to consolidated financial statements

for the year ended March 31, 2023

3 (a) (ii) Right of Use Assets	Right to use of Building	Right to use of Vehicle
Movements during the year		
At April 1, 2021	2,922.76	66.39
Addition	109.12	-
Modification	0.04	-
Deletion	-	(66.39)
Balance as on March 31, 2022	3,031.92	-
Addition	-	-
Modification	(7.29)	-
Deletion	-	-
Balance as on March 31, 2023	3,024.63	-
Accumulated Depreciation		
At April 1, 2021	589.33	49.30
Addition	282.65	7.79
Modification	1.71	9.30
Deletion	-	(66.39)
Balance as on March 31, 2022	873.69	(0.00)
Addition	322.28	-
Modification	(0.01)	-
Deletion	-	-
Balance as on March 31, 2023	1,195.96	(0.00)
Net Block value		
At March 31, 2023	1,828.67	0.00
At March 31, 2022	2,158.23	0.00

(i) The Group incurred Rs 122.05 lakhs (March 31, 2022 Rs 215.12 lakhs) for the year ended March 31, 2023 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is Rs 572.64 Lakhs (March 31, 2022 Rs 670.41 lakhs) for the year ended March 31, 2023, including cash outflow of short-term leases and leases of low-value assets.

(ii) The Company's leases mainly comprise of buildings and Vehicles.

(Amount in Lakhs)

3 (b). Capital Work-in-progress	
At 31st March 2023	9,163.69
At 31st March 2022	9,160.51

CWIP aging schedule

CWIP	Amount in CWIP as on March 31, 2023				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	3.18	-	-	-	3.18
Projects temporarily suspended	-	-	-	9,160.51	9,160.51

CWIP aging schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	-	-	-	-	-
Projects temporarily suspended	-	-	1,284.43	7,876.08	9,160.51

Notes to consolidated financial statements

for the year ended March 31, 2023

(Amount in Lakhs)

4. Intangible assets	Other intangible assets	Goodwill (Consolidation)	Total
Gross block			
At April 1, 2021	2,787.55	6.01	2,793.56
Additions	0.46	-	0.46
Disposals / adjustments	-	-	-
At March 31, 2022	2,788.01	6.01	2,794.02
Additions	38.18	-	38.18
Disposals / adjustments	(2,151.44)	-	(2,151.44)
At March 31, 2023	674.75	6.01	680.76
Amortisation			-
At April 1, 2021	2,725.48	6.01	2,731.49
Charge for the year	35.35	-	35.35
Disposals / adjustments	-	-	-
At March 31, 2022	2,760.83	6.01	2,766.84
Charge for the year	26.11	-	26.11
Disposals / adjustments	(2,151.54)	-	(2,151.54)
At March 31, 2023	635.40	6.01	641.41
Net block value			
At March 31, 2023	39.35	-	39.35
At March 31, 2022	27.17	-	27.17

5. Financial assets - Investments

(Amount in Lakhs)

	31-Mar-2023	31-Mar-22
Investment others :		
Nil (March 31, 2022: 1) equity shares of AED 3.67 (rounded off to AED 4) each fully paid-up in Eminent One Ventures Limited	-	-
	-	-

*Investment made in Eminent One Ventures Limited of Rs. Nil, equivalent to 4 AED in March 31, 2022: Rs. 75.51.

6. Financial assets - Loans

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Current		
Loan and advances to others	350.00	350.00
	350.00	350.00
Break-up :		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	350.00	350.00
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
	350.00	350.00

There are no loans that are either repayable on demand or without specifying repayment terms.

Notes to consolidated financial statements

for the year ended March 31, 2023

7. Other Financial Assets

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Non Current		
Security deposit *	183.72	215.27
Margin Money #	820.47	153.03
	1,004.19	368.30
Current		
Security deposit	71.87	78.57
Interest accrued on fixed deposits	15.42	20.27
Interest accrued on other deposits	213.61	165.06
	300.90	263.90

* Security deposit are financial assets and are refundable in cash. These are measured based on effective interest method.

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)

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Deferred Tax Liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	82.00	97.42
Gross deferred tax liability	82.00	97.42
Deferred tax asset		
Provision for doubtful debts	-	261.09
Impact of brought forward losses	348.43	125.22
Disallowances under the Income Tax Act, 1961	38.93	179.48
Gross deferred tax asset	387.36	565.80
MAT credit	6.62	6.62
Deferred Tax Assets (net)	311.98	474.99

8B Deferred Tax Liabilities (net)

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	1,099.10	1,182.42
Gross deferred tax liability	1,099.10	1,182.42
Deferred tax asset		
Provision for doubtful debts	30.17	-
Disallowances under the Income Tax Act, 1961	716.62	744.66
Gross deferred tax asset	746.79	744.66
MAT credit *	-	174.37
Deferred Tax (Liabilities) (net)	(352.31)	(263.39)

Reconciliation of deferred tax assets / (liabilities)

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Opening deferred tax assets / (liabilities) (net)	211.60	718.36
Deferred tax credit / (charge) recorded in statement of profit & loss	(71.44)	29.18
Deferred tax credit/(charge) recorded in Other Comprehensive Income (Utilisation) of MAT credit	(6.11)	(21.44)
	(174.37)	(514.50)
Closing deferred tax assets / (liabilities) (net)	(40.33)	211.60

Notes to consolidated financial statements

for the year ended March 31, 2023

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate :

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Loss before income tax	(678.65)	588.06
Tax at India's statutory income tax rate of 29.120% (March 31, 2022: 29.120%)	(197.62)	171.24
Impact of permanent disallowances	59.84	8.27
Foreign Entities with no tax	814.71	454.05
Difference in tax rates for certain entities of the group	2.02	7.86
Others	0.08	(11.83)
Tax at the effective income tax rate of (100.06%) (March 31, 2022: 107.06%)	679.03	629.59
Total tax expense reported in the statement of profit and loss	679.03	629.59

8C Current Tax Assets and Liabilities

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Current tax asset	5.71	34.55
Current tax liability	110.74	-

9. Other Assets

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Non-Current		
Capital advances	-	328.66
Prepaid expenses	10.46	11.17
Total Other Non-Current Assets	10.46	339.83
Current		
Advances recoverable in cash or kind	445.99	15,895.06
Prepaid expenses	60.81	118.50
Balances with statutory / government authorities	252.36	894.19
Total Other Current Assets	759.16	16,907.75
Less:-Provision agst doubtful advance*	-	15,432.07
	759.16	1,475.68

*Difference in Expense and provision on account of foreign exchange rate has been booked under foreign currency translation reserve (FCTR) under the head other equity.

10. Inventories

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
(Valued at lower of cost and net realisable value)		
Finished and traded goods (Includes stock in transit Rs. 228.91 lakhs, March 31, 2022 : Rs. 441.99 lakhs)	904.37	1,770.12
Raw material	707.04	1,468.90
Semi finished goods	410.60	608.86
Stores, spares and others	394.32	391.53
	2,416.33	4,239.41

Amount recognised in profit and loss

'Write-down to inventories to net realisable value amounted to Nil (March 31, 2022: Rs. Nil). Such 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.

Notes to consolidated financial statements

for the year ended March 31, 2023

11. Financial assets - Trade Receivables

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Trade receivables	3,989.30	7,851.08
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	-	-
	3,989.30	7,851.08
Less : Provision for doubtful debts*	103.61	-
	3,885.69	7,851.08
Breakup of security details		
Secured, considered good	-	-
Unsecured, considered good	3,885.69	7,851.08
Considered doubtful	103.61	-
	3,989.30	7,851.08

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

*Difference in Expense and Provision on account of foreign exchange rate has been booked under foreign currency translation reserve (FCTR) under the head other equity.

Trade receivable that are not derecognised in their entirety:

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Trade receivables	-	-
Associated borrowing	-	-

Trade receivables that are without recourse to the company 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:

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Trade receivables	359.56	499.13

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 credit ranging from 30 to 60 days.

For period wise ageing detail of trade receivable refer note no 11A.

11A. Financial assets - Trade Receivables

(Amount in Lakhs)

Mar-23							
Particulars		Outstanding for following periods from due date of payment					Total
		Less then 6 months	6 months-1 years	1-2 years	2- 3 years	More than 3 years	
(i)	Undisputed Trade Receivables- Considered Good	2,990.28	277.34	295.19	86.97	235.91	3,885.69
(ii)	Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	103.61	103.61
(iii)	Undisputed Trade Receivables Credit Impaired	-	-	-	-	-	-
(iv)	Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
(v)	Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables Credit Impaired	-	-	-	-	-	-

Notes to consolidated financial statements

for the year ended March 31, 2023

(Amount in Lakhs)

		Mar-22					
Particulars		Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months-1 years	1-2 years	2- 3 years	More than 3 years	
(i)	Undisputed Trade Receivables- Considered Good	4,829.27	338.67	428.80	143.75	2,110.59	7,851.08
(ii)	Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables Credit Impaired	-	-	-	-	-	-
(iv)	Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
(v)	Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables Credit Impaired	-	-	-	-	-	-

12. Financial assets - Cash and Cash equivalents

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Balances with banks:		
On current accounts *	419.17	615.79
FDR with original maturity less than 12 months	51.18	-
On unpaid dividend account	6.05	6.06
Cash on hand	4.01	9.94
	480.41	631.79

* Includes earmarked bank balances amounting to Rs Nil (March 31, 2022: Rs.200 lakhs)

13. Financial assets - Other Bank Balances

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Margin Money #	173.76	1,274.51
	173.76	1,274.51

The Group has pledged a fixed deposits with banks as collateral and margin requirement towards various bank facilities sanctioned to the Group.

14. Share Capital

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Authorized Shares (Nos)		
520,100,000 (March 31, 2022: 520,100,000) Equity Shares of Rs. 5/- each	26,005.00	26,005.00
Issued, subscribed and fully paid-up shares (No.)		
162,697,971 (March 31, 2022: 162,697,971) Equity Shares of Rs. 5/- each	8,134.90	8,134.90
	8,134.90	8,134.90

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

(Amount in Lakhs)

Equity Shares		31-Mar-23	31-Mar-22
At the beginning of the year	Nos.	162,697,971	162,697,971
Add:			
Issued during the year	Nos.	-	-
Outstanding at the end of the year	Nos.	162,697,971	162,697,971
At the beginning of the year	Rs. in Lakhs	8,134.90	8,134.90
Add:			
Issued during the year	Rs. in Lakhs	-	-
Outstanding at the end of the year	Rs. in Lakhs	8,134.90	8,134.90

Notes to consolidated financial statements

for the year ended March 31, 2023

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) Detail of Shareholders holding more than 5% of the aggregate shares in the company

Promoter Name	31-Mar-23		31-Mar-22	
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
Kailash Shantilal Choudhari	20,205,678	12.419	20,205,678	12.419

(c) Shares held by Promoters at the end of the year

Promoter Name	31-Mar-23		31-Mar-22	
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
Kailash Shantilal Choudhari	20,205,678	12.42	20,205,678	12.42
Seema Choudhari	7,000,000	4.30	7,000,000	4.30
Sharda Popatlal Sundesha	6,969,562	4.28	6,969,562	4.28
Shailesh Popatlal	6,901,723	4.24	6,901,723	4.24
Bharti Shailesh Sundesha	4,092,372	2.52	4,092,372	2.52
Rohan Kailash Choudhari	150,500	0.09	150,500	0.09
Rashi Choudhari	150,500	0.09	150,500	0.09
Total	45,470,335	27.94	45,470,335	27.94

There is no change in shareholding of promoters in above mentioned years.

(d) During the period of five years immediately preceding to reporting date, the Group has neither issued any bonus shares nor 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-23	31-Mar-22
32,901 No's Fully Paid Up Equity Shares allotted to minority shareholders of erstwhile APaksh Broadband Limited during financial year 2017-18	-	-

15. Other Equity

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Securities Premium Account		
Balance as per the last financial statements	33,064.11	33,064.11
Closing Balance (A)	33,064.11	33,064.11
Capital Reserves		
Balance as per the last financial statements	2,223.35	2,223.35
Closing Balance (B)	2,223.35	2,223.35
Foreign Currency Translation Reserve		
Balance as per the last financial statements	1,017.48	987.03
Addition during the year	(1,468.50)	30.45
Total Foreign Currency Translation Reserve (C)	(451.02)	1,017.48
Retained Earnings		
Balance as per the last financial statements	(34,082.73)	(34,093.27)
Loss for the year	(1,357.68)	(41.54)
Add : Other Comprehensive Income	15.15	52.07
Closing Balance (D)	(35,425.26)	(34,082.73)
Total Other Equity (A+B+C+D)	(588.82)	2,222.21

Notes to consolidated financial statements

for the year ended March 31, 2023

Nature and Purpose of reserves other than retained earnings

Securities premium

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

Capital reserve

Capital reserve is created pursuant to Amalgamation of erstwhile APAKSH Broadband Limited with the Company.

16. Financial liabilities - Non-Current Borrowings

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Non-Current Borrowings		
Secured Loans		
Foreign Currency Loan from Banks	-	409.82
Indian Rupee Loan from Banks	-	704.38
Total Non-Current long term borrowings	-	1,114.20
The above amount includes		
Secured borrowings	-	1,114.20
Current maturities of long term debt		
Term Loans		
Secured Loans		
Foreign Currency Loan from Banks	6,140.53	6,262.77
Indian Rupee Loan from Banks	4,328.83	3,746.72
Total Current Maturities	10,469.36	10,009.49
The above amount includes		
Secured borrowings	10,469.36	10,009.49
Amount disclosed under the head "Short Term Borrowing" (refer note no.21)	(10,469.36)	(10,009.49)
	-	-

Rupee loan from bank amounting to Rs 4,328.83 lakhs (March 31,2022: Rs 4,451.10 lakhs) carries interest rate ranging between 9.45% p.a. to 13.60% p.a. and repayable in 5 years in quarterly instalments. These 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 Shantilal Choudhari.

Foreign currency term loan from bank amounting to Rs. 6,140.53 lakhs (March 31,2022: Rs. 6,672.59 lakhs) carries interest rate ranging between 5% to 7.75% p.a. and repayable in 5 years in quarterly installments. These 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 Shantilal Choudhari.

Refer note No. 16A for Delay/Default in repayment of Borrowing (Current and Non Current) and Interest

16A. Financial liabilities - Non-Current Borrowings

Principal Term Loan

(Amount in Lakhs)

Particulars	0-180 days	181-360 days	361-720 days	More than 720 days	Total
Delay in repayment during the year					
Punjab National Bank	31.15	31.15	31.15	15.58	109.04
HDFC Bank	-	15.18	365.88	434.84	815.90
Union Bank of India	-	-	-	47.10	47.10
Bank of Baroda	-	-	-	2.26	2.26
	31.15	46.33	397.03	499.78	974.30
Default as at March 31, 2023					
Punjab National Bank	-	-	-	-	-
HDFC Bank	289.37	286.07	765.49	769.10	2,110.04
Union Bank of India	110.00	315.78	881.00	723.90	2,030.68
Bank of Baroda	234.09	356.55	713.09	3,594.88	4,898.60
	633.46	958.40	2,359.58	5,087.88	9,039.32

Notes to consolidated financial statements

for the year ended March 31, 2023

Interest on Term Loan

(Amount in Lakhs)

Particulars	0-180 days	181-360 days	361-720 days	More than 720 days	Total
Delay in repayment during the year					
Punjab National Bank	34.95	-	-	-	34.95
HDFC Bank	2.83	-	8.61	-	11.44
Union Bank of India	203.30	144.08	70.26	-	417.63
Bank of Baroda	-	119.82	59.74	-	179.56
	241.07	263.90	138.61	-	643.58
Default as at March 31, 2023					
Punjab National Bank	-	-	-	-	-
HDFC Bank	147.16	168.32	333.33	341.90	990.73
Bank of Baroda	164.07	85.97	582.75	70.09	902.88
	311.23	254.30	916.08	412.00	1,893.61

SBLC Devolvement / Interest on Working Capital Loan/Bill discounting

(Amount in Lakhs)

Particulars	0-180 days	181-360 days	361-720 days	More than 720 days	Total
Delay in repayment during the year					
HDFC Bank	-	-	-	-	-
Union Bank of India	141.93	241.17	159.38	658.43	1,200.91
Bank of Baroda	-	-	-	72.92	72.92
	141.93	241.17	159.38	731.35	1,273.83
Default as at March 31, 2023					
HDFC Bank	0.69	46.64	123.07	260.10	430.50
Union Bank of India	175.00	-	-	1,396.01	1,571.01
Bank of Baroda	140.11	28.65	270.37	886.78	1,325.90
	315.80	75.28	393.45	2,542.89	3,327.41

17. Lease Liabilities

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Non-Current		
Lease Liabilities	2,185.00	2,347.29
	2,185.00	2,347.29
Current		
Lease Liabilities	277.03	236.61
	277.03	236.61

18. Financial liabilities - Trade Payables

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Trade Payables to micro and small enterprises (refer note no. 41)	-	22.37
Trade Payables to others	4,501.49	8,586.15
	4,501.49	8,608.52

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

For period wise ageing detail of trade payable refer note no 18A.

Notes to consolidated financial statements

for the year ended March 31, 2023

18A. Financial liabilities - Trade Payables

(Amount in Lakhs)

Particulars	Mar-23				Total
	Less Than 1 Year	1-2 years	2- 3 years	More than 3 years	
MSME	-	-	-	-	-
Others	1,576.44	51.48	886.98	2,538.31	5,053.21
Disputed Dues Others	-	-	-	-	-

Particulars	Mar-22				Total
	Less Than 1 Year	1-2 years	2- 3 years	More than 3 years	
MSME	8.30	6.99	5.96	1.12	22.37
Others	5,029.64	328.62	606.78	2,621.10	8,586.15
Disputed Dues Others	-	-	-	-	-

19. Other Financial Liabilities

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Non-Current		
Others	9.25	-
Total Non-Current financial liabilities	9.25	-
Current		
Interest accrued and due on borrowings / trade payables	2,400.49	2,399.86
Foreign exchange forward contracts	0.15	-
Unclaimed Dividend 2017-18*	6.05	6.06
0 % Security Deposits	158.85	130.89
Others	3,022.69	3,440.20
Total Current financial liabilities	5,588.23	5,977.01

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

20. Provisions

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Non-Current		
Provision for Gratuity & Compensated Absences	352.06	354.23
	352.06	354.23
Current		
Provision for Gratuity & Compensated Absences	4.44	272.75
	4.44	272.75

21. Short Term Borrowings

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Secured Loans		
Working capital facilities from Banks	2,129.70	3,540.05
Stand by letter of Credit (SBLC)	1,396.01	2,054.43
Liability towards bills discounted from Bank	9.01	124.59
Current maturities of long term debt (Refer Note No. 16)	10,469.36	10,009.49
Unsecured Loans		
Loan from related party	272.00	237.64
Loan from others	1,611.15	1,322.82
	15,887.23	17,289.02
Total secured loans	14,004.08	15,728.56
Total unsecured loans	1,883.15	1,560.46

Notes to consolidated financial statements

for the year ended March 31, 2023

Working capital facilities includes cash credit, Invoked SBLC from banks (carries interest in the range of 9.5% to 14.70 % p.a) 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 respective Company and personal guarantee of Dr. Kailash Shantilal Choudhari. The cash credit is repayable on demand.

Quarterly returns/ statements filed by the Group with banks are generally in agreement with the books of account and no material deviation were noticed during reconciliation.

Loan from related party are repayable on demand.

LC Discounting are unsecured and carries interest @ 5.65% to 7.80% p.a.

22. Other Current Liabilities

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Advance from Customers	354.06	846.27
Others	240.93	295.06
	594.99	1,141.33

23. Revenue From Operations

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Revenue from contracts with customers		
Sale of products		
- Finished goods	21,337.59	25,328.83
- Traded goods	987.37	1,006.60
Sale of services	6,083.93	4,717.49
Other operating revenue		
- Scrap sales	55.97	55.93
- Export Incentives	119.25	206.48
- Exchange Fluctuation	48.94	183.56
- Other operating revenue	21.66	136.84
	28,654.71	31,635.73

(a) Disaggregation of revenue has been disclosed on the basis business segment and geography (refer note no. 34)

(b) Reconciliation of Revenue from operations with contract price

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Contract price	28,476.82	31,126.55
Less : Rebate / Discount	11.96	17.70
Total revenue from operations	28,464.86	31,108.85

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

(c) Contract balances

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Contract Liabilities		
Advance from customers	354.06	846.27
Total	354.06	846.27
Receivables		
Trade receivables	3,989.30	7,851.08
Less: Provision for doubtful debts	(103.61)	-
Total	3,885.69	7,851.08

Receivables is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance.

Notes to consolidated financial statements

for the year ended March 31, 2023

24. Other Income

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Interest income		
on deposits	99.50	57.46
on other advances	60.32	145.84
Other non-operating income	119.24	250.91
	279.06	454.21

25. Cost of raw material and components consumed

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Inventory at the beginning of the year	1,468.90	922.55
Add: Purchases	11,444.03	15,251.19
	12,912.93	16,173.74
Less: inventory at the end of the year	707.04	1,468.90
Cost of raw material and components consumed	12,205.89	14,704.84

26. Details of purchase of traded goods

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Telecom & electronic items	1,160.87	748.37
	1,160.87	748.37

27. (Increase)/ decrease in inventories

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Inventories at the end of the year		
Finished/Traded goods	904.37	1,770.12
Semi Finished goods	410.60	608.86
	1,314.97	2,378.98
Inventories at the beginning of the year		
Finished/traded goods	1,770.12	2,899.05
Semi finished goods	608.86	499.76
	2,378.98	3,398.81
	1,064.01	1,019.83

28. Employee benefits expense

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Salaries, wages and bonus	1,960.00	2,008.85
Contribution to provident and other funds	173.84	184.92
Gratuity	69.61	77.54
Staff welfare expenses	52.21	48.11
Directors' Remuneration	18.80	15.20
	2,274.46	2,334.62

Notes to consolidated financial statements

for the year ended March 31, 2023

29. Finance costs

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Interest on Cash Credit	115.90	576.27
Interest on Term Loan	1,260.61	1,291.47
Interest Others*	345.84	466.65
Bank Charges	122.65	219.75
	1,845.00	2,554.14

*Interest on lease liabilities is Rs.184.29 lakhs for the year ended on March 31, 2023. (March 31, 2022: Rs 175.87 lakhs)

During the year, the Group has capitalised borrowing costs of Nil (March 31, 2022: Nil) 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.

30. Depreciation and amortisation expense

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Depreciation of Property, Plant & Equipment	2,108.40	2,056.88
Depreciation on Right to use of Assets	322.28	290.44
Amortisation of intangible assets	26.11	35.35
	2,456.79	2,382.67

31. Other expenses

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Consumption of stores and spares	458.41	591.24
Power & Fuel	831.24	852.27
Packing Material Consumed	645.71	985.04
Repair & Maintenance		
- Plant & Machinery	147.41	119.43
- Buildings	21.98	12.26
- Others	73.85	69.92
Sub-contracting expenses	3,273.56	3,101.84
Marketing & Service Charges	129.47	136.14
Freight & Cartage (Outward)	249.46	575.22
Travelling & Conveyance	202.61	95.20
CSR Expenditure*	18.72	22.89
Postage & Telephone	24.03	25.05
Insurance	107.53	103.00
Rent	54.14	168.54
Professional & Legal Expenses	484.59	539.32
Auditors' Remuneration**	53.34	46.96
Other Expenses	406.73	314.22
	7,182.78	7,758.54

Notes to consolidated financial statements

for the year ended March 31, 2023

*Details of CSR Expenditure

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
a) Gross amount required to be spent during the year	5.52	19.46
b) Amount Spent during the year Ending		
i) Construction/acquisition of an asset	-	-
ii) on Purchase other than (i) above	18.72	22.89
c) Shortfall at the end of the Year	-	-
d) Total of previous years shortfall	-	-
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Horticulture and Social welfare	Horticulture and Social welfare
g) Details of related party transactions	Nil	Nil

**Payment to auditor

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
As auditor:		
Audit fee	46.13	41.16
Tax Audit Fees	5.00	5.00
In other capacity:		
Reimbursement of expenses	2.21	0.80
	53.34	46.96

32. Exceptional (expenses)/income

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Foreign Exchange Fluctuations	168.06	94.70
Provision for diminution in value of asset	(7.69)	-
Balances written back / (Written-off)	129.62	319.21
Provision for Doubtful Debts and Bad Debts	(1,027.42)	(275.95)
Fixed Assets written off	(609.90)	
Loss on sale of Property, plant and equipments	(75.29)	(14.86)
Impairment provision on property, plant and equipments	-	(121.97)
	(1,422.62)	1.13

33. 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 basic 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 recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

Notes to consolidated financial statements

for the year ended March 31, 2023

Changes in the present value of the defined benefit obligation are, as follows:

(Amount in Lakhs)

	Gratuity Funded	Compensated absences
Defined benefit obligation at April 1, 2021	500.09	143.20
Interest expense	34.01	9.74
Service cost	44.78	34.50
Benefits paid	(125.50)	(78.42)
Actuarial (gain)/ loss on obligations	(73.52)	(31.42)
Defined benefit obligation at March 31, 2022	379.86	77.60
Interest expense	27.46	5.61
Service cost	43.28	23.50
Benefits paid	(289.71)	(24.52)
Actuarial (gain)/ loss on obligations	(20.94)	(18.19)
Defined benefit obligation at March 31, 2023	139.95	64.00

Reconciliation of fair value of plan assets and defined benefit obligation:

(Amount in Lakhs)

	Gratuity Funded	Compensated absences
Present value of obligation	379.86	77.60
Fair value of plan assets	15.72	-
Net assets / (liability) recognized in balance sheet as provision as at March 31, 2022	(364.14)	(77.60)
Present value of obligation	139.95	64.00
Fair value of plan assets	39.99	-
Net assets / (liability) recognized in balance sheet as provision as at March 31, 2023	(99.96)	(64.00)

Amount recognised in Statement of Profit and Loss:

(Amount in Lakhs)

	Gratuity Funded	Compensated absences
Current service cost	44.78	34.50
Net interest expense	33.01	9.74
Net actuarial (gain)/loss recognised	-	(31.42)
Amount recognised in Statement of Profit and Loss for year ended March 31, 2022	77.79	12.82
Current service cost	43.28	34.50
Net interest expense	26.32	9.74
Net actuarial (gain)/loss recognised	-	(31.42)
Amount recognised in Statement of Profit and Loss for year ended March 31, 2023	69.60	12.82

Amount recognised in Other Comprehensive Income:

(Amount in Lakhs)

	Gratuity Funded	Compensated absences
Actuarial (gain)/ loss on obligations	73.53	-
Return on plan assets (excluding amounts included in net interest expense)	(0.01)	-
Amount recognised in Other Comprehensive Income for year ended March 31, 2022	73.52	-
Actuarial (gain)/ loss on obligations	20.95	-
Return on plan assets (excluding amounts included in net interest expense)	0.31	-
Amount recognised in Other Comprehensive Income for year ended March 31, 2023	21.26	-

Notes to consolidated financial statements

for the year ended March 31, 2023

Changes in the fair value of plan assets are, as follows:

(Amount in Lakhs)

	Gratuity Funded	Compensated absences
Fair value of plan assets at April 1, 2021	14.72	-
Actual return on plan assets	1.00	-
Benefits paid	-	-
Employer contribution	-	-
Fair value of plan assets at March 31, 2022	15.72	-
Actual return on plan assets	1.46	-
Benefits paid	-	-
Employer contribution	22.81	-
Fair value of plan assets at March 31, 2023	39.99	-

The major categories of plan assets of the fair value of the total plan assets are as follows:

	31-Mar-23	31-Mar-22
Investment Details	Gratuity	Gratuity
Funds Managed by Insurer	100%	100%

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Average Past Service	2.90	2.06
Average Age	38.21	37.88
Average remaining working life	16.79	17.12
Discounting rate	7.38%	7.23%
Future salary Increase	7.00%	7.00%

Sensitivity analysis:

Sensitivity Analysis of the defined benefit obligation - Gratuity Plan

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Impact on defined benefit obligation	139.95	379.86
Delta effect of +0.5% change in discount rate	(6.23)	(5.17)
Delta effect of -0.5% change in discount rate	6.68	5.55
Delta effect of +0.5% change in salary increase	6.26	5.12
Delta effect of -0.5% change in salary increase	(5.90)	(4.81)

Sensitivity Analysis of the defined benefit obligation - Compensated absences

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Impact on defined benefit obligation	64.00	77.60
Delta effect of +0.5% change in discount rate	(2.77)	(3.55)
Delta effect of -0.5% change in discount rate	2.96	3.81
Delta effect of +0.5% change in salary increase	2.96	3.79
Delta effect of -0.5% change in salary increase	(2.79)	(3.57)

Defined contribution plans

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Employer's Contribution to Provident Fund	152.14	157.67
Employer's Contribution to ESI	-	3.03
Employer's Contribution to NPS	21.70	24.22
	173.84	184.92

Notes to consolidated financial statements

for the year ended March 31, 2023

34. 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:

(A) Primary segment

Summary of segment information:

(Amount in Lakhs)

	Manufacturing		Services		Trading		Total	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Segment Revenue (net)								
External Turnover	22,715.49	26,800.52	5,939.22	4,835.21	-	-	28,654.71	31,635.73
Inter Segment Turnover	-	-	-	-	-	-	-	-
Total Revenue	22,715.49	26,800.52	5,939.22	4,835.21	-	-	28,654.71	31,635.73
Segment Results before Interest and Taxes	2,164.37	2,773.62	872.75	734.67	-	-	3,037.12	3,508.29
Less : Finance Costs							1,845.00	2,554.14
Add : Interest Income							188.63	228.86
Add : Exceptional Items							(1,422.62)	1.13
Add: Other Income							-	-
Add/(Less): Unallocated (Expenses)/ Income							(636.78)	(596.08)
Profit / (loss) before Tax							(678.65)	588.06
	Manufacturing		Services		Trading		Total	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Other Information								
Segment Assets	32,450.63	42,133.19	4,343.17	4,439.14	-	-	36,793.80	46,572.33
Unallocated Assets	-	-	-	-	-	-	1,166.77	1,389.13
Total Assets	32,450.63	42,133.19	4,343.17	4,439.14	-	-	37,960.57	47,961.46
Segment Liabilities	28,552.00	35,502.85	1,303.95	1,767.93	-	-	29,855.95	37,270.78
Unallocated Liabilities							558.54	333.57
Share Capital & reserves							7,546.08	10,357.11
Total Liabilities	28,552.00	35,502.85	1,303.95	1,767.93	-	-	37,960.57	47,961.46
Depreciation and Amortization	2,182.81	2,117.08	273.98	265.60	-	-	2,456.79	2,382.67

Note :-

Total Revenue is after elimination of inter segment turnover of Nil (March 31, 2022 : Nil)

(B) Secondary segment

Geographical Information

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
(1) Revenue from external customer		
Within India	19,960.86	14,402.20
Outside India	8,693.86	17,233.53
Total Revenue as per statement of profit and loss	28,654.72	31,635.73
(2) Non current Operating assets		
Within India	13,204.47	14,160.83
Outside India	15,057.50	16,496.59
Total	28,261.97	30,657.42

** 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 Nil (March 31, 2022 : Nil)

Notes to consolidated financial statements

for the year ended March 31, 2023

35. 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 Shantilal Choudhari (Chairman)
- Mr. Satyendra Gupta (Non-Executive-Non-Independent Director)
- Mr. Harvinder Singh (Independent Director)
- Mr. Sunil Puri (Independent Director)
- Mr. Sanjay Katyal (Independent Director)
- Ms. Anuja Bansal (Independent Director)
- Mr. Rikhab Chand Mogha (Non-Executive Director)
- Mr. Rahul Mogha (Relative of Non-Executive Director)
- Mr. Charandeep Singh (Chief Financial Officer till 13.05.2022)
- Mr. Nikhil Jain (Chief Financial Officer w.e.f 01.06.2022)
- Mr. Gaurav Mehta (Chief- Corporate Affairs & Company Secretary till 03.02.2022 and elevated as Chief Executive Officer- Corporate Affairs & Group Company Secretary w.e.f. 04.02.2022)
- Mr. Anubhava Raizada (Company Secretary w.e.f. 13.05.2022)
- Mr. Pramod Kumar Srivastava (Chief Executive Officer till 06.08.2021)
- Mr. Prashant Kumar Agrawal (Director)
- Mr. Munesh Chandra (Director)
- Ms. Savita Pandey (Director w.e.f. 09.06.2021)

(b) Transaction with related parties

(Amount in Lakhs)

	KMP	Others	Total
Short term employee benefits	210.17		210.17
	150.46		150.46
Sitting fees	18.80		18.80
	15.20		15.20
Services received	87.50		87.50
	66.00		66.00
Unsecured Loan taken Dr. Kailash Shantilal Choudhari(Director)	13.17		13.17
	21.07		21.07
Unsecured Loan repaid Dr. Kailash Shantilal Choudhari(Director)	-		-
	-		-

Note : Figures in italic represents previous year

#As the liabilities for gratuity and leave encashment are provided on an actuarial basis for the Indian Company as a whole, the amounts pertaining to the Key Management Personnel are not included above.

(c) Balance due (to)/ from

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
KMP		
Unsecured Loan Payable Dr. Kailash Shantilal Choudhari(Director)	(272.00)	(237.64)
Trade and other Payables	(365.65)	(368.25)

Notes to consolidated financial statements

for the year ended March 31, 2023

36. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the Loss 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 Loss 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:

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Loss for the year	(1,357.68)	(41.53)
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	(0.83)	(0.03)
Diluted EPS (on nominal value of Rs. 5 per share) Rs./share	(0.83)	(0.03)

37. 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.

(a) 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.

(b) 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 data 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.

(c) 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 33.

Notes to consolidated financial statements

for the year ended March 31, 2023

(d) Contingencies

Management judgement of contingencies is based on the internal assessments and opinion from the consultants for the possible outflow of resources, if any.

38. Capital & other commitments

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	524.10
Outstanding export obligation under EPCG scheme	2,168.32	2,168.32

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 consolidated financial statements.

39. Contingent liabilities

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
(a) Disputed Liabilities in appeal		
Sales tax matters	726.49	123.09
Service tax	22.29	19.40
Excise / custom duty	66.94	159.36
Goods and Service Tax	64.62	-
Income tax matters	361.30	429.62
Others	2,365.01	1,151.42
(b) Outstanding amount of duty saved against advance license	1,080.00	939.29
(c) Outstanding amount of duty saved against EPCG scheme	703.45	361.39

40. Derivatives Instruments

A. Forward contracts outstanding as at the reporting date:-

(Amount in Lakhs)

	Currency	31-Mar-23	31-Mar-22
Forward contracts to sell	USD	-	-
	EURO	1.00	-
Forward contracts to buy	USD	-	-

B. Particulars of foreign currency receivable as at the reporting date

(Amount in Lakhs)

	Currency	31-Mar-23	31-Mar-22
Export of goods	USD	11.68	19.05
	EURO	6.08	11.58
Advance to Vendor	USD	1.12	0.49
	EURO	-	0.16
	AED	-	0.05

Notes to consolidated financial statements

for the year ended March 31, 2023

C. Particulars of foreign currency payable as at the reporting date

(Amount in Lakhs)

	Currency	31-Mar-23	31-Mar-22
Import of goods and services	USD	42.70	52.80
	EURO	2.82	2.11
	GBP	-	-
Advance from customers	USD	10.73	16.45
	EURO	0.46	-
Bill Discounting	USD	-	-
Term Loan	USD	14.44	14.44
	EURO	-	-

41. Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

(Amount in Lakhs)

Descriptions	31-Mar-23	31-Mar-22
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	-	22.37
Interest due on above	-	6.89
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.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	36.15
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	-	36.15

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.

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.

Notes to consolidated financial statements

for the year ended March 31, 2023

Interest rate sensitivity

(Amount in Lakhs)

Descriptions	Increase /Decrease in Basis points	Effect on profit before tax
31-Mar-23		
Base Rate	+50	(69.98)
Base Rate	-50	69.98
31-Mar-22		
Base Rate	+50	(82.43)
Base Rate	-50	82.43

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

(Amount in Lakhs)

	Changes in USD	Effect on profit before tax	Changes in Euro	Effect on profit before tax
31-Mar-23				
	+5%	(226.22)	+5%	17.00
	-5%	226.22	-5%	(17.00)
31-Mar-22				
	+5%	(242.22)	+5%	40.59
	-5%	242.22	-5%	(40.59)

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

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Group companies periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of account receivables. Individual risk limits are also set accordingly.

(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 March 31, 2023 and March 31, 2022 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:

C. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligation associated with its Financial Liabilities that are settled by delivering cash or another Financial Assets. The Group approach to manage Liquidity is to have sufficient liquidity to meet its liabilities when they are

Notes to consolidated financial statements

for the year ended March 31, 2023

due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Group Company's reputation. The Group has been experiencing liquidity problems due to delayed in realisation of receivables. 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 Group liquidity management process as monitored by management includes the following:-

- Day to day funding, managed by monitoring future cash flows to ensure that requirement can be met.
- Maintaining rolling forecast of the Group's liquidity position on the basis of expected cash flows.
- Strengthen of financial control with focus on realization of its receivables.

Foreign currency sensitivity

(Amount in Lakhs)

	Payable on demand	0-12 months	1-5 years	> 5 years	Total
As at 31 March 2023					
Borrowings	3,525.71	12,361.52	-	-	15,887.23
Trade payables	-	4,501.49	551.72	-	5,053.21
Other financial liabilities (including lease liabilities)	-	5,865.24	834.07	1,360.18	8,059.50
	3,525.71	22,728.25	1,385.79	1,360.18	28,999.94
As at 31 March 2022					
Borrowings	5,361.94	11,694.54	1,114.20	-	18,170.68
Trade payables	-	8,608.52	-	-	8,608.52
Other financial liabilities (including lease liabilities)	-	6,483.33	905.39	1,404.72	8,793.44
	5,361.94	26,786.39	2,019.59	1,404.72	35,572.64

43. Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Indian Company towards Provident Fund and Gratuity. The draft rules for the Code on Social Security, 2020 have been released by the Ministry of Labour and Employment on November 13, 2020. The Holding Company and its Indian subsidiary are in the process of assessing the additional impact on Provident Fund contributions and on Gratuity liability contributions and will complete their evaluation and give appropriate impact in the financial statements in the period in which the rules are notified become effective and the related rules to determine the financial impact are published.

44. Overdue outstanding foreign currency receivable and payable

The Holding Company has foreign currency payable aggregating to Rs 155.67 lakhs and Rs 1,948.16 lakhs which are outstanding for more than six months and three years respectively, as of March 31, 2023. The Holding Company also has foreign currency receivable balances aggregating to Rs 4,277.51 lakhs which are outstanding for more than nine months, as of March 31, 2023. As on the date of signing of financial statement, the Company is in the process of applying for necessary extension in consultation with RBI Consultant. Management does not expect any material implication on account of delays under the existing regulations.

45. Classification of Bank Accounts of the Group by lenders at Non Performing Assets

Consequent upon classification of Company account as NPA with its lenders, the Company has submitted the restructuring proposal for restructuring of debt under RBI Circular dated June 07, 2019 "Prudential Framework for Resolution of Stressed Assets" to lead bank which is expected to be completed shortly.

46. Application pending in Policy Relaxation Committee (PRC) for extension of Validity period of Advance license

Holding Company has outstanding three advance licenses for the purpose of saving duty on import with the condition of export obligation as on March 31, 2023, however in respect of pending all three licenses on which duty saved amounting to Rs 786.69 lakhs, required export obligation not fulfilled by the Holding Company during the validity period of license. The Holding Company has already filled application under PRC for extension period of above-mentioned license and the same is currently pending in PRC due to pandemic of COVID 19. Management is of the view that extension will be granted and required export obligation will be fulfilled in the extended period of advance license.

47A. Disclosure regarding relationship with Struck-off Companies

The Company has not entered into any transaction nor it is having any balance outstanding with struck-off companies as defined under section 248 of Companies Act, 2013.

Notes to consolidated financial statements

for the year ended March 31, 2023

47B. Registration of charges or satisfaction with Registrar of Companies (ROC)

Detail of Charges which are yet to be satisfies is as below:-

(Amount in Rs.)

Name of Lender	Loan Sanctioned	Charge Created	Difference	Remarks
HDFC Bank Limited	29,855.00	37,169.00	7,314.00	Consortium charge was created by Union Bank of India for all lenders in previous years, however during the current year, Company has closed it's borrowings with one of lender namely "Punjab National Bank", however charge against the same was not satisfied on MCA portal.

48. Impairment testing of Optical Fibre Manufacturing Plant of foreign subsidiary

The Foreign Subsidiary Company namely AOL Technologies FZE, Dubai (wholly owned subsidiary company) has Capital work in progress as on March 31, 2023 amounting to Rs. 9,294.38 lakhs in respect of Optical Fibre Manufacturing Plant. Presently the project has been suspended due to paucity of funds In view of the continuing positively evolving optical fibre market and improved pandemic situation.

Based on above mentioned information and considering the requirement of Ind AS-36 (Impairment of Assets), the management of the Company has carried out impairment assessment by registered valuer. Based on the valuation report received from such valuer no provision is considered necessary for any diminution in value of any assets.

49A. Impairment testing of FRP Manufacturing Plant of foreign subsidiary

The Foreign Subsidiary Company namely AOL FZE, Dubai (wholly owned subsidiary company) has been incurring losses from last few years, resulting in erosion of net worth. The Company is also in default with the Banks towards repayment of its borrowing obligation. Further at presently operations of above mentioned subsidiary are suspended due to various reason.

Based on above mentioned information and considering the requirement of Ind AS-36 (Impairment of Assets), the management of the Company has carried out impairment assessment by registered valuer. Based on the valuation report received from such valuer no provision is considered necessary for any diminution in value of any assets.

49B. Written off of assets located in Step down subsidiary namely AOL Composites (Jiangsu) Limited

During the year, The Step-down Subsidiary namely AOL Composites (Jiangsu) Limited of AOL FZE, Dubai Co. has discontinued its operation in China, resulting Group has recognised the net loss of Rs.547.17 lakhs as exceptional item in statement of profit and loss account.

50A. Impairment testing of Ophthalmic lens Plant

The Holding Company has started lens plant in financial year 2017-18 for production of ophthalmic lens but the Holding Company has not achieved desired production capacity due to technical constraint and pandemic of COVID-19 situation in current year as well as in previous year, resulting fixed cost increase of the lens plant with low contribution, hence cash loss incurred in lens plant in current year as well as in previous years. As on 31st March 2022, WDV (including capital work in progress) of Ophthalmic Lens Plant is Rs 2,902.38 lakhs.

Based on above mentioned information and considering the requirement of Ind AS-36 (Impairment of Assets), the management of the Company has carried out impairment assessment by registered valuer. Based on the valuation report received from such valuer no provision is considered necessary for any diminution in value of any assets.

50B. Matter on Stamp duty demand raised by State directorate of revenue intelligence on account of transfer of property under amalgamation

#APAKsh Brodband Limited was merged with the Holding company on approval of Scheme of Amalgamation vide order passed by the NCLT, New Delhi on 08.11.2017. A notice of evasion of stamp duty on the said amalgamation order was received from the State Directorate of Revenue Intelligence (SDRI). Subsequently, matter was duly represented by the Holding company on July 05, 2022 to the effect that both the entries have relationship of Holding and Subsidiary with Parent entity having 99.92% ownership of Subsidiary. So there was no transfer of any property under this Amalgamation and accordingly, no stamp duty is payable. Presently the holding company has disputed the demand (including interest and penalty) amounting to Rs. 2,244.73 lakhs with relevant authorities which could have a significant impact on the financial statements of the Company, if the potential exposure were to materialise. Considering guidance provided in Ind AS 37 Provisions, contingent liabilities and contingent assets and discussion with legal consultants, management is of opinion that no such liability will arise in future.

Notes to consolidated financial statements

for the year ended March 31, 2023

51. Financial Ratios

Particulars	Numerator	Denominator	31-Mar-23	31-Mar-22	Variance (%)
Current Ratio	Current Assets	Current Liabilities	0.31	0.48	-35.43%
Debt-Equity	Total Debt	Shareholder's Equity	2.42	2.01	20.66%
Debt Service Coverage Ratio	EBITDA	Debt Service (Interest+Principal Repayment)	0.29	0.44	-33.09%
Return on Equity (ROE)	Net Income after Tax	Shareholder's Equity	-15.17%	-0.40%	3674.97%
Inventory Turnover ratio	Cost of Goods Sold	Average Inventory	4.34	3.62	19.89%
Trade Receivables turnover ratio	Revenue from Operations	Average Trade Receivables	4.88	4.07	20.12%
Trade Payable turnover ratio	Purchases	Average Trade Payables	2.09	1.97	6.41%
Net capital turnover ratio	Revenue	Working Capital	-1.54	-1.82	-15.21%
Net profit ratio	Net Profit/(Loss)	Total Revenue	-4.69%	-0.13%	3525.76%
Return on Capital Employed (ROCE)	EBIT	Capital Employed	15.46%	30.34%	-49.05%
Return on Investment (ROI)	Return	Investment	5.89%	4.03%	46.25%

Explanation to Ratios where Variance in Ratio is more than 25% as compared to previous year

1. Current ratio decline due to increase in current liability and at the same time decline in current assets of the Company.
2. Debt Service Coverage Ratio: Ratio decline due to decline in Cash Profit before Interest.
3. Return on Equity (ROE): Ratio decline due to increase in Net Loss.
4. Net profit ratio: Ratio decline due to increase in Net Loss.
5. Return on Capital Employed (ROCE): Ratio decline due to increase in Net Loss.
6. Return on Investment (ROI): Ratio improved due to Investment in FDR having increase in rate as compare to previous year.

52. Capital management

Capital of the Group, for the purpose of capital management, include issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Group Companies. The primary objective of the Group capital management is to maximise shareholders value. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings.

The Group monitors capital using gearing ratio, which is debt divided by total capital plus debt. The Group includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

(Amount in Lakhs)

	31-Mar-23	31-Mar-22
Descriptions		
Borrowings	15,887.23	18,403.22
Less: Cash and cash equivalents	480.41	631.79
Net debt	15,406.82	17,771.43
Total equity	7,546.08	10,357.11
Gearing ratio	204.17%	171.59%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

Notes to consolidated financial statements

for the year ended March 31, 2023

53. Additional information, as required under Schedule III to the Companies Act 2013, "General instructions for the preparation of consolidated financial statements" for financial year 2022-23

(Amount in Lakhs)

	Net Assets, i.e., total assets minus total liabilities	
	As % of consolidated net assets	Amount (Amount in Lakhs)
Parent		
Aksh Optifibre Limited	61.46%	4,637.48
Subsidiaries		
Indian		
Aksh Composites Private Limited	-0.34%	(25.31)
Foreign		
AOL FZE, (Dubai) *	-17.41%	(1,313.96)
AOL Technologies FZE, (Dubai)	52.38%	3,952.29
Aksh Technologies (Mauritius) Limited, (Mauritius)	3.92%	295.58
Total	100.00%	7,546.08

	Share in Profit or Loss		Share in other comprehensive income		Share in other comprehensive income	
	As % of consolidated net assets	Amount (Amount in Lakhs)	As % of consolidated other comprehensive income	Amount (Amount in Lakhs)	As % of consolidated other comprehensive income	Amount (Amount in Lakhs)
Parent						
Aksh Optifibre Limited	(130.07)	1,765.93	(0.91)	13.29	(63.29)	1,779.22
Subsidiaries						
Indian						
Aksh Composites Private Limited	0.54	(7.27)	(0.13)	1.87	0.19	(5.40)
Foreign						
AOL FZE, (Dubai)*	197.11	(2,676.15)	64.04	(930.68)	128.31	(3,606.83)
AOL Technologies FZE, (Dubai)	28.65	(388.93)	36.75	(534.09)	32.84	(923.02)
Aksh Technologies (Mauritius) Limited, (Mauritius)	3.78	(51.26)	0.26	(3.74)	1.96	(55.00)
Total	100.00	(1,357.68)	100.00	(1,453.35)	100.00	(2,811.03)

*Figures for AOL FZE, (Dubai) are figures after consolidation with its subsidiary AOL Composite Jiangsu Co. Ltd.

54. Fair Values

	31-Mar-23	31-Mar-22
Derivative instruments		
Carrying value	0.15	-
Fair Value	0.15	-

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.

Notes to consolidated financial statements

for the year ended March 31, 2023

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: 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 March 31, 2023 and March 31, 2022

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2023 and March 31, 2022

	Level 1	Level 2	Level 3
Derivative instruments			
At 31 March 2023	-	0.15	-
At 31 March 2022	-	-	-

There are no transfers among levels 1, 2 and 3 during the year.

The accompanying notes (1-54) are an integral part of the financial statements

As per our report of even date
For P. C. Bindal & Co
Chartered Accountants
Firm Registration Number: 003824N

CA K. C. Gupta
Partner
Membership Number: 088638

Place: New Delhi
Date: May 19, 2023

Dr. Kailash Shantilal Choudhari
Chairman
DIN : 00023824

Nikhil Jain
Chief Financial Officer

For and on behalf of the Board of Directors

Gaurav Mehta
Chief Executive officer - Corporate Affairs &
Group Company Secretary

Anubhav Raizada
Company Secretary

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Notes

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