

SCHEME OF AMALGAMATION

BETWEEN

APAKSH BROADBAND LIMITED

(Transferor Company)

AND

AKSH OPTIFIBRE LIMITED

(Transferee Company)

AND

THEIR RESPECTIVE SHAREHOLDERS

**UNDER SECTIONS 391 TO 394 OF THE COMPANIES ACT, 1956 AND SECTIONS
230-236 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS
OF THE COMPANIES ACT, 1956 AND THE COMPANIES ACT, 2013**

PART I – PREAMBLE, RATIONALE, DEFINITIONS & INTERPRETATION

1.1 PREAMBLE

- 1.1.1 This Scheme of Amalgamation (hereinafter referred to as the “**Scheme**”) provides for the amalgamation of APAKSH Broadband Limited (hereinafter referred to as “**Transferor Company**” or “**APAKSH**”) with Aksh Optifibre Limited (hereinafter referred to as “**Transferee Company**” or “**AKSH**”). The Scheme is made pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Companies Act, 1956 including the corresponding provisions of section 230 to 236 of the Companies Act, 2013, if applicable or any statutory modifications or re-enactment thereof.
- 1.1.2 Aksh Optifibre Limited is a public limited company incorporated under the Companies Act, 1956 having CIN L24305RJ1986PLC016132 is listed on BSE and NSE and is presently engaged in the business of manufacturing and selling optical fibres, optical fibre cables, and fibre reinforced plastic (FRP) rods.
- 1.1.3 APAKSH Broadband Limited is an unlisted public limited company incorporated under the Companies Act, 1956 having CIN U92111RJ2005PLC 056369 to carry on the business of optical fibre network and providing broadband network connectivity to government and other offices across the State of Andhra Pradesh.



1.1.4 This Scheme is divided into the following parts:

- Part I: Preamble, Rationale, Definitions & Interpretation
Part II: Share Capital
Part III: Transfer and vesting of APAKSH into AKSH
Part IV: Other conditions applicable to the Scheme

1.2 RATIONALE OF THE SCHEME

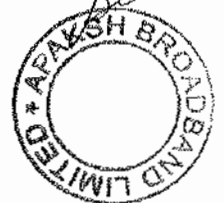
Both the companies are in similar line of business and consolidation is expected to bring strengths that each company may not necessarily possess individually. In order to optimally utilize the available resources and to achieve synergies in the combined business entity, the Board of Directors of the Transferor Company and the Transferee Company decided to amalgamate the Transferor Company into the Transferee Company. The amalgamation will result in better, efficient and economical management, achieve cost savings, pooling of resources, reduction in administrative and operational expenses and greater control. Without prejudice to the generality of the above, the proposed amalgamation is expected to achieve the following objectives in particular:

- (a) To economize on administrative and other expenses;
- (b) To increase the efficiency of combined business by pooling of resources and their optimum utilization, thereby availing synergies from combined resources;
- (c) The Transferee Company would have diversified product portfolio and merger would facilitate expansion of business offerings;
- (d) Improve management focus to respective businesses and facilitate the unified control over operations;
- (e) Leverage the operational, capital and corporate synergies and help optimal utilization of resources viz business promotion, managerial pool, etc.;
- (f) Reduce overheads, administrative, managerial and other expenditure; and
- (g) Facilitate greater integration, provide greater financial strength, tax savings and stronger balance sheet of the amalgamated entity, which would result in maximizing overall shareholder value and will improve the competitive position of the combined entity.

2. DEFINITIONS AND INTERPRETATION

2.1 In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the meanings given below;

- (a) "Act" or "the Act" means the Companies Act, 1956 and/or the Companies Act, 2013 (as the context may require) or any statutory amendments thereto or re-enactment thereof for the time being in force;
- (b) "Accounting Standards" means accounting standards prescribed under the Companies (Accounting Standards) Rules, 2006 or the Companies Indian Accounting Standards Rules, 2015 as applicable to the Companies.



- (c) **"Appointed Date"** for the purposes of this Scheme means April 1, 2016, or such other date as the Hon'ble Tribunal may direct;
- (d) **"Board"** or **"Board of Directors"** means the board of directors of the Transferor Company or the Transferee Company, as the case may be, and shall, unless it is repugnant to the context or otherwise, include a committee of directors or any person authorized by the Board of Directors or such committee of directors;
- (e) **"Effective Date"** shall mean the last of the dates on which the conditions referred to in Clause 18 of the Scheme have been fulfilled. References in this Scheme to the date of the "coming into effect of this Scheme" or "effectiveness of this Scheme" shall mean the Effective date;
- (f) **"Merged Undertaking"** shall mean and include the whole of the businesses and undertakings of APAKSH on a going concern basis, being carried on by APAKSH as on the Appointed Date and shall include (without limitation):
- all the properties and assets whether movable or immovable, real or personal, in possession or reversion, corporeal or incorporeal, tangible or intangible, present or contingent and including but without being limited to land and building, all fixed and movable plant & machinery, broadband infrastructure providing broadband access services, customer network equipment, the network connection and broadband access services, bandwidth permissions, factory, sheds, offices, truck, car, material handling equipments, earth moving equipments, construction equipment and machinery, all other kinds of machinery, tools, equipments and spares, weight machine, leasehold or freehold, including all computers and accessories, software and related data, leasehold improvements, capital work-in-progress, vehicles, furniture, fixtures, fittings, office equipment, telephone, facsimile and other communication facilities and equipments, electricals, fibre optic cables, appliances, accessories, deferred tax assets and investments;
 - all liabilities, present and future, including the contingent liabilities;
 - all rights and licenses including contract for development, implementation, operation and maintenance of AP broadband network, right of way permission for provision of broadband infrastructure issued by the Government of Andhra Pradesh, all assignments and grants thereof, all permits, clearances and registrations whether under Central, State or other laws, rights (including rights/ obligations under any agreement, contracts, applications, letters of intent, or any other contracts), subsidies, grants, tax credits (including MODVAT/ CENVAT, Service Tax credits), incentives or schemes of central/ state/ local governments, certifications and approvals, regulatory approvals, entitlements, other licenses, environmental clearances, municipal permissions, approvals, consents, tenancies, investments and/ or interest (whether vested, contingent or otherwise), cash balances, bank balances, bank accounts, reserves, deposits, advances, recoverable, receivables, benefit of insurance claims, easements, advantages, financial assets, hire purchase and lease arrangements, assets or equipment rental agreements, the benefits of bank guarantees issued by APAKSH, funds belonging to or proposed to be utilised by APAKSH, privileges, all other claims, rights and benefits (including under any powers of attorney issued by APAKSH or any powers of attorney issued



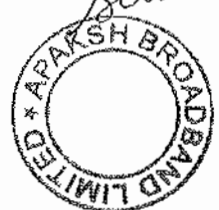
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in favour of APAKSH or from or by virtue of any proceeding before a legal, quasi judicial authority or any other statutory authority to which APAKSH was a party), powers and facilities of every kind, nature and description whatsoever, rights to use and avail of telephones, telexes, facsimile connections and installations, utilities, electricity, water and other services, provisions, funds; benefits, duties and obligations of all agreements, contracts and arrangements and all other rights and interests;

- all employees on rolls of APAKSH on the date immediately preceding the Effective Date;
- all deposits and balances with Government, Semi-Government, local and other authorities and bodies, customers and other persons, share application money, earnest moneys and/ or security deposits paid or received by APAKSH;
- all books, records, files, papers, product specifications and process information, records of standard operating procedures, computer programs along with their licenses, manuals and backup copies, designs and drawings, other manuals, data catalogues, quotations, sales and advertising materials, and other data and records whether in physical or electronic form;
- all intellectual property rights including all trademarks, trademark applications, trade names, right of way permission, patents and patent applications and all other interests exclusively relating to APAKSH.

It is intended that the definition of Merged Undertaking under this Clause would enable the transfer of entire business and undertakings including all properties, assets, rights, duties and liabilities of APAKSH into AKSH pursuant to this Scheme.

- (g) **"Record Date"** means the date to be fixed by the Board of the Transferor Company in consultation with the Transferee Company, with reference to which the eligibility of the shareholders of the Transferor Company for the purposes of issue and allotment of New Equity Shares of the Transferee Company in terms of the Scheme shall be determined.
- (h) **"Registrar of Companies"** means Registrar of Companies, Jaipur, having jurisdiction over the transferor and transferee companies.
- (i) **"Scheme" or "the Scheme" or "this Scheme"** means this Scheme of Amalgamation in its present form, with any amendment/modifications approved or imposed or directed by the Board and/or shareholders and/or creditors and/or by the Tribunal;
- (j) **"Share Exchange Ratio"** means the ratio in which the New Equity Shares of the Transferee Company are to be allotted to the equity shareholders of the Transferor Company by the Transferee Company as per Clause 5.1 of the Scheme.
- (k) **"Stock Exchanges"** shall mean and include the Bombay Stock Exchange Limited ("BSE") and/or National Stock Exchange of India Limited ("NSE").



- (l) **"Transferor Company"** means APAKSH Broadband Limited, a unlisted public limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office at F-1080, RIICO Industrial Area, Phase-III, Bhiwadi (Rajasthan)-301019, India.
- (m) **"Transferee Company"** means Aksh Optifibre Limited, a listed public limited company incorporated under the Companies Act, 1956 and presently having its registered office at F-1080, RIICO Industrial Area, Phase-III, Bhiwadi (Rajasthan)-301019, India.
- (n) **"Tribunal"** means the Hon'ble National Company Law Tribunal, New Delhi Bench or such other Bench having jurisdiction in respect to the Transferee Company and the Transferor Company or any other appropriate forum or authority or Court empowered to approve the Scheme as per the law for the time being in force.

2.2 INTERPRETATION

All terms and words not defined in this Scheme shall, unless repugnant or contrary to the context or meaning thereof, have the same meaning ascribed to them under the Act and other applicable laws, rules, regulations, bye-laws, as the case may be including any statutory amendments thereto or re-enactment thereof. Reference to Companies Act, 1956 shall also mean corresponding provisions of Companies Act, 2013 as applicable.

2.3 COMPLIANCE WITH TAX LAWS

The Scheme proposes to meet the commercial and business interest of the parties as specified hereinbefore. This Scheme, in so far as it relates to the merger and has been also drawn-up to comply with the conditions relating to "Amalgamation" as specified under the tax laws, including section 2(1B), section 47 and section 72A (if applicable) and all other relevant Sections of the Income Tax Act, 1961 or any amendment or reenactment thereto. If any terms or provisions of the Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of any amendment of law or any judicial or executive interpretation or for any other reason whatsoever, the Scheme shall then stand modified to the extent determined necessary to comply with the said provisions. Such modification will however not affect other parts of the Scheme, and the power to make any such amendments shall vest with the Board of Directors of APAKSH and AKSH.



PART II – SHARE CAPITAL

3. CAPITAL STRUCTURE

- 3.1 The position of the authorized, issued, subscribed and paid up capital of the Transferor Company and the Transferee Company as on March 31, 2016 is as follows:

Name of the Company	Authorized Share Capital	Issued Subscribed and Paid Up Capital
APAKSH Broadband Limited ("Transferor Company")	Rs. 175,00,00,000/ (Rupees One Seventy Five Crores only) consisting of 35,00,00,000 (Thirty Five Crores) equity shares of Rs. 5/- each.	Total issued and subscribed capital- Rs. 150,00,00,000/- (Rupees One Fifty Crores only) consisting of 30,00,00,000 (Thirty Crores) equity shares of Rs. 5/- each. Total Paid-up share capital- Rs. 1,352,250,000/- (Rupees One Thirty Five Crores Twenty Two Lakh Fifty Thousand only) consisting of 226,125,000 (Twenty Two Crores Sixty One Lakh Twenty Five Thousand) equity shares of Rs. 5/- each and 73,875,000 (Seven Crore Thirty Eight Lakh Seventy Five Thousand) equity shares forfeited of Rs. 3/- each.
Aksh Optifibre Limited ("Transferee Company")	Rs. 85,05,00,000/- (Rupees Eighty Five Crores Five Lakhs only) consisting of 17,01,00,000 Seventeen Crores One Lakhs) equity shares of Rs. 5/- each.	Rs. 81,33,25,350/- (Rupees Eighty One Crores Thirty Three Lakhs Twenty Five Thousand and Three Hundred Fifty only) consisting of 16,26,65,070 (Sixteen Crores Twenty Six Lakhs Sixty Five Thousand and Seventy only) equity shares of Rs. 5/- each.

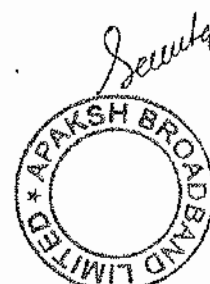
- 3.2 It is provided that till the Scheme becomes effective both the companies i.e. Transferor Company and the Transferee Company are free to alter their share capital as required by respective businesses subject to the necessary approvals from their respective Board of Directors and/or shareholders, if required.



PART III –TRANSFER AND VESTING OF APAKSH INTO AKSH

4. TRANSFER OF UNDERTAKING

- 4.1 With effect from the Appointed Date, the whole of the Merged Undertaking, comprising inter-alia all assets and liabilities of whatsoever nature and wheresoever situated, shall, under the provisions of Section 391 read with Section 394 and all other applicable provisions, if any, of the Act, without any further act or deed, be transferred to and vested in and/ or be deemed to be transferred to and vested in AKSH as a going concern so as to become as and from the Appointed Date the assets and liabilities of AKSH and to vest in AKSH all the rights, title, interest or obligations of APAKSH therein. With effect from the Effective Date, the Transferee Company shall be liable for ground rent and municipal taxes in relation to such properties subject to such taxes, if any. The mutation of title to the immovable properties shall be made and duly recorded by appropriate authorities pursuant to the sanction of the Scheme and upon the Scheme becoming effective in accordance with terms hereof in favour of the Transferee Company.
- 4.2 All assets acquired by APAKSH after the Appointed Date and prior to the Effective Date shall also stand transferred to and vested in AKSH upon the coming into effect of the Scheme. Where any of the assets of APAKSH as on the Appointed Date deemed to be transferred to AKSH have been sold or transferred by APAKSH after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of AKSH. As regards transfer of specified movable assets, Clauses 4.3 and 4.4 below provide for the physical mode of effecting transfer.
- 4.3 In respect of such of the assets of the Merged Undertaking as are movable in nature or are otherwise capable of transfer by manual delivery, by paying over or by endorsement and delivery, the same may be so delivered, paid over, or endorsed and delivered, by APAKSH shall become the property of AKSH as an integral part of the Merged Undertaking transferred to it. The aforesaid transfer shall be deemed to take effect from the Appointed Date without requiring any deed or instrument of conveyance for the same. Such transfer may not be liable to stamp duty in accordance with law. Such delivery shall be made on a date mutually agreed upon between the Board of Directors of AKSH and the Board of Directors of APAKSH.
- 4.4 All debts, advance tax, loans and advances recoverable in cash or in kind or for value to be received, deposits, outstanding and receivables of Merged Undertaking/ APAKSH other than the movable assets specified in Clause 4.3 shall on and from the Appointed Date stand transferred to and vested in AKSH without any further actions or deed (although AKSH may, if it deems appropriate, give notice to the third party that the debts, outstanding and receivables do stand transferred to and vested in AKSH), and the debtors shall be obliged to make payments to AKSH on and after the Effective Date.



- 4.5 With effect from the Appointed Date, all debts payable, liabilities, contingent liabilities, duties and obligations of every kind, nature and description of Merged Undertaking/ APAKSH shall also, under the provisions of Sections 391 to 394 of the Act, without any further act or deed, be transferred to or be deemed to be transferred to AKSH so as to become as and from the Appointed Date the debts payable, liabilities, contingent liabilities, duties and obligations of AKSH.
- 4.6 Where any of the liabilities and obligations, if any, of the Merged Undertaking/ Transferor Company, as on the Appointed Date, transferred to the Transferee Company has been discharged by the Transferor Company after the Appointed Date and prior to the Effective Date, such discharge shall be deemed to have been for and on account of the Transferee Company.
- 4.7 All loans raised and utilized and all debts, duties, undertakings, liabilities and obligations, if any, incurred or undertaken by the Merged Undertaking/ Transferor Company, after the Appointed Date and prior to the Effective Date shall be deemed to have been raised, used, incurred or undertaken for and on behalf of the Transferee Company and to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, pursuant to the provisions of section 394(2) of the Act, without any further act, instrument or deed be and stand transferred to or vested in or be deemed to have been transferred to and vested in the Transferee Company and shall become the debt, duties, undertakings, liabilities and obligations of the Transferee Company.
- 4.8 The transfer and vesting of the Merged Undertaking as aforesaid, shall be subject to the existing securities, charges and mortgages, if any, subsisting over or in respect of the property and assets or any part thereof of APAKSH.

Provided however that any reference in any security documents or arrangements (to which APAKSH is a party) to the assets of APAKSH offered or agreed to be offered as security for any financial assistance or obligations, shall be construed as reference only to the assets pertaining to the Merged Undertaking of APAKSH as are vested in AKSH by virtue of this Scheme, to the end and intent that such security, charge and mortgage shall not extend or be deemed to extend, to any of the other assets of APAKSH or any of the assets of AKSH.

Provided further that the securities, charges and mortgages (if any subsisting) over and in respect of the assets or any part thereof of AKSH shall continue with respect to such assets or part thereof and this Scheme shall not operate to enlarge such securities, charges or mortgages to the end and intent that such securities, charges and mortgages shall not extend or be deemed to extend, to any of the assets of APAKSH vested in AKSH.

Provided always that this Scheme shall not operate to enlarge the security for any loan, deposit or facility created by APAKSH which shall vest in AKSH by virtue of merger of APAKSH into AKSH and AKSH shall not be obliged to create any further or additional security after the Scheme has become operative.



5. CONSIDERATION AND RE-ORGANISATION OF SHARE CAPITAL

- 5.1 Upon Scheme becoming effective and without any further application, act or deed, the Transferee Company, in consideration of the transfer and vesting of the Merged Undertaking (with all its assets, liabilities, rights and obligations) of the Transferor Company in the Transferee Company, the Transferee Company shall issue and allot on the proportionate basis to all the members of the Transferor Company as on the Record Date ("Members"), or to such of their respective heirs, executors, administrators or other legal representatives or other successors in title as may be recognized by the Board of Transferor Company in the following manner:

25 fully paid up equity shares of Rs. 5/- each of the Transferee Company for every 133 fully paid up equity shares of Rs. 5/- each of the Transferor Company held by the Members (other than its holding company - Aksh) whose names appear in the Register of Members of the Transferor Company ("New Equity Shares")

In the event of any increase in the issued, subscribed or paid up share capital of the Transferor Company or the Transferee Company or issuance of any instruments convertible into equity shares or restructuring of its equity share capital including by way of share split/consolidation/issue of bonus shares, free distribution of shares or instruments convertible into equity shares or other similar action in relation to share capital of the Transferor Company or the Transferee Company at any time before the Record Date, the Share Exchange Ratio shall be adjusted appropriately to take into account the effect of such issuance or corporate actions and assuming conversion of any such issued instruments convertible into equity shares.

- 5.2 Upon coming into effect of this Scheme all the equity shares held by Aksh in APAKSH shall stand cancelled in accordance with law without the need to issue any New Equity Shares.
- 5.3 The New Equity Shares unless otherwise requested by the Members to be issued in depository /physical form, shall be credited in the demat account of the Members of the Transferor Company provided that the Members shall be required to have an account with a depository participant and shall provide details thereof and such other confirmations as may be required.
- 5.4 The fractional entitlement arising in terms of Clause 5.1 above in the hands of the shareholder(s) of the Transferor Company (with reference to their holding as on the date of approval of the Scheme by the Board of the Transferor Company and the Transferee Company) shall be rounded up to the next number. The decision of the Board of Directors of the Transferee Company shall be considered final in this regard. .
- 5.5 The New Equity Shares to be issued in terms hereof shall be subject to the Memorandum and Articles of Association of the Transferee Company.
- 5.6 The New Equity Shares of the Transferee Company to be issued and allotted in lieu of the equity shares of the Transferor Company shall rank, for dividend, voting rights and for all other benefits and in all other respects, pari-passu with the existing equity shares of the Transferee Company with effect from the date of allotment of New Equity Shares.

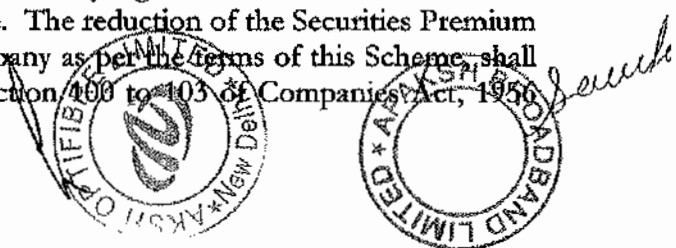


- 5.7 All the New Equity Shares and allotted by the Transferee Company shall be listed and/or admitted to trading on the Stock Exchange(s). The Stock Exchanges shall list the said New Equity Shares, the issuance of which shall be considered as due compliance of the provisions of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, to the extent applicable and other applicable provisions of law. The Transferee Company will enter into such arrangements and give such confirmations and/or undertakings and/or file such necessary applications, as may be necessary in accordance with applicable laws or regulations for complying with formalities of the said Stock Exchanges/SEBI.
- 5.8 The New Equity Shares allotted pursuant to this Scheme shall remain frozen in the depositories system till relevant directions in relation to listing/trading are provided by the relevant Stock Exchange(s).

6. ACCOUNTING TREATMENT

- 6.1 Upon the Scheme becoming finally effective, the Transferee Company shall incorporate the assets and liabilities of the Transferor Company in accordance with the Accounting Standards and more particularly as specified hereunder:

- a) Upon the Scheme becoming effective, AKSH shall record the Merged Undertaking vested in it pursuant to the Scheme, at their respective book values as appearing in the financial statements of APAKSH constituting Merged Undertaking at the close of business of the day immediately preceding the Appointed Date in accordance with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 or any other applicable provisions of the Act.
- b) To the extent that there are inter-corporate loans, investments or balances between and amongst APAKSH and AKSH, the obligations in respect thereof shall come to an end and corresponding effect shall be given in the books of account and records of AKSH for the reduction of any assets or liabilities or other appropriate treatment, as the case may be. It is agreed by APAKSH and AKSH that all the requirements of the Act and any other applicable law with respect to such amounts shall be deemed to have been duly complied with.
- c) In so far as the balances in "Reserves and Surplus" of APAKSH is concerned, AKSH shall record the balances, if any, in the Profit and Loss Account or any other reserves in the same form and at the same values as they appear in the financial statements of APAKSH at the close of business of the day immediately preceding the Appointed Date.
- d) The aggregate of the excess of the value of the assets over the value of the liabilities and reserves of Merged Undertaking vested in AKSH pursuant to this Scheme including value of New Equity Shares issued under the Scheme and as recorded in the books of accounts of AKSH, shall be credited to the Capital Reserve Account of AKSH. In case of excess of the value of liabilities and reserves over value of assets transferred in the Scheme including value of New Equity Shares issued under the Scheme the same shall be adjusted firstly against the Securities Premium Account and then against Capital Reserve. The reduction of the Securities Premium Account, (if any) of the Transferee Company as per the terms of this Scheme, shall be deemed to be in compliance with Section 100 to 103 of Companies Act, 1956.



(including the corresponding applicable provisions of the Companies Act, 2013) and the Transferee Company shall not be required to add "and reduced" as part of its name.

- e) In case of any differences in accounting policy between APAKSH and AKSH, the impact of the same till the Appointed Date will be quantified and adjusted in the balance sheet of AKSH in accordance with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 or any other applicable provisions of the Act, to ensure that the financial statements of AKSH reflect the financial position on the basis of consistent accounting policy.
- 6.2 For the removal of doubts, it is hereby clarified that there would be no accrual of income including interest or other expenses/ charges in respect of any inter-company loans or balances between AKSH and APAKSH during the period between the Appointed Date and Effective Date. It is also clarified that there would be no accrual of income or expense on account of any other transactions, including inter alia any transactions in the nature of sale or transfer of any goods or services between AKSH and APAKSH, during the period between the Appointed Date and the Effective Date.
- 6.3 It is hereby clarified that, all transactions during the period between the Appointed Date and Effective Date relating to the Merged Undertaking would be duly reflected in the financial statements of AKSH, upon the coming into effect of this Scheme.
- 6.4 Notwithstanding anything contained in this Clause 6, the Board of Directors of AKSH is authorized to account for any of these transaction/ balances in any manner whatsoever, as may be deemed fit, in accordance with the Accounting Standards prescribed under Section 133 of the Companies Act, 2013 or any other applicable provisions of the Act.

7. BUSINESS AND PROPERTY IN TRUST FOR TRANSFeree COMPANY

As and from the Appointed Date and upto and including the Effective Date:

- 7.1 The Transferor Company shall carry on and be deemed to have carried on its business and activities and shall stand possessed of all its assets and properties referred to in Clause 4 above, in trust for the Transferee Company and shall account for the same to the Transferee Company.
- 7.2 The Transferor Company shall carry on its business and activities with reasonable diligence and business prudence.
- 7.3 Any income or profit accruing or arising to the Transferor Company and all costs, charges, expenses and losses or taxes (including deferred tax balances, if any) incurred by the Transferor Company shall for all purposes be treated as the income, profits, costs, charges, expenses and losses or taxes (including deferred tax balances, if any), as the case may be, of the Transferee Company and shall be available to the Transferee Company for being disposed off in any manner as it thinks fit.



8. CONDUCT OF BUSINESS

With effect from the date of approval of the Scheme by the Board of Directors of APAKSH and upto the Effective Date:

- 8.1 APAKSH shall carry on its business with reasonable diligence and in the same manner as it had been doing it theretofore.
- 8.2 APAKSH shall not alter or substantially expand the business except with the written concurrence of the Transferee Company.
- 8.3 APAKSH shall not, without the written concurrence of the Transferee Company, alienate charge or encumber any of its properties, except in the ordinary course of business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of APAKSH.
- 8.4 APAKSH shall not vary or alter, except in the ordinary course of its business or pursuant to any pre-existing obligation undertaken prior to the date of acceptance of the Scheme by the Board of Directors of APAKSH, the terms and conditions of employment of any of its employees, nor shall it conclude settlement with employees.
- 8.5 APAKSH shall not revalue its respective assets and liabilities in its balance sheets without the express written consent of AKSH.
- 8.6 Notwithstanding anything else contained in this Scheme, AKSH or APAKSH may declare any dividend (interim or final) or bonus shares as per applicable law with the consent of Board of Directors of the Transferor Company and the Transferee Company.
- 8.7 It is clarified that the aforesaid provisions in respect of declaration of dividends, whether interim or final, are enabling provisions only and shall not be deemed to confer any right on any shareholder of Transferor Company and/or the Transferee Company to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Board of Directors of the Transferor Company and the Transferee Company and subject, wherever necessary, to the approval of the shareholders of the Transferor Company and the Transferee Company, respectively.
- 8.8 Notwithstanding anything else contained in this Scheme, during the pendency of the Scheme, APAKSH and AKSH are expressly authorized to raise capital for the purpose of funding growth or any other purpose, in any manner as considered suitable by their Board of Directors, whether by means of rights issue, preferential issue, public issue or any other manner whatsoever. Further, such funds may be raised by means of any instrument considered suitable by their respective Board of Directors, including warrants, equity/ equity linked instruments, preference shares, convertible/ non convertible bonds, debentures, debt, etc. Provided that any such capital raising exercise shall be approved in writing by the Board of Directors of APAKSH/ AKSH to preserve the interests of its shareholders.



- 8.9 With effect from the Effective Date and until such time the names of the bank accounts of the Transferor Company are replaced with that of the Transferee Company, the Transferee Company shall be entitled to operate the bank accounts of the Transferor Company in its name, in so far as may be necessary.

9. CONTRACTS AND DEEDS

- 9.1 Subject to the other provisions of this Scheme, all contracts, deeds, bonds, agreements, memorandum of understanding, insurance policies, licenses, leases, (including all tenancies, leases, licenses and other assurances in favour of the Transferor Company or powers or authorities granted by or to it), hire-purchase arrangements and other instruments, if any, of whatsoever nature to which the Transferor Company is a party and subsisting or having effect on the Effective Date shall be in full force and effect against or in favour of the Transferee Company, as the case may be, and may be enforced by or against the Transferee Company as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party thereto.
- 9.2 The Transferee Company may enter into and/ or issue and/ or execute deeds, writings or confirmations, affidavits, declarations or enter into any tripartite arrangements, confirmations or novations, to which the Transferor Company will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required or if so considered necessary. The Transferee Company shall be deemed to be authorised to execute any such deeds, writings or confirmations on behalf of the Transferor Company and to implement or carry out all formalities required on the part of the Transferor Company to give effect to the provisions of this Scheme. It is clarified that any inter-se contracts between the Transferor Company and the Transferee Company as on the Effective Date shall stand merged and vest in the Transferee Company.
- 9.3 All subsisting agreements/ arrangements/ licenses/ permissions/ registrations/ applications of the Transferor Company relating to the use of patents, patent applications, trade marks (including logos), brands, copyrights, websites, and / or technology, know-how, designs, process and all other intellectual property and rights, as on the Effective Date shall accrue to and for the benefit of the Transferee Company.



10. MERGER OF AUTHORISED SHARE CAPITAL OF TRANSFEROR COMPANY WITH TRANSFeree COMPANY

- 10.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the authorized share capital of the Transferor Company shall stand transferred to and be added with the authorized equity share capital of Transferee Company, without any liability for payment of any additional fees (including fee to Registrar of Companies) or stamp duty. Further, if required the Transferee Company shall take necessary steps to further increase and/or alter its authorised share capital suitably to enable it to issue and allot shares under the Scheme.
- 10.2 Consequently, subject to any increase and/or alteration in the authorized share capital of the Transferee Company as may be effected with the approval of its shareholders during the pendency of the Scheme for issue and allotment of shares under the Scheme, upon coming into effect of the Scheme and particularly the Clause 10.1 mentioned herein above, the authorized share capital of the Transferee Company shall be increased and accordingly, the Memorandum and Articles of Association of the Transferee Company shall automatically stand amended and words and figures in Clause V of the Memorandum of Association shall be substituted. It is hereby clarified that the Transferee Company through its Board, if required, would be entitled to make appropriate classification of its authorized share capital and provide suitable clarifications to the Registrar of Companies with regard to the addition of the authorized share capital of the Transferor Company with the Transferee Company in Clause V in its Memorandum of Association to facilitate issue and allotment of shares under the Scheme.
- 10.3 The filing fee and stamp duty already paid by the Transferor Company on its Authorized Share Capital, which is being clubbed to the Authorized Share Capital of the Transferee Company and/or the reorganization of the authorised share capital of the Transferee Company in terms of sub-clause hereinabove, shall be deemed to have been paid by the Transferee Company and accordingly, the fee paid by the Transferor Company on its authorized share capital will be eligible for adjustment against the fee on the increased authorized share capital of the Transferee Company so increased or reorganised pursuant to the Scheme.
- 10.4 All steps for reorganizing of share capital and changes to the memorandum of association of the companies under this Scheme, shall be undertaken as an integral part of this Scheme in accordance with the provisions of Sections 391-394 of the Act read with section 100 to 103 of the Act and shall be deemed to be in compliance of Section 100 to 103 of the Companies Act, 1956 and Sections 5, 13, 14, 42, 52, 61, 62 of the Companies Act, 2013 or other applicable Sections of the Act and no other steps or procedures would need to be undertaken by the concerned companies to give effect to the same. Consequential changes shall also apply with respect to the existing issued, subscribed and paid up capital of the Transferor Company and the Transferee Company.



11. DISSOLUTION OF TRANSFEROR COMPANY

On the Scheme coming into effect, the Transferor Company shall, without any further act or deed, stand dissolved without the process of winding up.

12. LEGAL PROCEEDINGS

12.1 All legal proceedings of whatsoever nature by or against the Transferor Company pending and/ or arising at the Appointed Date and relating to the Transferor Company or its properties, assets, debts, rights, liabilities, duties and obligations referred to in Clause 2.1 (f), shall be continued and/ or enforced until the Effective Date as desired by the Transferee Company and as and from the Effective Date shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. On and from the Effective Date, the Transferee Company shall and may, if required, initiate any legal proceedings in its name in relation to the Transferor Company in the same manner and to the same extent as would or might have been initiated by the Transferor Company.

12.2 After the Appointed Date, if any proceedings are taken against the Transferor Company, the same shall be defended by and at the cost of the Transferee Company.

13. STAFF, WORKMEN AND EMPLOYEES

13.1 On the coming into effect of the Scheme, all staff and employees of APAKSH in service on such date shall be deemed to have become staff and employees of AKSH without any break in their service and on the basis of continuity of service and the terms and conditions of their employment with AKSH shall not be less favourable than those applicable to them with reference to APAKSH on the Effective Date.

13.2 Upon the Scheme coming into effect, all staff welfare schemes including the existing Provident Fund, Gratuity Fund and/ or schemes and trusts, including employee's welfare trust, created by APAKSH for its employees shall be transferred to AKSH. APAKSH shall take all steps necessary for the transfer, where applicable, of the Provident Fund, Gratuity Fund and/ or schemes and trusts, including employee's welfare trust, pursuant to the Scheme, to AKSH. All obligations of APAKSH with regard to the said Fund or Funds as defined in the respective trust deed and rules shall be taken over by AKSH from the Effective Date to the end and intent that all rights, duties, powers and obligations of APAKSH in relation to such Fund or Funds shall become those of AKSH and all the rights, duties and benefits of the employees employed in APAKSH under such Funds and Trusts shall be fully protected, subject to the provisions of law for the time being in force. It is clarified that the services of the staff, workmen and employees of APAKSH will be treated as having been continuous for the purpose of the said Fund or Funds.

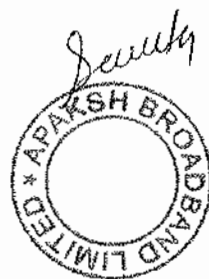
14. TREATMENT OF TAXES

14.1 The Tax Deducted at Source (TDS)/advance tax including MAT credit entitlement, provision for income tax, if any, paid by the Transferor Company under the Income Tax Act, 1961 or any other statute in respect of income of the Transferor Company assessable for the period commencing from Appointed Date shall be deemed to be the tax deducted from/advance tax paid by the Transferee Company and credit for such TDS/advance tax



(including MAT credit) shall be allowed to the Transferee Company notwithstanding that certificates or challans for TDS/advance tax/ MAT are in the name of the Transferor Company and not in the name of the Transferee Company. The income tax, if any, paid by the Transferor Company on or after the Appointed Date, in respect of income assessable from that date, shall be deemed to have been paid by or for the benefit of the Transferee Company. The Transferee Company shall, after the Effective Date, be entitled to file the relevant returns with the authorities concerned for the period after the Appointed Date notwithstanding that the period for filing such return may have elapsed. Further, the Transferee Company shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Transferor Company for any year, if so necessitated or consequent to this Scheme becoming effective; notwithstanding that the time prescribed for such revision may have elapsed.

- 14.2 The wealth tax, if any, paid by the Transferor Company in respect of its assets under the Wealth Tax Act, 1957, on or after the Appointed Date shall be deemed to have been paid by the Transferee Company. The Transferee Company shall, after the Scheme becomes effective, be entitled to file the wealth tax return for the relevant valuation date notwithstanding that the time prescribed for filing such returns may have elapsed. Further the Transferee Company shall, after the Scheme becomes effective, be entitled to revise the wealth tax returns, if any, filed by the Transferor Company for any year if so necessitated or consequent to this Scheme becoming effective; notwithstanding that the time prescribed for such revision may have elapsed.
- 14.3 Similarly, any other taxes including but not limited to excise duty, CENVAT, cess, service tax, value added tax, sales tax etc. paid by the Transferor Company on or after the Appointed Date, in respect of the period after such date shall be deemed to have been paid by or for the benefit of the Transferee Company. The Transferee Company shall, after the Effective Date, be entitled to file the relevant returns with the authorities concerned for the period after the Appointed Date, notwithstanding that the time prescribed for filing such return may have elapsed. Further, the Transferee Company shall, after the Effective Date, be entitled to revise the relevant returns, if any, filed by the Transferor Company for any year, if so necessitated or consequent to this Scheme becoming effective, notwithstanding that the time prescribed for such revision may have elapsed.
- 14.4 Without prejudice to generality of the aforesaid, any concessional or statutory forms under the laws of the Central or State Sales Tax or Value Added Tax (VAT), Service Tax or local levies issued or received by the Transferor Company, if any, in respect of period commencing from the Appointed Date shall be deemed to be issued or received in the name of the Transferee Company and benefit of such forms shall be allowable to the Transferee Company in the same manner and to the same extent as would have been available to the Transferor Company.



15. SAVING OF CONCLUDED TRANSACTIONS

- 15.1 The transfer of Merged Undertaking (including assets, liabilities, rights and obligations) under Clause 4 above and the continuance of proceedings by or against the Transferee Company under Clause 12 herein above shall not affect any transaction or proceedings already concluded by the Transferor Company on or before the Appointed Date and after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds and things done and executed by the Transferor Company in respect thereto as done and executed on behalf of Transferee Company.
- 15.2 Since each of the permissions, approvals, registrations, consents, sanctions, remissions, special reservations, right of way, insurance policy, incentives, concessions and other authorizations of the Transferor Company shall stand transferred by the order of the Hon'ble Tribunal to the Transferee Company, the Transferee Company may file the relevant intimations, for the record of the statutory authorities or any relevant authority or person who shall take them on file, pursuant to the vesting order of the Tribunal.



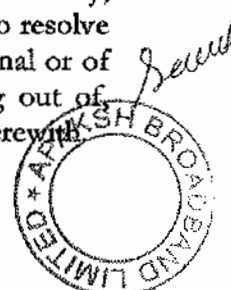
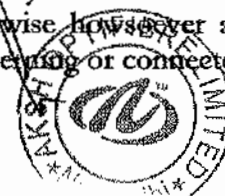
PART IV –OTHER CONDITIONS APPLICABLE TO THE SCHEME

16. APPLICATIONS TO TRIBUNAL

- 16.1 The Transferee Company and the Transferor Company shall, with all reasonable dispatch, make applications to the Tribunal under Section 391 of the Act, seeking orders for dispensing with or convening, holding and conducting of the meetings of the respective classes of the shareholders and/ or creditors of the Transferor Company and the Transferee Company as may be directed by the Tribunal.
- 16.2 That the Scheme, in no way, is a Scheme of compromise or arrangement with the creditors as all the creditors of the Transferor Company and the Transferee Company will be paid in the usual course of business and therefore, the present Scheme of Amalgamation will not be affecting the rights of the creditors of the Transferor and Transferee Companies in any manner as the aggregate assets of the Transferor Company and the Transferee Company are more than sufficient to meet the liabilities of all the creditors of the Transferor Company and the Transferee Company in full.
- 16.3 On the Scheme being agreed to by the requisite majorities of the classes of the shareholders and/ or creditors of the Transferee Company and the Transferor Company as directed by the Tribunal or their meetings dispensed with, the Transferee Company and the Transferor Company shall, with all reasonable dispatch, apply to the Tribunal, for sanctioning the Scheme under Sections 391 to 394 of the Act and other provisions of the Act (if any) and for such other order or orders, as the said Tribunal may deem fit for carrying this Scheme into effect and for dissolution of the Transferor Company without winding up.
- 16.4 The Transferee Company may, if required, give notice in such form as it may deem fit and proper to each person, debtor or borrower, statutory or regulatory authorities as the case may be that pursuant to the Tribunal having sanctioned the Scheme, the said person, debtor or borrower shall pay the debt, loan or advance or make good the same or hold the same to its account and that the right of the Transferee Company to recover or realize the same is in substitution of the right of the Transferor Company.

17. MODIFICATION OR CLARIFICATION OR WITHDRAWAL

- 17.1 The Transferor Company (by their Board of Directors or their committee thereof) and the Transferee Company (by their Board of Directors or their committee thereof) may assent to any modification(s) or amendment(s) in this Scheme which the Tribunal and/ or any other authority or any other body may deem fit to direct or impose or which may otherwise be considered necessary or desirable for implementing and/ or carrying out the Scheme or which may be considered necessary due to any change in law or other reason; and the Transferor Company (by their Boards of Directors or their committee thereof) and the Transferee Company (by their Boards of Directors or their committee thereof) be and are hereby authorized to take such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme, or to withdraw the Scheme and to resolve any doubts, difficulties or questions whether by reason of any orders of the Tribunal or of any directive or orders of any other authorities or otherwise howsoever arising out of under or by virtue of this Scheme and/ or any matters concerning or connected therewith.



- 17.2 For the purpose of carrying on the business of APAKSH pursuant to the Scheme, AKSH shall, if and to the extent required, apply for and obtain the necessary approvals from the appropriate regulatory authority, if required for the carrying on the business of APAKSH.
- 17.3 If any part of this Scheme is found to be unworkable, invalid or unenforceable for any reason whatsoever, the same shall not, subject to the decision of the respective Boards of Directors of the Transferor Company and Transferee Company, affect the adoption or validity or interpretation of the other parts and/ or provisions of this Scheme. It is hereby clarified that the Board of Directors of the Transferor Company and Transferee Company may in their absolute discretion, adopt any part of this Scheme or declare the entire Scheme to be null and void and in that event no rights and liabilities whatsoever shall accrue to or be incurred inter se by the parties or their shareholders or creditors or employees or any other person. In such case each company shall bear its own cost or bear costs as may be mutually agreed. It is made clear that no further approval of shareholders or creditors shall be necessary for giving effect to the provisions contained in this Clause 17.
- 17.4 For the purpose of giving effect to this Scheme or to any modifications or amendments thereof or additions thereto, the Board of the Transferor Company and Transferee Company may give and are authorized to determine and give all such directions as are necessary including directions for settling or removing any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.
- 17.5 No party claiming to have acted or not acted or changed his position in anticipation of this Scheme, will have any cause of action against the Transferor Company or the Transferee Company or any of their directors, officers, if the scheme is not effective for any reason whatsoever, or is withdrawn or modified. The decision of the Board of Directors of the Transferor Company and the Transferee Company shall be final and binding on all the parties.
- 17.6 The scheme set out herein in its present form or with any modification(s) to be approved or imposed or directed by the Tribunal, shall be operative from the Appointed Date but shall be effective from the Effective Date.
- 17.7 Upon the coming into effect of this Scheme:
- (a) the resolutions, if any, of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company and if any such resolutions have upper monetary or other limits being imposed under the provisions of the Act, or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
 - (b) the borrowing limits of the Transferee Company, shall without further act or deed stand enhanced by an amount being the aggregate limits of the Transferor Company which are being transferred to the Transferee Company pursuant to this Scheme and the Transferee Company will not be required to pass any fresh resolution(s) in this regard.



18 CONDITIONALITY OF THE SCHEME

18.1 This Scheme is conditional upon and subject to all of the following:

- (a) approval of Scheme by SEBI in terms of the SEBI Circulars and the Stock Exchanges pursuant to Regulation 37 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.
- (b) the consents by the requisite majority of the shareholders and/ or creditors, if any, of the Transferor Company and Transferee Company to the Scheme, if required or their meeting being dispensed with; and the requisite orders of the Hon'ble Tribunal sanctioning the Scheme in exercise of the powers vested in it under the Act;
- (c) such other sanctions and approvals including sanctions of any government or regulatory authority as may be required by law in respect of the Scheme;
- (d) approval of the scheme by the public shareholders of the Transferee Company (in case required) in accordance with the provisions of the SEBI Circulars and such approval shall be obtained through resolution passed through postal ballot and e-voting, after disclosure of all material facts in the explanatory statement sent to the shareholders in relation to such resolution and the Scheme shall be acted upon only if the votes cast by the public shareholders in favor of the proposal are more than the number of votes cast by the public shareholders against it.
- (e) the certified copies of the Tribunal order being filed with the jurisdictional Registrar of Companies by the Transferor Company and the Transferee Company.

18.2 The approval to this Scheme under Sections 230 and 236 of the Act by the shareholders and/or creditors of the Transferor Company and Transferee Company, shall be deemed to have the approval of the shareholders and/or creditors, as the case may be, for all matters under the applicable provisions of the Act, rules and regulations made there under, including but not limited to Sections 5, 13, 14, 42, 52, 61, 62 and 66 of the Companies Act, 2013 and rules made thereunder.

19 EFFECT OF NON-APPROVALS

In the event any of the said sanctions and approvals referred to in Clause 18 above not being obtained and/ or the Scheme not being passed as aforesaid before December 31, 2017 or within such further period or periods as may be agreed upon between Transferee Company by its Directors and the Transferor Company by its Directors (and which the Board of Directors of the Company are hereby empowered and authorised to agree to and extend from time to time without any limitations), this Scheme of Amalgamation shall stand revoked, cancelled and be of no effect and null and void save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as may otherwise arise in law and in such event each party shall bear their respective costs, charges and expenses in connection with the Scheme.



20 COSTS, CHARGES AND EXPENSES

- 20.1 All costs, charges, taxes including duties (including the stamp duty and/ or transfer charges, if any, applicable in relation to this Scheme), levies, fees and all other expenses, if any (save as expressly otherwise agreed) of AKSH and APAKSH arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne and paid by AKSH. These shall be deemed as expenses of the Scheme.
- 20.2 Since the transfer of properties will take effect in the state of Rajasthan pursuant to the order of Tribunal under section 394 of the Act, Amalgamating Company (whose more than 90% of the issued share capital is beneficially held by AKSH) and AKSH shall be entitled to avail the stamp duty exemption/remission under the stamp duty remission Notification No. 1, dated 16th January, 1937 or any other prevailing notification/order in accordance with law and the concerned authorities shall grant the same.

APAKSH BROADBAND LIMITED

Seenu
Authorized Signatory

A circular stamp with the text "APAKSH BROADBAND LIMITED" around the perimeter and "New Delhi" at the bottom.

AKSH OPTIFIBRE LIMITED

[Signature]
Authorized Signatory

A circular stamp with the text "AKSH OPTIFIBRE LIMITED" around the perimeter and "New Delhi" at the bottom. In the center is a stylized logo consisting of the letters "W" and "S" intertwined.



Chhajed & Chhajed Co.
CHARTERED ACCOUNTANTS

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Karol Bagh, New Delhi - 110005
[Mobile: 9899997603, 011-45034170]
[E-mail:- rahul.girdhar87@gmail.com]

January 12, 2017

STRICTLY PRIVATE AND CONFIDENTIAL

The Board of Directors

AKSH OPTIFIBRE LIMITED

F-1080, RIICO Industrial Area, Phase-III,
Bhiwadi (Rajasthan)-301019

The Board of Directors

APAKSH BROADBAND LIMITED

F-1080, RIICO Industrial Area, Phase-III,
Bhiwadi (Rajasthan)-301019

Dear Sirs,

Subject: Recommendation of share swap ratio for the purpose of the proposed amalgamation of APAKsh Broadband Limited ("APAKSH") into Aksh Optifibre Limited ("AKSH")

This has reference to our appointment as independent valuers, vide Letter of Engagement dated October 3, 2016 pursuant to which we have carried out valuation of AKSH, and APAKSH, with a view to recommend a fair exchange ratio of equity shares for the proposed amalgamation of APAKSH into AKSH, (hereinafter collectively referred to as "Companies"), with an Appointed Date of April 1, 2016.

The detailed scope and purpose of our report is described hereunder:

SCOPE AND PURPOSE OF THIS REPORT

AKSH is the flagship company for AKSH group and is engaged in manufacturing of OF, OFC, FRP wires and providing E-Governance services (1 Stop Aksh), IPTV, FTTH services in India.

APAKSH is one of the group companies of AKSH incorporated to design, develop, install, and maintain in the State of Andhra Pradesh voice and broadband network. The Board of Directors of the Companies have proposed to amalgamate APAKSH into AKSH with effect from the Appointed Date of April 1, 2016 (opening of business hours).

The aforesaid amalgamation is proposed to be achieved by a Scheme of Amalgamation under the provisions of Section 391-394 of the Companies Act, 1956, (hereinafter referred to as the "Scheme of Amalgamation"), a draft of which has been provided to us. Under the



The aforesaid amalgamation is proposed to be achieved by a Scheme of Amalgamation under the provisions of Section 391-394 of the Companies Act, 1956, (hereinafter referred to as the "Scheme of Amalgamation"), a draft of which has been provided to us. Under the Scheme of Amalgamation, the shareholders of APAKSH (other than AKSH) be issued equity shares of AKSH as consideration for the said amalgamation.

In this connection, Chhajed & Chhajed Co has been engaged to submit a report recommending the share swap ratio for the purpose of the aforesaid amalgamation.

This report is our deliverable in respect of the above engagement.

SOURCES OF INFORMATION

The following information has been received from the management of the Companies:

- Audited financial statements of AKSH and its wholly owned Subsidiary for the financial years ended March 31, 2014, March 31, 2015 and March 31, 2016;
- Financial projections of AKSH and its wholly owned subsidiary for the period April 1, 2016 to March 31, 2022;
- Other representations, information and explanations as were required and provided to us by the management of the Companies, specifically including those provided to us vide representation letters dated January 12, 2017 by AKSH, and January 12, 2017 by APAKSH.

We have discussed in detail the industry trends, operations of the businesses, current and future market potential and the assumptions underlying the financial projections with the management of the Companies to augment our understanding of the businesses and to incorporate their views in order to arrive at a fair valuation of the businesses.

BACKGROUND OF THE COMPANIES

AKSH

AKSH is the flagship company of the group engaged in manufacturing of OF, OFC, FRP wires and providing E-Governance services (1 Stop Aksh), IPTV, FTTH services in India. The company exports its products in more than 60 countries and has been instrumental in implementing international turnkey projects in Bhutan and Mauritius. AKSH has two manufacturing facility being in Bhiwadi and Reengus. The Company also has manufacturing facility in JAFZA which is owned and operated by fully owned subsidiary AOL FZE, Dubai

In terms of business segments, the operations of the Company could be divided into 2 business segments, namely,

- ✓ Manufacturing business (including sale of OF and OFC wires); and
- ✓ Service business taking care of the turnkey projects and consultancy services



Capital structure of AKSH (As on March 31, 2016)

Share Capital	Amount (In INR)
Authorized Share Capital: 170,100,000 equity shares of Rs 5 each	8,50,500,000
Issued, Subscribed and Paid up Share Capital: 162,665,070 equity shares of Rs 5 each	8,13,325,350

There has been no change in capital structure of AKSH post March 31, 2016. The Company is listed on the stock exchange and its shareholding pattern as on September 30, 2016 are as under:

Particulars	Shareholding (%)
Promoter & Promoter Group	29.41%
Public Shareholders	70.59%
Total	100.00%

APAKSH

APAKSH is one of the group companies of AKSH incorporated to undertake to design, develop, install, and maintain in the State of Andhra Pradesh voice and broadband network. The operations so so planned could not be launched in the past.

Capital structure of APAKSH (As on March 31, 2016)

Share Capital	Amount (In INR)
Authorized Share Capital: 350,000,000 equity shares of Rs 5 each	1,750,000,000
Issued, Subscribed and Paid up Share Capital: 300,000,000 equity shares of Rs 5 each 226, 125,000 equity shares of Rs 5 each fully paid up 73,875,000 equity shares of Rs 3 each- Forfeited	1,352,250,000



There has been no change in capital structure of APAKSH post March 31, 2016. The shareholding pattern as on March 31, 2016 is as under

Particulars	Shareholding(%)
Aksh	99.92%
Other shareholders	00.08%
Total	100.00%

APPROACH - FAIR BASIS OF AMALGAMATION

For the purpose of arriving at the share swap ratio for the aforesaid amalgamation, we have placed reliance on various judicial precedents laid down by Hon'ble Courts while deciding the matters involving determination of share swap ratios.

For instance, the Supreme Court in the matter of merger of Tata Oil Mills Company Limited ("TOMCO") with Hindustan Lever Limited ("HLL") held that in case of amalgamation, a combination of all or some of the accepted methods of valuation may be adopted for the purpose of fixation of share swap ratio of the shares of two companies. Similar principles have been laid down in other judicial precedents including in the merger of Mafatlal Fine Spinning and Manufacturing Company Limited ("MFL") with Mafatlal Industries Limited ("MIL").

Based on the underlying principle laid down in the judicial precedents, we have described below the methodologies used by us and the recommended share swap ratios.

- Net Asset Value method;
- Comparable Companies Multiples method;
- Discounted Cash Flows method; and
- Market Capitalization method.

Net Asset Value (NAV) method

The Net Asset Value approach indicates the fair value of shares based on their asset backing. The fair value/ realizable value of all assets appearing in the balance sheet of a company are aggregated and the value of all external liabilities is reduced to arrive at 'Net Assets' owned by the company. This valuation approach is used in case where the enterprise is to be liquidated i.e. it does not meet the 'going concern' criteria. Also, in certain situations, where assets are primary value drivers, NAV method may be used.



In view of the current operational profile of APAKSH, we have found NAV as the most appropriate methodology for valuation of APAKSH. For computing the NAV, we have considered the audited financials of the Companies as on March 31, 2016 based on management representation that the aggregate of fair values/ realizable values of the assets and liabilities should be equal to the aggregate of book values disclosed in the aforesaid financials.

Further given the current operational profile of Aksh, we have also undertaken NAV valuation of the consolidated entity as on March 31, 2016 based on management representation on management representation that the fair values/ realizable values of the assets and liabilities are equal to the book values disclosed in the aforesaid financials.

Comparable Companies Multiple (CCM) method

Under this method, value of the equity shares of a company is arrived at by using multiples derived from valuations of comparable companies, as manifest through stock market valuations of listed companies. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

AKSH is a listed company and there are some listed comparable companies to AKSH and APAKSH in India and overseas, but there are significant differences in operational and financial positions of such companies. Considering the same, we have not used this method for valuation of the Companies.

Discounted Cash Flows (DCF) method

The DCF method is one of the most scientific methods among all the valuation methods in terms of conceptual framework. As per this method, enterprise value is defined as following:

'Enterprise Value = Present value of future cash flows that are available to debt holders and equity shareholders of the Company'

The enterprise value so derived is not impacted by accounting practices as it is based on cash flows and not book profits. Further, DCF method incorporates all factors relevant to business (e.g. tangible and intangible assets, current and future competitive position, financial and business risks, etc.).

We have used the DCF method for computing the equity value for AKSH and its Subsidiary AOL FZE on standalone basis.

Based on the financial projections provided by the management for AKSH and AOL FZE, we have arrived at the free cash flows to the firm, which then have been discounted by the Weighted Average Cost of Capital ("WACC").



WACC of 14.8% has been computed for Aksh based on Cost of Equity ("COE") and post-tax cost of debt, which is considered reasonable given the nature of business and its financing pattern.

For AOL FZE, a WACC of 11.4% has been computed, based on risk free rates and market risk premia appropriate to the geography in which it operates.

In computing the COE, we have considered the following parameters:

We have applied Capital Asset Pricing Model ("CAPM") to estimate the cost of equity. The cost of equity as per the model is arithmetically expressed as follows:

$$\text{Cost of equity} = \text{Risk free rate} + (\text{Beta} \times \text{Market risk premium})$$

- Risk free rate ("Rf") - Rf has been assumed at 6.63%¹ per annum for Aksh and 2.6% per annum for AOL FZE respectively based on broad average of daily YTMs of long term Indian and US government bonds (with ten year residual maturity), which is widely accepted as a good indicator of the risk free rate
- Market risk premium - Market risk premium is the difference between the expected rate of return on the market portfolio and the risk free rate. Appropriate market risk premia have been considered for both AOL and AOL FZE based on the geographies in which they operate
- Beta - We have considered beta based on our understanding of the industry, the size, nature of operations and risks associated with the business model.

The Enterprise Value so arrived based on the above is being adjusted for net debt including surplus cash, value of investments and non-operational assets and liabilities to arrive at Equity Value of AKSH.

Market Capitalization method

We have used this method to compute the value of AKSH only. Under this method, the valuation is computed on market price per share in line with the guidelines laid down by SEBI in relation to the preferential allotment rules. This valuation is based on the principle that market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. AKSH is a listed company and has an actively traded shares. We have computed the value of AKSH as per the market price as on the latest day i.e January 11, 2017.

<https://rbidocs.rbi.org.in/rdocs/Wss/PDFs/WSSF06012017FDBB715A4AAB47A4B7E5C79E87A1DE>

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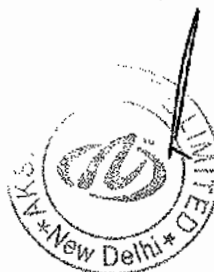
<https://www.treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=yield>



SHARE SWAP RATIOS FOR AMALGAMATION

The fair basis for share swap computation for amalgamation of APAKSH into AKSH has been determined after taking into consideration all the factors and methodologies mentioned hereinabove. Further, we have applied suitable weights to each of the methodologies for arriving at the fair value of the Companies. For AKSH, given the fact that it is a listed company, maximum weight has been given to the market capitalization method. Further, it may be noted that while the appointed date for the proposed amalgamation is April 1, 2016, the valuation results given below should apply as of date as well based on the understanding that there are no significant changes to the financial position and business outlook of the respective companies after this date.

AKSH	DCF - 15% MARKET CAP - 70% NAV - 15%	INR 5,028.2 MN i.e. INR 30.91 per share
APAKSH	DCF - 0% NAV - 100% CCM - 0%	INR 1,314.9 MN i.e. INR 5.81 per share



In the light of the above, and in consideration of all the relevant factors and circumstances as discussed and outlined hereinabove, in our opinion a fair share swap ratio for the aforementioned amalgamation should be as follows:

Particulars	Share Ratio
Amalgamation of APAKSH into AKSH	25 fully paid-up equity shares of Rs. 5/- each of AKSH for every 133 fully paid-up equity share of Rs. 5/- each of APAKSH held by the members of APAKSH (other than AKSH*).

**AKSH holds 225,950,000 fully paid-up equity shares in APAKSH, which will be cancelled at the time of the amalgamation of two entities in accordance with law. Accordingly, only the balance 175,000 fully paid-up equity shares of APAKSH held by the members other than AKSH will be entitled to new equity shares in merger.*

Yours faithfully,

Chhajed & Chhajed Co

CA HEMANT KUMAR CHHAJED

M NO. 074664

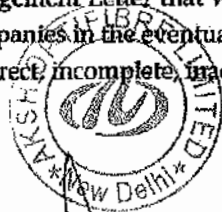


SCOPE LIMITATIONS

This report is subject to the limitations detailed hereinafter. As such the report has to be read in totality, and not in parts, in conjunction with the relevant documents referred to therein.

- Computation of share swap ratio is specific to the intended purpose as agreed in the terms of our engagement letter. Also, the share swap ratio recommended in this report is as on April 1, 2016 with the proposed Appointed Date of amalgamation (April 1, 2016). Accordingly, the share swap ratio should not be used for any other purpose nor would it be applicable as at any other date.
- We owe responsibility only to the Board of Directors of the Companies, who have retained us and do not accept any liability to any third party, in relation to this report. Neither the report nor the contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the proposed Scheme of Amalgamation, without our prior written consent.
- The determination of share swap ratio involves considerable exercise of professional judgment as regards alternative methodologies and is also significantly influenced by prevailing industry, economic and market (including capital market) conditions. We have exercised reasonable care while exercising professional judgment and consideration of the aforesaid factors; however, it is possible that any other valuer may not agree with the methodologies used by us and the relevant factors considered by us.
- Our valuation results are, to a significant extent, subject to continuance of prevailing industry, economic and market (including capital market) trends beyond the date of report. We, however have no obligation to update this report for events, trends or transactions occurring subsequent to the date of our report.
- We have not carried out any due diligence, audit or other tests to establish the accuracy or sufficiency of the financial statements referred hereinabove, or the information or explanations provided to us by the management of the Companies. Further, we are not required to nor do we accept responsibility for the same.
- We have relied on the financial projections prepared by the management of AKSH and its subsidiaries. While we have broadly reviewed and discussed our comments on the assumptions underlying the projections, we have not independently verified the assumptions provided to us and accordingly, there can be no assurance that these assumptions are accurate. We do not express an opinion on the achievability of projections provided to us. We must emphasize that the realizations of the financial projections are dependent on the continuing validity of the assumptions on which such financial projections are based. Since these financial projections relate to the future, actual results may be different from the projected results because events and circumstances do not occur as expected, and differences may be material.

- We have not independently validated the book value of the assets and liabilities as on March 31, 2016 and has completely relied on the numbers provided by the management
- We have not independently validated the information provided to us or explanations given by the management with actual records maintained by the Companies, or any regulatory authorities or any other external source.
- We have not verified the authenticity, legality or completeness of agreements entered into by the Companies with related or third parties or the title deeds of various assets owned by the respective Companies.
- This report includes information not available to the public. Accordingly, this report is strictly confidential, and no part thereof may be reproduced or used by any other party other than the respective companies for its intended use.
- While all reasonable care has been taken to ensure that the facts stated in the report are accurate and the opinions given are fair and reasonable, neither we, our directors / employees, nor any of our affiliates, their partners / employees shall in any way be responsible for the contents stated herein. Accordingly, we make no representation or warranty, express or implied in respect of the completeness, authenticity or accuracy of such statements. We expressly disclaim any and all liabilities which may arise based upon the information used in this report. We are not liable to any third party in relation to the issue of this report.
- While arriving at our conclusions, we have considered and relied on management representation letters dated January 12, 2017 along with management representations explanations provided to us from time to time, without independently validating the same. We take no responsibility for the incorrectness, incompleteness, or inaccuracy of such representations and explanations, and the impact thereof on our conclusions herein. The management of the Companies take full responsibility of the information, explanations and representations provided to us, and it has been agreed in our Engagement Letter that we shall be held harmless and kept fully indemnified by the Companies in the eventuality such information, explanations and representations, are incorrect, incomplete, inaccurate or misleading.



AKSH OPTIFIBRE LIMITED

J-1/1, B-1, Extension,
Mohan Co-operative Industrial Estate
Mathura Road, New Delhi-110044, INDIA
Tel. : +91-11-26991508, 26991509
Fax : +91-11-26991510
E-mail : aksh@akshoptifibre.com
Website : www.akshoptifibre.com
CIN NO. : L24305RJ1986PLC016132

REPORT OF THE AUDIT COMMITTEE OF AKSH OPTIFIBRE LIMITED RECOMMENDING THE DRAFT SCHEME OF AMALGAMATION OF APAKSH BROADBAND LIMITED WITH THE COMPANY

Member present in the meeting

Mr. Amrit Nath	Chairman
Mr. Dinesh Kumar Mathur	Member

In Attendance

Mr. Gaurav Mehta	Chief-Corporate Affairs & Company Secretary
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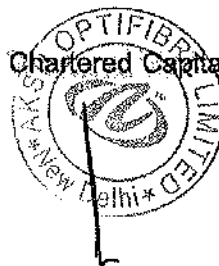
Background

A meeting of the Audit Committee was held on January 14, 2017 to consider and recommend the proposed scheme of amalgamation between APAKSH Broadband Limited (Transferor Company, subsidiary of Aksh Optifibre Limited) with Aksh Optifibre Limited (Transferee Company) under Sections 391 to 394 of the Companies Act, 1956 and the corresponding provisions of the Companies Act, 2013.

As per the Securities and Exchange Board of India's (SEBI) Circular No CIR/CFD/CMD/16/2015 dated November 30, 2015 the Company is required to submit a Report from the Audit Committee recommending the draft scheme of Amalgamation under the Companies Act, 1956 and applicable provisions of the Companies Act, 2013, after taking into consideration, inter alia the Valuation Report and the Fairness Opinion. The Report of the Audit Committee is made in order to comply with the requirements of the said Circular.

The following documents were placed before the Audit Committee:

- Draft Scheme of Amalgamation
- Valuation Report dated January 12, 2017 submitted by Independent Valuers M/s. Chhajed & Chhajed Co. Chartered Accountants, New Delhi.
- Fairness Opinion dated January 12, 2017 issued by M/s. Chartered Capital And Investment Ltd., Mumbai.



We smarten up your life..™

Proposed Scheme of Amalgamation

The Audit Committee noted that the rationale and the benefits of the scheme, which inter- alia include the following:

- (a) To economize on administrative and other expenses;
- (b) To increase the efficiency of combined business by pooling of resources and their optimum utilization, thereby availing synergies from combined resources;
- (c) The Transferee Company would have diversified product portfolio and merger would facilitate expansion of business offerings;
- (d) Improve management focus to respective businesses and facilitate the unified control over operations;
- (e) Leverage the operational, capital and corporate synergies and help optimal utilization of resources viz business promotion, managerial pool, etc.;
- (f) Reduce overheads, administrative, managerial and other expenditure; and
- (g) Facilitate greater integration, provide greater financial strength, tax savings and stronger balance sheet of the amalgamated entity, which would result in maximizing overall shareholder value and will improve the competitive position of the combined entity.

Recommendation of the Audit Committee:

The Audit Committee recommends the Draft Scheme of Amalgamation, inter- alia taking into consideration the Valuation Report dated January 12, 2017 submitted by Independent Valuers M/s. Chhajed & Chhajed Co. Chartered Accountants, New Delhi and the Fairness Opinion report dated January 12, 2017 Issued by Chartered Capital And Investment Ltd., Mumbai to the Board of Directors for approval and for favourable consideration by the Stock Exchanges and SEBI.



Amish K. Mehta
Chairman

Date: 14.01.2017

Place: New Delhi





Chartered Capital And Investment Ltd.

418-C, "215 ATRIUM", Andheri Kuria Road, Andheri (East), Mumbai-400 093.

Tel.: 91-22-6692 4111 / 6222 • Fax : 91-22-6692 6222

Website : www.charteredcapital.net

CIN NO: L45201GJI986PLC008577

Dated: January 12, 2017

The Board of Directors

AKSH OPTIFIBRE LIMITED

(CIN NO: L24305RJ1986PLC016132)

F-1080, RIICO Industrial Area, Phase-III,
Bhiwadi (Rajasthan)-301019

The Board of Directors

APAKSH BROADBAND LIMITED

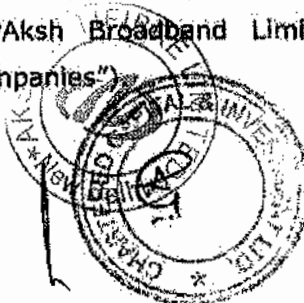
(CIN No: U92111RJ2005PLC056369)

F-1080, RIICO Industrial Area, Phase-III,
Bhiwadi (Rajasthan)-301019

Subject: Fairness Opinion on Valuation Report for the purpose of proposed scheme of amalgamation for the proposed amalgamation of APAksh Broadband Limited Into Aksh Optifibre Limited.

Dear Sir/s,

We M/s Chartered Capital and Investment Limited, SEBI registered Merchant Banker, having SEBI Registration No. INM000004018 have been appointed by Aksh Optifibre Limited to provide a fairness opinion on the valuation done by Chhajer & Chhajer Co., Chartered Accountants having its office at 364, GH-1, Paschim Vihar, New Delhi -110063, who were the appointed valuer for the captioned proposed scheme of amalgamation of Aksh Optifibre Limited and APAksh Broadband Limited (hereinafter collectively referred to as the "Companies")





Since the scheme of amalgamation for the proposed amalgamation of APaksh Broadband Limited into Aksh Optifibre Limited (hereinafter referred as the "Scheme") is common for both the Companies, we deem it imperative to issue a consolidated fairness opinion on the valuation report in relation to both the Companies concerned.

Scope and Purpose of the Opinion

Pursuant to the requirements of SEBI circular no. CIR/CFD/CMD/16/2015 dated 30th November, 2015, a fairness opinion has to be obtained from an independent merchant banker on the valuation of assets/shares done by the valuer for the listed as well as unlisted companies. The purpose of the opinion is to safeguard the interest of the shareholders and that of the companies involved in the proposed Scheme and this opinion shall be made available to the shareholders of the relevant Companies at the time of their meeting to pass the necessary resolution for the proposed Scheme and to any other relevant authority.

We have not made an appraisal or independent valuation of any of the assets or liabilities of any of the Companies and have not conducted an audit or due diligence or reviewed/ validated the financial data except what is provided for in the Valuation Report and financial data provided to us by the Company or Valuer.

Disclaimer: This report is intended solely for the limited purpose mentioned earlier and should not be regarded as a recommendation to the investors to invest in the Companies or deal in any form in the securities of the Company and should also not be considered as a final equity value of the Company.

Our report does not in any way, guarantee that the equity shares of Companies will continue to remain at the price on which the valuation of the shares takes place.





This letter is for the benefit of and confidential use by the Company. This report is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, statute, act guideline or similar instruction. The Management or related parties of Companies are prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.

In no circumstances whatsoever, will Chartered Capital and Investment Limited, its Directors and employees accept any responsibility of liability towards any third party for consequences arising out of the use of this report.

Sources of the Information

We have received the following information from the management of the Companies:

1. Proposed Draft Scheme of Amalgamation..
2. Valuation Report given by Chhajed & Chhajed Co., Chartered Accountants, dated January 12, 2017.

Approach followed for valuation

The share exchange ratio calculated in the valuation report has been arrived at by the adoption of several commonly used and accepted methods for determining the fair value of the equity shares of a company, to the extent relevant and applicable, including:

1. Net Asset Value method;
2. Discounted Cash Flows method; and
3. Market Capitalization method.





Fairness Opinion

We in the capacity of SEBI registered Merchant Banker do hereby certify that the valuation done by Chhajed & Chhajed Co., Chartered Accountants the valuer for determining the share exchange ratio in respect of proposed scheme of amalgamation for the proposed amalgamation of APaksh Broadband Limited into Aksh Optifibre Limited, in the ratio that the shareholders of APaksh Broadband Limited (excluding Aksh Optifibre Limited) would receive 25 fully paid-up equity shares of face value of Rs 5/- each of Aksh Optifibre Limited for every 133 fully paid-up equity shares of face value of Rs 5/- each held by the shareholders in APaksh Broadband Limited as a consideration for the proposed amalgamation on the basis of the aforesaid methodologies is fair and reasonable.

Thanking You

For Chartered Capital and Investment Limited


Amit Gattani
Assistant Vice President



Date: January 12, 2017

Place: Mumbai





P.C. BINDAL & CO.
Chartered Accountants

101, Sita Ram Mansion, 718/21, Joshi Road,
Karol Bagh, New Delhi-110 005
☎ 23549822 / 23 Fax : 23623829
e-mail : pcbindalco@gmail.com

Auditor's Certificate

To,
The Board of Directors,
Aksh Optifibre Limited
F-1080, RICO Industrial
Area Phase III, Bhiwadi
Rajasthan-301019

We, the Statutory Auditors of Aksh Optifibre Limited, having CIN L24305RJ1986PLC016132 (hereinafter referred to as "Transferee Company"), have examined the proposed accounting treatment specified in clause 6 of the Draft Scheme of Amalgamation between APAKSH Broadband Limited ("Transferor Company", subsidiary of Aksh Optifibre Limited) having CIN U92111RJ2005PLC056369 with Aksh Optifibre Limited under Sections 391 to 394 of the Companies Act, 1956 and the corresponding provisions of section 230 to 236 of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 1956 Companies Act, 2013 and other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme of Amalgamation and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme of Amalgamation complies with the applicable Accounting Standards and other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid Scheme of Amalgamation is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956/ Companies Act, 2013.

This Certificate is issued at the request of the Aksh Optifibre Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the National Stock Exchange of India Ltd. ("NSE") and the BSE Limited ("BSE"). This Certificate should not be used for any other purpose without our prior written consent.

For P. C. Bindal & Co.
Chartered Accountants
Firm Registration No.: 003824N
New Delhi
(K. C. Gupta)
Partner
M. No.: 088638

Place: 19 JAN 2017
Date:

APAKSH BROADBAND LIMITED

Regd. Office.: F-1080, Phase-III, RIICO Industrial Area, Bhiwadi, Alwar, Rajasthan-301019

CIN: U92111RJ2005PLC056369 | Tel.: +91-1493-220763, 221333 | Fax: +91-1493-221329

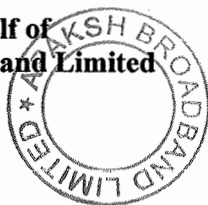
List of Shareholders as on December 31, 2016 (Pre Merger)

Sr. No.	Name of Person	Address	No. of Shares	% of shareholding	Category
1	R.V.R. Chowdary	406A, Road No. 18, Jubilee Hills, Hyderabad -33	20,000	0.009	Others /Public
2	Kailash S. Choudhari	A-12, First Floor, Geetanjali Enclave, New Delhi – 17	20,000	0.009	Promoters Group
3	Popatlal F. Sundesha	1201, Jahagir Towers, Setalwad Lane, Mumbai - 26	10,000	0.004	Promoters Group
4	R. Phani Krishna	406A, Road No. 18, Jubilee Hills, Hyderabad -33	10,000	0.004	Others /Public
5	R. Sowbhagya Lakshmi	406A, Road No. 18, Jubilee Hills, Hyderabad -33	10,000	0.004	Others /Public
6	R. Krishna Priya	406A, Road No. 18, Jubilee Hills, Hyderabad -33	10,000	0.004	Others /Public
7	Aksh Optifibre Limited	1080, RIICO Indl. Area, Ph-III, Bhiwadi – 19	225,950,000	99.923	Promoters /Holding Company
8	Incable Net (Andhra) Limited	1-2-298, Street No.7, Om Plaza, Domulguda, Hyderabad – 29	75,000	0.033	Others /Public
9	Shailesh Popatlal	1201, Jahangir Towers, Setalwad Lane, Mumbai - 26	5,000	0.002	Promoters Group
10	Bharati Shailesh	1201, Jahangir Towers, Setalwad Lane, Mumbai - 26	5,000	0.002	Promoters Group
11	Satyendra Gupta	H. No. 88, Pocket –E, Mayur Vihar – II, Delhi – 92	50	0	Others /Public
12	Gaurav Mehta	C-602, Rajasthan Society, Plot No. 36, Sector-4, Dwarka, Delhi 110075	100	0	Others /Public
13	Sumit Singh	H.No. 475/4, New Railway Road, Gurgaon	50	0	Others /Public
14	Chetan Choudhari	E-6, First Floor, Geetanjali Enclave, New Delhi – 17	9,700	0.004	Others /Public
15	Ashish Bhanu	1394, Sector 29, Noida – 201303 U.P.	50	0	Others /Public
16	D.V. Sivaprasad	2-2-118/1/5,GHMC-105, New Nallakunta opposite Gokul Sweet House, Hyderabad-44	50	0	Others /Public
	Total		226,125,000	100	

Note: Promoters of Aksh Optifibre Ltd. have been classified as Promoter Group of the Company.

For and on behalf of
APAKSH Broadband Limited

Savita
Savita Pandey
Director
DIN: 07488000



Corp. Office: A-25, 2nd Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044
Tel.: +91-11-26991508, 26991509 | Fax: +91-11-26991510

Format of Holding of Specified securities

1. Name of Unlisted Entity:
2. Scrip Code/Name of Scrip/Class of Security:
3. Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg.31(1)(b)/Reg.31(1)(c)
 - a. if under 31(1)(b) then indicate the report for quarter ending
 - b. if under 31(1)(c) then indicate date of allotment/extinguishment

APAKSH BROADBAND LIMITED
EQUITY SHARES
Reg. 31(1)(b)
December 31, 2016
Not Applicable

4. Declaration : The Unlisted entity is required to submit the following declaration to the extent of submission of information:

	Particulars	YES*	NO*
a	Whether the Unlisted Entity has issued any partly paid up shares	-	No
b	Whether the Unlisted Entity has issued any Convertible Securities or Warrants?	-	No
c	Whether the Unlisted Entity has any shares against which depository receipts are issued?	-	No
d	Whether the Unlisted Entity has any shares in locked-in?	-	No
e	Whether any shares held by promoters are pledge or otherwise encumbered?	-	No

*if the Unlisted Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

- 5 The tabular format for disclosure of holding of specified securities is as follows:

for **APAKsh Broadband Limited**

Savita
 Savita Pandey
 Director



Table I - Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total	No.	As a % of total	
								Class X	Class Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)	
(A)	Promoter & Promoter Group	5	225990000	0	0	225990000	99.94	225990000	0	225990000	99.94	0	99.94	0	0.00	0	0.00	0
(B)	Public	11	135000	0	0	135000	0.06	135000	0	135000	0.06	0	0.06	0	0.00	0	0.00	0
(C)	Non Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0.00	0	NA	0	0.00	NA	NA	0
(C2)	Shares held by Employees Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total:	16	226125000	0	0	226125000	100.00	226125000	0	226125000	100.00	0	100.00	0	0.00	0	0.00	

for APaksh Broadband Limited

Savita Pandey
Director

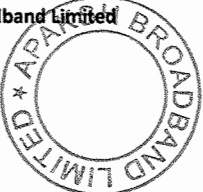


Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total (IX)	(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Indian																	
(a)	Individuals/Hindu undivided Family		2	10000	0	0	10000	0.01	10000	0	10000	0.01	0	0.00	0	0.00	0	0.00
(b)	Central Government/State Government(s)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
(c)	Financial Institutions/Banks		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
(d)	Any Other-Bodies Corporate		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
	Aksh Optifibre Limited		1	225950000	0	0	225950000	99.92	225950000	0	225950000	99.92	0	0.00	0	0.00	0	0.00
	Sub-Total (A)(1)		3	225960000	0	0	225960000	99.93	225960000	0	225960000	99.93	0	0.00	0	0.00	0	0.00
(2)	Foreign																	
(a)	Individuals (Non-Resident Individuals/Foreign Individuals		2	30000	0	0	30000	0.01	30000	0	30000	0.01	0	0.00	0	0.00	0	0.00
(b)	Government		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
(c)	Institutions		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
(d)	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
(e)	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
	Sub-Total (A)(2)		2	30000	0	0	30000	0.01	30000	0	30000	0.01	0	0.00	0	0.00	0	0.00
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		5	225990000	0	0	225990000	99.94	225990000	0	225990000	99.94	0	0.00	0	0.00	0	0.00

for APAKSH Broadband Limited

Savita Pandey
Director



Table III - Statement showing shareholding pattern of the Public shareholder

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
									No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held		
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)	
(1)	Institutions																		
(a)	Mutual Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(b)	Venture Capital Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(c)	Alternate Investment Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(d)	Foreign Venture Capital Investors		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(e)	Foreign Portfolio Investors		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(f)	Financial Institutions/Banks		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(g)	Insurance Companies		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(h)	Provident Funds/Pension Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(i)	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Sub Total (B)(1)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Central Government/State Government(s)/President: of India		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(2)	Sub Total (B)(2)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(3)	Non-Institutions						0												
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs		10	60000	0	0	60000	0.03	60000	0	60000	0.03	0	0.00		0.00	NA	NA	0
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(b)	NBFCs Registered with RBI		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(c)	Employee Trusts*		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(d)	Overseas Depositories (Holding DRs)(Balancing figure)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(e)	Any Other						0												
	TRUSTS		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	OVERSEAS CORPORATE BODIES		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	NON RESIDENT INDIANS		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	NON RESIDENT INDIANS (Non -Repat)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	CLEARING MEMBERS		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	BODIES CORPORATES		1	75000	0	0	75000	0.03	75000	0	75000	0.03	0	0.00	0	0.00	NA	NA	0
	FOREIGN NATIONALS		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Sub Total (B)(3)		11	135000	0	0	135000	0.06	135000	0	135000	0.06	0	0.00	0	0.00			0
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		11	135000	0	0	135000	0.06	135000	0	135000	0.06	0	0.00	0	0.00			0

for APAKsh Broadband Limited

Savita
Savita Pandey
Director

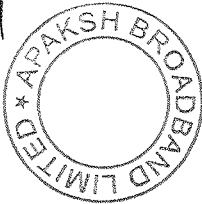


Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding converttble securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked In Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
									No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held		
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)	
(1)	Custodian/DR Holder		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(2)	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00			0

for APAKsh Broadband Limited

Savita Pandey
Director



Details of the shareholders acting as persons in Concert including their Shareholding:			
Name of Shareholder	Name of PAC	No of shares	Holding%
NIL		NIL	
Total:		0	0

for APAksh Broadband Limited

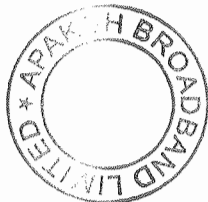

Savita Pandey
Director



Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders,	
No of Shareholders	No of shares
NIL	

for **APAksh Broadband Limited**


Savita Pandey
Director



APAKSH BROADBAND LIMITED

Regd. Office.: F-1080, Phase-III, RIICO Industrial Area, Bhiwadi, Alwar, Rajasthan-301019

CIN: U92111RJ2005PLC056369 | **Tel.:** +91-1493-220763, 221333 | **Fax:** +91-1493-221329

List of Shareholders (Post Merger)

Sr. No.	Name of Person	Address	No. of Shares	% of shareholding	Category
1	R.V.R. Chowdary	406A, Road No. 18, Jubilee Hills, Hyderabad -33	0	0	Others /Public
2	Kailash S. Choudhari	A-12, First Floor, Geetanjali Enclave, New Delhi - 17	0	0	Promoters Group
3	Popatlal F. Sundesha	1201, Jahagir Towers, Setalwad Lane, Mumbai - 26	0	0	Promoters Group
4	R. Phani Krishna	406A, Road No. 18, Jubilee Hills, Hyderabad -33	0	0	Others /Public
5	R. Sowbhagya Lakshmi	406A, Road No. 18, Jubilee Hills, Hyderabad -33	0	0	Others /Public
6	R. Krishna Priya	406A, Road No. 18, Jubilee Hills, Hyderabad -33	0	0	Others /Public
7	Aksh Optifibre Limited	1080, RIICO Indl. Area, Ph-III, Bhiwadi – 19	0	0	Promoters /Holding Company
8	Incable Net (Andhra) Limited	1-2-298, Street No.7, Om Plaza, Domulguda, Hyderabad - 29	0	0	Others /Public
9	Shailesh Popatlal	1201, Jahangir Towers, Setalwad Lane, Mumbai - 26	0	0	Promoters Group
10	Bharati Shailesh	1201, Jahangir Towers, Setalwad Lane, Mumbai - 26	0	0	Promoters Group
11	Satyendra Gupta	H. No. 88, Pocket –E, Mayur Vihar – II, Delhi – 92	0	0	Others /Public
12	Gaurav Mehta	C-602, Rajasthan Society, Plot No. 36, Sector-4, Dwarka, Delhi 110075	0	0	Others /Public
13	Sumit Singh	H.No. 475/4, New Railway Road, Gurgaon	0	0	Others /Public
14	Chetan Choudhari	E-6, First Floor, Geetanjali Enclave, New Delhi – 17	0	0	Others /Public
15	Ashish Bhanu	1394, Sector 29, Noida – 201303 U.P.	0	0	Others /Public
16	D.V. Sivaprasad	2-2-118/1/5,GHMC-105, New Nallakunta opposite Gokul Sweet House, Hyderabad-44	0	0	Others /Public
	Total		0	0	

Note: Promoters of Aksh Optifibre Ltd. have been classified as Promoter Group of the Company.

For and on behalf of
APAKSH Broadband Limited

Savita Pandey
Savita Pandey
Director
DIN: 07488000



Corp. Office: A-25, 2nd Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044
Tel.: +91-11-26991508, 26991509 | **Fax:** +91-11-26991510

Format of Holding of Specified securities

1. Name of Unlisted Entity:
2. Scrip Code/Name of Scrip/Class of Security:
3. Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg.31(1)(b)/Reg.31(1)(c)
 - a. if under 31(1)(b) then indicate the report for quarter ending
 - b. if under 31(1)(c) then indicate date of allotment/extinguishment

APAKSH BROADBAND LIMITED
EQUITY SHARES
Reg. 31(1)(b)
Post Merger
Not Applicable

4. Declaration : The Unlisted entity is required to submit the following declaration to the extent of submission of information:

	Particulars	YES*	NO*
a	Whether the Unlisted Entity has issued any partly paid up shares	-	No
b	Whether the Unlisted Entity has issued any Convertible Securities or Warrants?	-	No
c	Whether the Unlisted Entity has any shares against which depository receipts are issued?	-	No
d	Whether the Unlisted Entity has any shares in locked-in?	-	No
e	Whether any shares held by promoters are pledge or otherwise encumbered?	-	No

*if the Unlisted Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

- 5 The tabular format for disclosure of holding of specified securities is as follows:

for **APAKSH BROADBAND LIMITED**


 Savita Pandey
 Director

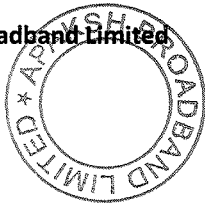


Table I - Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total	No.	As a % of total	
								Class X	Class Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	0	0	0	0	0	0	0	0	0	0.00	0	NA	0	0.00	NA	NA	0
(B)	Public	0	0	0	0	0	0	0	0	0	0.00	0	NA	0	0.00	NA	NA	0
(C)	Non Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0.00	0	NA	0	0.00	NA	NA	0
(C2)	Shares held by Employees Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total:	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	#DIV/0!	0	0.00	0

for APAksh Broadband Limited

Savita Pandey
Director

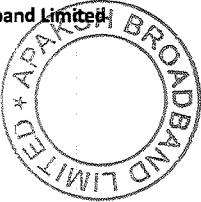


Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked In Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights					No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total							
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Indian																	
(a)	Individuals/Hindu undivided Family		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
(b)	Central Government/State Government(s)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
(c)	Financial Institutions/Banks		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
(d)	Any Other-Bodies Corporate		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
	Sub-Total (A)(1)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
(2)	Foreign																	
(a)	Individuals (Non-Resident Individuals/Foreign Individuals		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
(b)	Government		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
(c)	Institutions		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
(d)	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
(e)	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00
	Sub-Total (A)(2)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	#DIV/0!

for APAKsh Broadband Limited


Savita Pandey
Director



Table III - Statement showing shareholding pattern of the Public shareholder

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total		(X)	(XI)	(XII)	(XIII)	(XIV)	
(1)	Institutions																	
(a)	Mutual Funds		0	0	0	0	0	0.00	C	0	0	0.00	0	0.00	0	0.00	0	
(b)	Venture Capital Funds		0	0	0	0	0	0.00	C	0	0	0.00	0	0.00	0	0.00	0	
(c)	Alternate Investment Funds		0	0	0	0	0	0.00	C	0	0	0.00	0	0.00	0	0.00	0	
(d)	Foreign Venture Capital Investors		0	0	0	0	0	0.00	C	0	0	0.00	0	0.00	0	0.00	0	
(e)	Foreign Portfolio Investors		0	0	0	0	0	0.00	C	0	0	0.00	0	0.00	0	0.00	0	
(f)	Financial Institutions/Banks		0	0	0	0	0	0.00	C	0	0	0.00	0	0.00	0	0.00	0	
(g)	Insurance Companies		0	0	0	0	0	0.00	C	0	0	0.00	0	0.00	0	0.00	0	
(h)	Provident Funds/Pension Funds		0	0	0	0	0	0.00	C	0	0	0.00	0	0.00	0	0.00	0	
(i)	Any Other		0	0	0	0	0	0.00	C	0	0	0.00	0	0.00	0	0.00	0	
	Sub Total (B)(1)		0	0	0	0	0	0.00	C	0	0	0.00	0	0.00	0	0.00	0	
(2)	Central Government/State Government(s)/President of India		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	
	Sub Total (B)(2)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	
(3)	Non-institutions						0											
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	
(b)	NBFCs Registered with RBI		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	
(c)	Employee Trusts*		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	
(d)	Overseas Depositories (Holding DRs)(Balancing figure)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	
(e)	Any Other						0											
	TRUSTS		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	
	OVERSEAS CORPORATE BODIES		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	
	NON RESIDENT INDIANS		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	
	NON RESIDENT INDIANS (Non -Repat)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	
	CLEARING MEMBERS		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	
	BODIES CORPORATES		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	
	FOREIGN NATIONALS		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	
	Sub Total (B)(3)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	

for APAksh Broadband Limited


Savita Pandey
Director



Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)	
(1)	Custodian/DR Holder		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(2)	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00			0

for APaksh Broadband Limited

Savita
Savita Pandey
Director



Details of the shareholders acting as persons in Concert including their Shareholding:			
Name of Shareholder	Name of PAC	No of shares	Holding%
NIL		NIL	
Total:		0	0

for APAksh Broadband Limited

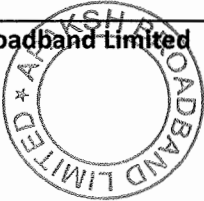

Savita Pandey
Director



Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders,	
No of Shareholders	No of shares
NIL	

for APaksh Broadband Limited


Savita Pandey
Director





Format of Holding of Specified securities

1. Name of Listed Entity:
2. Scrip Code/Name of Scrip/Class of Security:
3. Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg.31(1)(b)/Reg.31(1)(c)
 - a. if under 31(1)(b) then indicate the report for quarter ending
 - b. if under 31(1)(c) then indicate date of allotment/extinguishment

AKSH OPTIFIBRE LIMITED
532351,,EQUITY SHARES
Reg. 31(1)(b)
As expected as per the scheme
Not Applicable

4. Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information:

	Particulars	YES*	NO*
a	Whether the Listed Entity has issued any partly paid up shares	-	No
b	Whether the Listed Entity has issued any Convertible Securities or Warrants?	-	No
c	Whether the Listed Entity has any shares against which depository receipts are issued?	-	No
d	Whether the Listed Entity has any shares in locked-in?	-	No
e	Whether any shares held by promoters are pledge or otherwise encumbered?	-	No

*if the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

5. The tabular format for disclosure of holding of specified securities is as follows:

for Aksh Optifibre Limited

Gaurav Mehta
Chief- Corporate affairs & Company Secretary



Table I - Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total	No.	As a % of total	
								Class X	Class Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)				(X)	(XI)	(XII)		(XIII)		(XIV)
(A)	Promoter & Promoter Group	8	47570335	0	0	47570335	29.24	47570335	0	47570335	29.24	0	29.24	0	0.00	0	0.00	47570335
(B)	Public	58964	115127636	0	0	115127636	70.78	115127636	0	115127636	70.76	0	70.76	0	0.00	NA	NA	114509615
(C)	Non Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0.00	0	NA	0	0.00	NA	NA	0
(C2)	Shares held by Employees Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total:	58972	162697971	0	0	162697971	100.02	162697971	0	162697971	100.00	0	100.00	0	0.00	0	0.00	162079950

for Aksh Optifibre Limited

Gaurav Mehta
Chief- Corporate affairs & Company Secretary



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group



Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
									No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held		
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)	
(1)	Indian																		
(a)	Individuals/Hindu undivided Family																		
	BHARATI SHAILESH SUNDESHA	AAAP01664J	1	2759342	0	0	2759342	1.70	2759342	0	2759342	1.70	0	1.70	0	0.00	0	0.00	2759342
	SHAILESH POPATLAL	AACPP4768L	1	5454693	0	0	5454693	3.35	5454693	0	5454693	3.35	0	3.35	0	0.00	0	0.00	5454693
	SHARDA POPATLAL	AACPP4769M	1	4467682	0	0	4467682	2.75	4467682	0	4467682	2.75	0	2.75	0	0.00	0	0.00	4467682
	SEEMA CHOUDHARI	AAHPC2613G	1	7000000	0	0	7000000	4.30	7000000	0	7000000	4.30	0	4.30	0	0.00	0	0.00	7000000
	ROHAN KAILASH CHOUDHARI	ALCPC5959P	1	150500	0	0	150500	0.09	150500	0	150500	0.09	0	0.09	0	0.00	0	0.00	150500
	RASHI CHOUDHARI	ASQPC9133J	1	150500	0	0	150500	0.09	150500	0	150500	0.09	0	0.09	0	0.00	0	0.00	150500
(b)	Central Government/State Government(s)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Financial Institutions/Banks		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(d)	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
	Sub-Total (A)(1)		6	19982717	0	0	19982717	12.28	19982717	0	19982717	12.28	0	12.28	0	0.00	0	0.00	19982717
(2)	Foreign																		
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)																		
	POPATLAL FULCHAND	AAAPF1710G	1	5281940	0	0	5281940	3.25	5281940	0	5281940	3.25	0	3.25	0	0.00	0	0.00	5281940
	KAILASH SHANTILAL CHOUDHARI	AAHPC7797B	1	22305678	0	0	22305678	13.71	22305678	0	22305678	13.71	0	13.71	0	0.00	0	0.00	22305678
(b)	Government		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(c)	Institutions		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(d)	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(e)	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
	Sub-Total (A)(2)		2	27587618	0	0	27587618	16.96	27587618	0	27587618	16.96	0	16.96	0	0	0	0	27587618
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		8	47570335	0	0	47570335	29.24	47570335	0	47570335	29.24	0	29.24	0	0.00	0	0.00	47570335

for Aksh Optifibre Limited

Gaurav Mehta
Chief - Corporate affairs & Company Secretary



Table III - Statement showing shareholding pattern of the Public shareholder



Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
									No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held		
									Class X	Class Y	Total								
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)	
(1)	Institutions																		
(a)	Mutual Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(b)	Venture Capital Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(c)	Alternate Investment Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(d)	Foreign Venture Capital Investors		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(e)	Foreign Portfolio Investors		1	82708	0	0	82708	0.05	82708	0	82708	0.05	0	0.05	0	0.00	NA	NA	82708
(f)	Financial Institutions/Banks		3	1632985	0	0	1632985	1.00	1632985	0	1632985	1.00	0	1.00	0	0.00	NA	NA	1632985
(g)	Insurance Companies		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(h)	Provident Funds/Pension Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(i)	Any Other						0												
	Sub Total (B)(1)		4	1715693	0	0	1715693	1.05	1715693	0	1715693	1.05	0	1.05	0	0.00	NA	NA	1715693
(2)	Central Government/State Government(s)/President of India		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Sub Total (B)(2)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(3)	Non-Institutions						0												
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs		57147	67957032	0	0	67957032	41.78	67957032	0	67957032	41.77	0	41.77	0	0.00	NA	NA	67836384
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs		174	19922607	0	0	19922607	12.25	19922607	0	19922607	12.25	0	12.25	0	0.00	NA	NA	19802607
	USHA JAIN .	AAAPJ1971B	1	2679477	0	0	2679477	1.65	2679477	0	2679477	1.65	0	1.65	0	0.00	NA	NA	2679477
													0.00						
(b)	NBFCs Registered with RBI		2	4000	0	0	4000	0.00	4000	0	4000	0.00	0	0.00	0	0.00	NA	NA	4000
(c)	Employee Trusts*		1	413370	0	0	413370	0.25	413370	0	413370	0.25	0	0.25	0	0.00	NA	NA	36000
(d)	Overseas Depositories (Holding DRs)(Balancing figure)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(e)	Any Other						0						0.00						
	TRUSTS		7	99750	0	0	99750	0.06	99750	0	99750	0.06	0	0.06	0	0.00	NA	NA	99750
	OVERSEAS CORPORATE BODIES		1	7000	0	0	7000	0.00	7000	0	7000	0.00	0	0.00	0	0.00	NA	NA	7000
	NON RESIDENT INDIANS		422	2298479	0	0	2298479	1.41	2298479	0	2298479	1.41	0	1.41	0	0.00	NA	NA	2298479
	NON RESIDENT INDIANS (Non -Repat)		112	376866			376866	0.23	376866		376866	0.23	0	0.23		0.00	NA	NA	376866
	CLEARING MEMBERS		193	1410026	0	0	1410026	0.87	1410026	0	1410026	0.87	0	0.87	0	0.00	NA	NA	1410026
	BODIES CORPORATES		898	20920813	0	0	20920813	12.86	20920813	0	20920813	12.86	0	12.86	0	0.00	NA	NA	20920810
	FOREIGN NATIONALS		3	2000	0	0	2000	0.00	2000	0	2000	0.00	0	0.00	0	0.00	NA	NA	2000
	Sub Total (B)(3)		58960	113411943	0	0	113411943	69.72	113411943	0	113411943	69.71	0	69.71	0	0.00			112793922
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		58964	115127636	0	0	115127636	70.78	115127636	0	115127636	70.76	0	70.76	0	0.00			114509615

Note: *shares held by Employee Trust under ESOP policy formulated in 2001.

for Aksh Optifibre Limited

Gaurav Mehta

Chief - Corporate Affairs & Company Secretary



Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities				No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total	(IX)	(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Custodian/DR Holder		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
(2)	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00			0

for Aksh Optifibre Limited

Gaurav Mehta
Chief- Corporate affairs & Company Secretary





Details of the shareholders acting as persons in Concert including their Shareholding:			
Name of Shareholder	Name of PAC	No of shares	Holding%
NIL		NIL	
Total:		0	0

for Aksh Optifibre Limited



Gaurav Mehta

Chief- Corporate affairs & Company Secretary



Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders,

No of Shareholders	No of shares
	NIL

for Aksh Optifibre Limited


Gaurav Mehta

Chief- Corporate affairs & Company Secretary





Format of Holding of Specified securities

1. Name of Listed Entity:
2. Scrip Code/Name of Scrip/Class of Security:
3. Share Holding Pattern Filed under: Reg. 31(1)(a)/Reg.31(1)(b)/Reg.31(1)(c)
 - a. if under 31(1)(b) then indicate the report for quarter ending
 - b. if under 31(1)(c) then indicate date of allotment/extinguishment
4. Declaration : The Listed entity is required to submit the following declaration to the extent of submission of information:

AKSH OPTIFIBRE LIMITED
532351,,EQUITY SHARES
Reg. 31(1)(b)
December 31, 2016
Not Applicable

	Particulars	YES*	NO*
a	Whether the Listed Entity has issued any partly paid up shares	-	No
b	Whether the Listed Entity has issued any Convertible Securities or Warrants?	-	No
c	Whether the Listed Entity has any shares against which depository receipts are issued?	-	No
d	Whether the Listed Entity has any shares in locked-in?	-	No
e	Whether any shares held by promoters are pledge or otherwise encumbered?	-	No

*if the Listed Entity selects the option 'NO' for the questions above, the columns for the partly paid up shares, Outstanding Convertible Securities/Warrants, depository receipts, locked-in shares, No of shares pledged or otherwise encumbered by promoters, as applicable, shall not be displayed at the time of dissemination on the Stock Exchange website. Also wherever there is 'No' declared by Listed entity in above table the values will be considered as 'Zero' by default on submission of the format of holding of specified securities.

- 5 The tabular format for disclosure of holding of specified securities is as follows:

for Aksh Optifibre Limited

Gaurav Mehta

Chief- Corporate affairs & Company Secretary



Table I - Summary Statement holding of specified securities

Category	Category of Shareholder	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total no of shares (As a % of (A+B+C2))	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form	
								No of Voting Rights			Total as a % of (A+B+C)		No.	As a % of total	No.	As a % of total		
								Class X	Class Y	Total								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)	
(A)	Promoter & Promoter Group	8	47562815	0	0	47562815	29.24	47562815	0	47562815	29.24	0	29.24	0	0.00	0	0.00	47562815
(B)	Public	58953	115102255	0	0	115102255	70.76	115102255	0	115102255	70.76	0	70.76	0	0.00	NA	NA	114484234
(C)	Non Promoter-Non Public																	
(C1)	Shares underlying DRs	0	0	0	0	0	NA	0	0	0	0.00	0	NA	0	0.00	NA	NA	0
(C2)	Shares held by Employees Trusts	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	NA	0
	Total:	58961	162665070	0	0	162665070	100.00	162665070	0	162665070	100.00	0	100.00	0	0.00	0	0.00	162047049

for Aksh Optifibre Limited

Gaurav Mehta
Chief- Corporate affairs & Company Secretary



Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (calculated as per SCRR, 1957 (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital) (VII)+(X) As a % of (A+B+C2)	Number of Locked In Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total							
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Indian																	
(a)	Individuals/Hindu undivided Family																	
	BHARATI SHAILESH SUNDESHA	AAAP01654J	1	2758402	0	0	2758402	1.70	2758402	0	2758402	1.70	0	0	0.00	0	0.00	2758402
	SHAILESH POPATLAL	AACPP4768L	1	5453753	0	0	5453753	3.35	5453753	0	5453753	3.35	0	0	0.00	0	0.00	5453753
	SHARDA POPATLAL	AACPP4769M	1	4467682	0	0	4467682	2.75	4467682	0	4467682	2.75	0	0	0.00	0	0.00	4467682
	SEEMA CHOUDHARI	AAHPC2613G	1	7000000	0	0	7000000	4.30	7000000	0	7000000	4.30	0	0	0.00	0	0.00	7000000
	ROHAN KAILASH CHOUDHARI	ALPCS959P	1	150500	0	0	150500	0.09	150500	0	150500	0.09	0	0	0.00	0	0.00	150500
	RASHI CHOUDHARI	ASQPC9133J	1	150500	0	0	150500	0.09	150500	0	150500	0.09	0	0	0.00	0	0.00	150500
(b)	Central Government/State Government(s)		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	0
(c)	Financial Institutions/Banks		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	0
(d)	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	0
	Sub-Total (A)(1)		6	19980837	0	0	19980837	12.28	19980837	0	19980837	12.28	0	0	0.00	0	0.00	19980837
(2)	Foreign																	
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)																	
	POPATLAL FULCHAND	AAAPF1710G	1	5280060	0	0	5280060	3.25	5280060	0	5280060	3.25	0	0	0.00	0	0.00	5280060
	KAILASH SHANTILAL CHOUDHARI	AAHPC7797B	1	22301918	0	0	22301918	13.71	22301918	0	22301918	13.71	0	0	0.00	0	0.00	22301918
(b)	Government		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	0
(c)	Institutions		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	0
(d)	Foreign Portfolio Investor		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	0
(e)	Any Other		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	0
	Sub-Total (A)(2)		2	27581978	0	0	27581978	16.96	27581978	0	27581978	16.96	0	0	0	0	0	27581978
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)		8	47562815	0	0	47562815	29.24	47562815	0	47562815	29.24	0	0	0.00	0	0.00	47562815

for Aksh Optifibre Limited

Gaurav Mehta
Chief- Corporate affairs & Company Secretary



Table III - Statement showing shareholding pattern of the Public shareholder

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (Including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights		Total as a % of (A+B+C)			No.	As a % of total Shares held	No.	As a % of total Shares held	
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	Class X	Class Y	Total (IX)	(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Institutions																	
(a)	Mutual Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	0
(b)	Venture Capital Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	0
(c)	Alternate Investment Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	0
(d)	Foreign Venture Capital Investors		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	0
(e)	Foreign Portfolio Investors		1	82708	0	0	82708	0.05	82708	0	82708	0.05	0	0.05	0	0.00	NA	82708
(f)	Financial Institutions/Banks		3	1632985	0	0	1632985	1.00	1632985	0	1632985	1.00	0	1.00	0	0.00	NA	1632985
(g)	Insurance Companies		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	0
(h)	Provident Funds/Pension Funds		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	0
(i)	Any Other						0											
	Sub Total (B)(1)		4	1715693	0	0	1715693	1.05	1715693	0	1715693	1.05	0	1.05	0	0.00	NA	1715693
(2)	Central Government/State Government(s)/President of India		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	0
	Sub Total (B)(2)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	0
(3)	Non-Institutions						0											
(a)	i.Individual shareholders holding nominal share capital up to Rs.2 lakhs		57136	67931651	0	0	67931651	41.76	67931651	0	67931651	41.76	0	41.76		0.00	NA	67811003
	ii.Individual shareholders holding nominal share capital in excess of Rs. 2 Lakhs		174	19922607	0	0	19922607	12.25	19922607	0	19922607	12.25	0	12.25		0.00	NA	19802607
	USHA JAIN	AAAP1971B	1	2679477	0	0	2679477	1.65	2679477	0	2679477	1.65	0	1.65		0.00	NA	2679477
(b)	NBFCs Registered with RBI		2	4000	0	0	4000	0.00	4000	0	4000	0.00	0	0.00	0	0.00	NA	4000
(c)	Employee Trusts*		1	413370	0	0	413370	0.25	413370	0	413370	0.25	0	0.25	0	0.00	NA	36000
(d)	Overseas Depositories (Holding DRs)(Balancing figure)		0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	NA	0
(e)	Any Other						0											
	TRUSTS		7	99750	0	0	99750	0.06	99750	0	99750	0.06	0	0.06	0	0.00	NA	99750
	OVERSEAS CORPORATE BODIES		1	7000	0	0	7000	0.00	7000	0	7000	0.00	0	0.00	0	0.00	NA	7000
	NON RESIDENT INDIANS		422	2298479	0	0	2298479	1.41	2298479	0	2298479	1.41	0	1.41	0	0.00	NA	2298479
	NON RESIDENT INDIANS (Non-Repatriation)		112	376866			376866	0.23	376866		376866	0.23	0	0.23		0.00	NA	376866
	CLEARING MEMBERS		193	1410026	0	0	1410026	0.87	1410026	0	1410026	0.87	0	0.87	0	0.00	NA	1410026
	BODIES CORPORATES		898	20920813	0	0	20920813	12.86	20920813	0	20920813	12.86	0	12.86	0	0.00	NA	20920813
	FOREIGN NATIONALS		3	2000	0	0	2000	0.00	2000	0	2000	0.00	0	0.00	0	0.00	NA	2000
	Sub Total (B)(3)		58949	113386562	0	0	113386562	69.71	113386562	0	113386562	69.71	0	69.71	0	0.00		112768541
	Total Public Shareholding (B) = (B)(1)+(B)(2)+(B)(3)		58953	115102255	0	0	115102255	70.76	115102255	0	115102255	70.76	0	70.76	0	0.00		114484234

Note: *shares held by Employee Trust under ESOP policy formulated in 2001.
for Aksh Optifibre Limited

Gaurav Mehta
Chief- Corporate affairs & Company Secretary



Table IV - Statement showing shareholding pattern of the Non Promoter - Non Public Shareholder

Category	Category & Name of the Shareholder	PAN	No of Shareholders	No of fully paid up equity shares held	No of Partly paid-up equity shares held	No of Shares Underlying Depository Receipts	Total No of Shares Held (IV+V+VI)	Shareholding as a % of total no of shares (A+B+C2)	Number of Voting Rights held in each class of securities			No of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding as a % assuming full conversion of convertible Securities (as a percentage of diluted share capital)	Number of Locked in Shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights			Total as a % of (A+B+C)		No.	As a % of total Shares held	No.	As a % of total Shares held	
									Class X	Class Y	Total							
	(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)			(X)	(XI)	(XII)		(XIII)		(XIV)
(1)	Custodian/DR Holder		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	NA	NA	0
(2)	Employee Benefit Trust (under SEBI(Share based Employee Benefit) Regulations 2014)		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	NA	NA	0
	Total Non-Promoter-Non Public Shareholding (C) = (C)(1)+(C)(2)		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00			0

for Aksh Optifibre Limited

Gaurav Mehta
Chief- Corporate affairs & Company Secretary





Details of the shareholders acting as persons in Concert including their Shareholding:			
Name of Shareholder	Name of PAC	No of shares	Holding%
NIL		NIL	
Total:		0	0

for Aksh Optifibre Limited

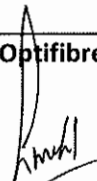
Gaurav Mehta

Chief- Corporate affairs & Company Secretary



Details of Shares which remain unclaimed may be given hear along with details such as number of shareholders,	
No of Shareholders	No of shares
	NIL

for Aksh Optifibre Limited


Gaurav Mehta

Chief- Corporate affairs & Company Secretary



AKSH OPTIFIBRE LIMITED

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Fax : +91-11-26991510
E-mail : aksh@akshoptifibre.com
Website : www.akshoptifibre.com
CIN NO. : L24305RJ1986PLC016132

ANNEXURE I

The financial details of **Transferee Company** for the previous 3 Financial Years as per the audited statement of Accounts and for the period ended September 30, 2016 as per the Unaudited Statement of Accounts.

Name of the Company: **Aksh Optifibre Limited**

(Rs. in Crores)

	As per last Unaudited Financial*	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
	for the period ended on 30.09.2016	2015-16	2014-15	2013-14
Equity Paid up Capital	81.33	81.33	75.77	74.28
Reserves and surplus	375.30	364.34	317.74	314.21
Carry forward losses	-	-	-	(31.99)
Net Worth	456.63	445.67	393.51	356.50
Miscellaneous Expenditure	-	-	-	-
Secured Loans	78.59	80.52	92.11	87.74
Unsecured Loans	6.82	7.69	26.43	29.42
Fixed Assets	95.30	82.24	94.65	109.84
Income from Operations (net)	195.41	434.76	348.30	220.06
Total Income	197.33	438.31	354.13	227.48
Total Expenditure	178.93	401.08	321.31	201.46
Profit before Tax	18.40	37.23	32.82	26.02
Profit after Tax	10.96	33.52	32.11	26.02
Cash profit	20.49	52.24	48.42	41.01
EPS (Rs. per share)	0.67	2.14	2.13	1.75
Book value (Rs. per share)	28.07	27.40	25.97	24.00

***Note:** For the period ended on September 30, 2016, Unaudited Financial Statements are submitted along with the Limited Review Report by statutory auditors.

For Aksh Optifibre Limited

Gaurav Mehta
Chief-Corporate Affairs & Company Secretary

We smarten up your life..™

APAKSH BROADBAND LIMITED

Regd. Office.: F-1080, Phase-III, RIICO Industrial Area, Bhiwadi, Alwar, Rajasthan-301019

CIN: U92111RJ2005PLC056369 | Tel.: +91-1493-220763, 221333 | Fax: +91-1493-221329

ANNEXURE I


The Audited financial details of **Transferor Company** for the previous 3 years and for the period ended September 30, 2016 as per the audited statement of Accounts:

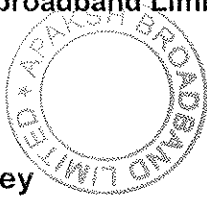
Name of the Company: **APAKSH BROADBAND LIMITED**

(Rs. in Crores)

	As per last Audited Financial for the period ended on 30.09.2016	As per last Audited Financial Year	1 year prior to the last Audited Financial Year	2 years prior to the last Audited Financial Year
		2015-16	2014-15	2013-14
Equity Paid up Capital	135.23	135.23	135.23	135.23
Reserves and surplus	0.00	0.00	0.00	0.00
Carry forward losses	0.00	0.00	0.00	0.00
Net Worth	135.23	135.23	135.23	135.23
Miscellaneous Expenditure	0.00	0.00	0.00	0.00
Secured Loans	4.98	4.98	4.98	4.98
Unsecured Loans	0.50	0.50	0.50	0.50
Fixed Assets	156.20	156.14	153.46	153.37
Income from Operations	0.00	0.00	0.00	0.00
Total Income	0.00	0.00	0.00	0.00
Total Expenditure	0.00	0.00	0.00	0.00
Profit before Tax	0.00	0.00	0.00	0.00
Profit after Tax	0.00	0.00	0.00	0.00
Cash profit	0.00	0.00	0.00	0.00
EPS (Rs. per share)	0.00	0.00	0.00	0.00
Book value (Rs. per share)	5.98	5.98	5.98	5.98

For APAksh broadband Limited


Savita Pandey
Director



AKSH OPTIFIBRE LIMITED

Registered Office: F-1080, RIICO Industrial Area, Phase-III, Bhiwadi-301 019 (Rajasthan)

Corporate Office: J-1/1, B1 Extn, Mohan Co- operative Indl. Estate, New Delhi-110 044

Corporate Identification No. (CIN) : L24305RJ1986PLC016132

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2016

(Rs. In Lacs)

Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-Sep-16 Unaudited	30-Jun-16 Unaudited	30-Sep-15 Unaudited	30-Sep-16 Unaudited	30-Sep-15 Unaudited	31-Mar-16 Audited
1	Income from Operations						
	(a) Gross Sales/Income from operations	8,752.89	11,083.80	12,023.26	19,836.69	21,863.56	45,184.35
	Less : Excise duty	342.05	512.59	845.27	854.64	1,520.24	2,692.60
	Net Sales/Income from operations	8,410.84	10,571.21	11,177.99	18,982.05	20,343.32	42,491.75
	(b) Other operating income	288.24	270.88	184.33	559.12	346.97	984.72
	Total Income from operations (net)	8,699.08	10,842.09	11,362.32	19,541.17	20,690.29	43,476.47
2	Expenses						
	a) Cost of materials consumed	5,476.61	6,728.73	7,333.33	12,205.34	12,579.66	25,081.32
	b) Purchase of stock-in-trade	161.69	381.30	103.63	542.99	189.32	355.64
	c) Changes in inventories of finished goods, work in progress and stock in trade	(495.06)	(767.89)	(111.70)	(1,262.95)	(106.09)	525.98
	d) Employee benefits expense	668.75	657.77	473.44	1,326.52	983.54	2,232.66
	e) Depreciation and amortisation expense	480.27	472.28	465.83	952.55	932.48	1,872.44
	f) Other Expenditure	1,913.64	1,775.08	2,017.78	3,688.72	3,749.13	8,271.35
	Total expenses	8,205.90	9,247.27	10,282.31	17,453.17	18,328.04	38,339.39
3	Profit from Operations before Other Income, finance costs and Exceptional Items (1-2)	493.18	1,594.82	1,080.01	2,088.00	2,362.25	5,137.08
4	Other Income	94.21	97.72	82.54	191.93	140.07	354.99
5	Profit before finance costs and Exceptional Items (3+4)	587.39	1,692.54	1,162.55	2,279.93	2,502.32	5,492.07
6	Finance Costs	186.24	239.48	253.68	425.72	481.72	1,040.12
7	Profit after finance costs but before Exceptional Items (5-6)	401.15	1,453.06	908.87	1,854.21	2,020.60	4,451.95
8	Exceptional Expense	12.90	1.07	6.91	13.97	9.05	729.26
9	Profit from Ordinary Activities before tax (7-8)	388.25	1,451.99	901.96	1,840.24	2,011.55	3,722.69
10	Tax Expenses	49.91	451.13	192.50	501.04	429.30	794.48
11	Deferred Tax expense	104.66	138.24	-	242.90	-	234.00
12	MAT Credit Entitlement	-	-	192.50	-	429.30	657.67
13	Tax Expenses (10+11-12)	154.57	589.37	-	743.94	-	370.81
14	Net Profit from ordinary Activities after tax (9-13)	233.68	862.62	901.96	1,096.30	2,011.55	3,351.88
15	Extraordinary Items net of tax	-	-	-	-	-	-
16	Net Profit for the period (14-15)	233.68	862.62	901.96	1,096.30	2,011.55	3,351.88
17	Paid-up Equity Share Capital (Face value of Rs 5 per share)	8,133.25	8,133.25	7,855.49	8,133.25	7,855.49	8,133.25
18	Reserves excluding Revaluation Reserve						36,433.87
19	a) Earnings Per Share before Extraordinary items(Rs.)						
	-Basic	0.14	0.53	0.59	0.67	1.32	2.14
	- Diluted	0.14	0.53	0.57	0.67	1.28	2.14
	b) Earnings Per Share after Extraordinary items(Rs.)						
	-Basic	0.14	0.53	0.59	0.67	1.32	2.14
	- Diluted	0.14	0.53	0.57	0.67	1.28	2.14



AKSH OPTIFIBRE LIMITED
SEGMENT WISE REVENUE, RESULTS & CAPITAL EMPLOYED
UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2016

Sl. No.	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30-Sep-16 Unaudited	30-Jun-16 Unaudited	30-Sep-15 Unaudited	30-Sep-16 Unaudited	30-Sep-15 Unaudited	31-Mar-16 Audited
1	Segment Revenue (Net Income from operations)						
	a. Manufacturing	7,894.82	9,903.17	10,488.00	17,797.99	19,095.10	39,689.70
	b. Trading	244.48	319.82	103.38	564.30	192.89	380.56
	c. Services	573.32	640.72	783.52	1,214.04	1,427.06	3,490.11
	Total	8,712.62	10,863.71	11,374.90	19,576.33	20,715.05	43,560.37
	Less: Inter-Segment Revenues	13.54	21.62	12.58	35.16	24.76	83.90
2	Net Sales/Income from operations	8,699.08	10,842.09	11,362.32	19,541.17	20,690.29	43,476.47
	Segment Results (Profit/(loss)) (before tax and finance costs)						
	a. Manufacturing	799.56	1,825.65	1,214.08	2,625.21	2,686.51	5,691.11
	b. Trading	57.34	47.98	5.25	105.32	12.99	20.30
	c. Services	(363.72)	(278.81)	(139.29)	(642.53)	(339.02)	(574.33)
	Total	493.18	1,594.82	1,080.04	2,088.00	2,360.48	5,137.08
	(Add)/Less - Finance Costs	186.24	239.48	253.68	425.72	481.72	1,040.12
	- Unallocated Expenses/(Income)	(94.21)	(97.72)	(82.51)	(191.93)	(141.84)	(354.99)
	Profit after finance costs but before Exceptional Items	401.15	1,453.06	908.87	1,854.21	2,020.60	4,451.95
	Exceptional Expense	12.90	1.07	6.91	13.97	9.05	729.26
3	Profit from Ordinary Activities before tax	388.25	1,451.99	901.96	1,840.24	2,011.55	3,722.69
	Segment Assets						
	a. Manufacturing	21,732.85	19,903.51	21,258.42	21,732.85	21,258.42	20,177.82
	b. Trading	289.55	413.96	-	289.55	-	-
	c. Services	12,711.93	12,442.38	14,157.06	12,711.93	14,157.06	12,755.97
	d. Unallocated	30,894.19	30,522.61	29,184.24	30,894.19	29,184.24	30,291.70
4	Total	65,628.52	63,282.46	64,599.72	65,628.52	64,599.72	63,225.49
	Segment Liabilities						
	a. Manufacturing	11,983.93	10,509.61	12,921.26	11,983.93	12,921.26	11,392.91
	b. Trading	71.77	28.22	-	71.77	-	-
	c. Services	7,432.49	6,942.64	9,382.72	7,432.49	9,382.72	7,031.46
	d. Unallocated	-	-	-	-	-	-
	Total	19,488.19	17,480.47	22,303.98	19,488.19	22,303.98	18,424.37



AKSH OPTIFIBRE LIMITED
UNAUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2016

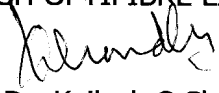
Particulars	Standalone	
	As at	
	30-Sep-16 Unaudited	31-Mar-16 Audited
Equity and liabilities		
SHAREHOLDERS FUND:		
Share capital	8,133.25	8,133.25
Reserves and surplus	37,530.18	36,433.87
Sub total - Shareholder's funds	45,663.43	44,567.12
Non-current liabilities		
Long-term borrowings	3,668.22	2,650.93
Deferred Tax Liability	476.90	234.00
Other non current liabilities	532.00	644.25
Long-term provisions	312.38	275.93
Sub total - Non-current liabilities	4,989.50	3,805.11
Current liabilities		
Short-term borrowings	4,872.57	4,018.78
Trade payables	5,173.82	6,975.13
Other current liabilities	4,547.53	3,387.21
Short-term provisions	381.67	472.14
Sub total - Current liabilities	14,975.59	14,853.26
TOTAL - EQUITY AND LIABILITIES	65,628.52	63,225.49
Assets		
Non-current assets		
Fixed assets including Capital work in progress	9,530.05	8,223.59
Non-current investments	26,371.15	26,033.73
Long-term loans and advances	610.69	415.13
Other non-current assets	2,180.55	2,171.55
Sub total - Non-current assets	38,692.44	36,844.00
Current assets		
Inventories	3,355.66	2,402.05
Trade receivables	13,271.45	14,150.86
Cash and cash equivalents	263.67	316.86
Short-term loans and advances	9,819.04	9,304.79
Other current assets	226.26	206.93
Sub total - Current assets	26,936.08	26,381.49
TOTAL - ASSETS	65,628.52	63,225.49




Notes:

- 1 The above financial results were reviewed by the Audit Committee and approved by Board of Directors in its meeting held on 11th November, 2016 respectively.
- 2 Exchange gain / (loss) on foreign currency assets / liabilities (other than operation) has not been provided for the quarter and period ended 30th September, 2016. The effect of such gain / (loss) will be provided for at the year end. Had such gain / (loss) been provided, the profit for the quarter and period would have been lower by Rs. 4.20 lacs and higher Rs. 3.84 lacs respectively.
- 3 With a view to maintain market leadership in FRP business, the Company, during the quarter, acquired 100% of the paid up share capital of 'Unitape Mandovi Composites Pvt. Ltd., (now renamed as Aksh Composites Pvt Ltd) located at Silvassa, which is engaged in manufacture & sale of FRP rods with production capacity of 2.16 lacs km per annum.
- 4 The sales for the current quarter are lower as the production at all the manufacturing facilities viz OF, OFC and FRP were effected due to ongoing upgradation and expansion. The upgradation in OF & OFC division has been completed, while the expansion in OF and FRP is still progressing and will be completed in next quarter.
- 5 As an initiative towards clean and green energy, the Company has commissioned 100 KW solar power plant at its manufacturing facility situated at Reengus for its captive consumption.
- 6 Previous periods figures have been regrouped and rearranged wherever necessary.

Place : Reengus
Date : 11th November, 2016

For and on behalf of the Board of Directors
AKSH OPTIFIBRE LIMITED

Dr. Kailash S Choudhari
Chairman and Managing Director
DIN-00023824





P.C. BINDAL & CO.
Chartered Accountants

101, Sita Ram Mansion, 718/21, Joshi Road,
Karol Bagh, New Delhi-110 005
☎ 23549822 / 23 Fax : 23623829
e-mail : pcbindalco@gmail.com

**Limited Review Report on Standalone Financial Results for the
Quarter and Six Months Ended 30/09/2016**

To the Board of Directors
Aksh Optifibre Limited

We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Aksh Optifibre Limited** ("the Company") for the Quarter and Six Months Ended 30/09/2016. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For P.C. Bindal & Co.
Chartered Accountants

FRN/008834N
P.C. Bindal & Co.
New Delhi
CA K.C. Gupta
(Partner)
M.No.088638

Place: Reengus, Dist. Siker
Date: 11.11.2016

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AKSH OPTIFIBRE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of AKSH OPTIFIBRE LIMITED ('the Company'), which comprise the Balance Sheet as at March 31, 2016, Statement of Profit and Loss and Cash Flow Statement for the year than ended and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation & presentation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act as applicable. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matter's which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) in the case of Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that :
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion proper books of account as required by law relating to preparation of the standalone financial statements 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 and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act as applicable;
 - e) On the basis of written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
 - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies

(Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 33 to 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.

For P.C. Bindal & Co.
Firm Registration Number: 003824N
Chartered Accountants

CA K.C. Gupta
Partner
Membership No 088638

Date: May 28, 2016
Place: New Delhi

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of AKSH Optifibre Limited (“the Company”) for the year ended March 31, 2016:

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanation given to us, fixed assets except the assets installed at customer premises have been physically verified by the management during the year. No material discrepancies were noticed on such verification. In our opinion, frequency of physical verification of fixed assets is reasonable.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. According to the information & explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the management. 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.
- iii. According to the information & explanation given to us, the Company has granted unsecured loans to its wholly owned subsidiary, covered in the register maintained under Section 189 of Companies Act 2013.
 - (a) In our opinion, the rate of interest and other terms and conditions on which the loan has been granted to its subsidiary, covered in the register maintained under Section 189 of the Act was not, prima facie, prejudicial to the interest of the Company.
 - (b) In respect of loans granted to subsidiary covered under section 189 of the Act, the terms of arrangement for payment of principal and interest are payable on demand. Accordingly, the provisions of paragraph 3 (iii) (b) of the Order are not applicable to the Company.
- (c) In respect of the aforesaid advances, as per the information made available to us, there is no overdue amount as at year end.
- iv. According to the information & explanation given to us, in respect of loans, investments, guarantees and security, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, to the extent applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits from the public as mentioned in the directives issued by Reserve Bank of India and provisions of sections 73 to 76 of the Companies Act, 2013 or any other relevant provisions of the Act and the rules framed thereunder.
- 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 the Companies, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- vii. (a) According to the information and explanations given to us and according to the books and records produced before us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees’ state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, Cess and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, Service Tax, sales tax, custom duty, excise duty and Cess were in arrears, as at March 31, 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute except of the following amounts:-

Name of the Statute	Nature of Dues	Disputed amount (Rs.In Lacs)	Period to which mount relates	Forum where dispute is pending
SALES TAX				
Sales Tax Act	Sales Tax Demand	41.12	2001-02	Hon'ble High Court Jaipur
Sales Tax Act	MVAT Demand	7.85	2007-08	Joint Commissioner of Sales Tax (Appeals), Mumbai
COUSTOM				
Customs Act, 1962	Duty, Interest & Penalty	416.36	2000-01, 2005-06, 2008-09 & 2013-14	CESTAT, New Delhi
EXCISE				
Central Excise Act, 1944	Excise duty, Interest & Penalty	84.38	2003-05	CESTAT, New Delhi
Central Excise Act, 1944	Excise duty	32.79	2011-12	Assistant Commissioner, Bhiwadi
Central Excise Act, 1944	Excise duty	22.35	2010-11	Assistant Commissioner, Bhiwadi
SERVICE TAX				
Finance Act, 1994	Service tax	7.50	2004-05	Hon'ble High Court, Jaipur
Finance Act, 1994	Service tax	0.54	2005-06	Commissioner of Central Excise (Appeals), Jaipur
Finance Act, 1994	Service tax	0.42	2005-06	Deputy Commissioner
Finance Act, 1994	Service tax & Interest	219.70	2004-06, 2009-10 & 2011-12	CESTAT, New Delhi
Finance Act, 1994	Service tax	0.91	2010-11	Assistant Commissioner, Bhiwadi
Finance Act, 1994	Service tax	1.94	2014-15	Commissioner (Appeals), Jaipur
INCOME TAX				
Income Tax Act, 1961	Income Tax	91.01	2010-11	CIT (Appeals), Alwar (Rajasthan)
PROVIDENT FUND				
Provident Fund Act	Provident Fund	7.60	2004-05	Hon'ble High Court, Jaipur

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank, Government or debenture holders.

ix. According to the information and explanations given to us and our examination of the records of the Company, the term loans have been applied for the purposes for which they were obtained. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments).

x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of paragraph 3 (xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and our examination of the records of the Company, all transactions with the related parties are in compliance with

section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit. However, Company has issued 11,125,381 share in pursuant to conversion of FCCBs during the year.

xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3 (xv) of the Order are not applicable to the Company.

xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For P.C. Bindal & Co.
Firm Registration Number: 003824N
Chartered Accountants

CA K.C. Gupta
Partner
Membership No 088638

Date: May 28, 2016
Place: New Delhi

“Annexure B” 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 Company”) as of March 31, 2016 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 is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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 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, both applicable to an audit of Internal Financial Controls and, 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 auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, 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.

For P.C. Bindal & Co.

Firm Registration Number: 003824N

Chartered Accountants

CA K.C. Gupta

Partner

Membership No 088638

Date: May 28, 2016

Place: New Delhi

Balance Sheet

as at March 31, 2016

		Rs. in Lacs	
Particulars	Note	31-Mar-16	31-Mar-15
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	8,133.25	7,576.98
Reserves and surplus	4	36,433.87	31,773.65
		44,567.12	39,350.63
Non-current liabilities			
Long-term borrowings	5	2,650.93	5,978.04
Deferred tax liabilities (net)	6	234.00	-
Other non current liabilities	7	644.25	798.95
Long-term provisions	8	275.93	223.77
		3,805.11	7,000.76
Current liabilities			
Short-term borrowings	9	4,018.78	4,149.98
Trade payables	10		
- Micro, Small and Medium Enterprises		4.85	-
- Others		6,970.28	5,944.30
Other current liabilities	11	3,387.21	3,312.51
Short-term provisions	12	472.14	638.60
		14,853.26	14,045.39
TOTAL		63,225.49	60,396.78
ASSETS			
Non-current assets			
Fixed assets			
Property, Plant and Equipment	13	7,400.82	8,609.35
Intangible assets	14	621.83	747.78
Capital work-in-progress including intangible assets		200.94	107.95
Non-current investments	15	26,033.73	26,033.73
Long-term loans and advances	16	415.13	141.91
Other non-current assets	17	2,171.55	1,561.05
		36,844.00	37,201.77
Current assets			
Inventories	18	2,402.05	2,842.91
Trade receivables	19	14,150.86	12,695.54
Cash and cash equivalents	20	316.86	393.67
Short-term loans and advances	21	9,304.79	7,114.95
Other current assets	22	206.93	147.94
		26,381.49	23,195.01
TOTAL		63,225.49	60,396.78
Summary of Significant Accounting Policies	2.1		
See accompanying Notes forming part of the Financial Statements	1-51		

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

CA K. C. Gupta
Partner
 Membership No.: 088638

Date: May 28, 2016
 Place: New Delhi

Satyendra Gupta
Deputy Managing Director
 DIN : 00035141

Gaurav Mehta
Chief - Corporate Affairs & Company Secretary

For and on behalf of the Board of Directors

Dr. Kailash S. Choudhari
Chairman & Managing Director
 DIN : 00023824

Pawan Kumar Gambhir
Chief Financial Officer

Statement of Profit and Loss

For the Year Ended March 31, 2016

Rs.in Lacs			
Particulars	Note	31-Mar-16	31-Mar-15
Income			
Revenue from operations (gross)	23	46,169.07	37,392.34
Less: excise duty		2,692.60	2,562.42
Revenue from operations (net)		43,476.47	34,829.92
Other income	24	354.99	583.54
Total revenue (I)		43,831.46	35,413.46
Expenses			
Cost of raw material and components consumed	25	25,081.32	20,883.01
Purchase of traded goods	26	355.64	584.61
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	27	525.98	209.63
Employee benefits expense	28	2,109.75	1,836.50
Other expense	29	8,394.26	6,396.44
Total expense (II)		36,466.95	29,910.19
Earnings before interest ,depreciation & amortization, exceptional items and tax (EBITDA), (I) – (II)		7,364.51	5,503.27
Depreciation and amortization expense	30	1,872.44	1,630.88
Finance costs	31	1,040.12	705.80
Profit before exceptional items and tax		4,451.95	3,166.59
Exceptional Item's income / (expense)	32	(729.26)	115.51
Profit before tax		3,722.69	3,282.10
Tax expenses			
Income Tax		794.48	687.95
Earlier Year Taxes		-	71.18
Deferred Tax expense		234.00	-
MAT Credit Entitlement		657.67	687.95
Total tax expense		370.81	71.18
Profit for the year		3,351.88	3,210.92
Earnings per equity share [nominal value of share Rs.5/- (March 31, 2015: Rs.5/-)]	40		
Basic		2.14	2.13
Diluted		2.14	1.98
Summary of Significant Accounting Policies	2.1		
See accompanying Notes forming part of the Financial Statements	1-51		

As per our report of even date

For P. C. Bindal & Co.

Firm Registration Number: 003824N

Chartered Accountants

CA K. C. Gupta

Partner

Membership No.: 088638

Date: May 28, 2016

Place: New Delhi

Satyendra Gupta
Deputy Managing Director
DIN : 00035141

Gaurav Mehta
Chief - Corporate Affairs & Company Secretary

For and on behalf of the Board of Directors

Dr. Kailash S. Choudhari
Chairman & Managing Director
DIN : 00023824

Pawan Kumar Gambhir
Chief Financial Officer

Cash Flow Statement

For the year ended March 31, 2016

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
A. Cash flow from operating activities		
Profit before tax	3,722.69	3,282.10
Profit before tax	3,722.69	3,282.10
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization on continuing operation	1,872.44	1,630.88
Profit on sale of Investment	-	(11.45)
Loss on sale of fixed Assets	1.16	0.62
Finance costs	1,040.12	705.80
Interest (income)	(354.99)	(404.21)
Operating profit before working capital changes	6,281.42	5,203.74
Movements in working capital :		
Increase in trade and other payables	1,373.33	3,843.09
(Increase) in trade receivables	(1,455.32)	(5,910.00)
Decrease / (increase) in inventories	440.86	(386.65)
(Increase) in other receivables	(2,986.03)	(1,509.72)
Cash generated from operations	3,654.26	1,240.46
Direct taxes paid (net of refunds)	(962.79)	(531.52)
Net cash flow from operating activities (A)	2,691.47	708.94
B. Cash flows from investing activities		
Purchase of fixed assets, including CWIP	(635.89)	(113.24)
Proceeds from sale of fixed assets	3.78	0.66
Proceeds from sale of non-current investments	-	13.22
Interest income	71.66	242.85
Net cash flow (used in) / from investing activities (B)	(560.45)	143.49
C. Cash flows from financing activities		
Repayment of long-term borrowings	(1,036.51)	(922.09)
(Repayment) / Proceeds of Short-term borrowings	(131.20)	1,558.18
Dividend paid including tax	-	(443.23)
Finance costs	(1,040.12)	(705.80)
Net cash flow (used in) in financing activities (C)	(2,207.83)	(512.94)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(76.81)	339.49
Cash and cash equivalents at the beginning of the year	393.67	54.18
Cash and cash equivalents at the end of the year	316.86	393.67
Components of cash and cash equivalents		
Cash on hand	7.91	6.41
With banks- on current account	146.49	64.77
Deposits with original maturity of less than 12 months	161.00	320.00
Unpaid dividend accounts	1.46	2.49
Total cash and cash equivalents (refer note no. 20)	316.86	393.67
Summary of Significant Accounting Policies		
The accompanying Notes (1-51) are an integral part of the Financial Statements		

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

CA K. C. Gupta
Partner
Membership No.: 088638

Date: May 28, 2016
 Place: New Delhi

Satyendra Gupta
Deputy Managing Director
DIN : 00035141

Gaurav Mehta
Chief - Corporate Affairs & Company Secretary

For and on behalf of the Board of Directors

Dr. Kailash S. Choudhari
Chairman & Managing Director
DIN : 00023824

Pawan Kumar Gambhir
Chief Financial Officer

Notes to financial statements for the year ended March 31, 2016

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 Limited in India. The Company is engaged in the manufacturing and selling of Optical Fibre, Optical Fibre Cable, Fibre Reinforced Plastic Rods and Impregnated Glass Roving Reinforcement. The Company caters to both domestic and international markets. The Company also provides the E Governance services, FTTH and Internet Protocol Television (IPTV) services in North India.

2 BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Companies Act, 2013. Additional disclosures specified in the Accounting Standards shall be made in the notes to accounts or by way of additional statement unless required to be disclosed on the face of the Financial Statements. Similarly, all other disclosures as required by the Companies Act, 2013 shall be made in the notes to accounts in addition to the requirements set out in this Schedule.

2.1 SIGNIFICANT ACCOUNTING POLICIES

a) Use of Estimates

The preparation of the financial statements is in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting year. Difference between the actual result and estimates are recognized in the year in which the results are known/ materialized.

b) Fixed Assets

- i) Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment. Cost includes any borrowing costs directly attributable to the acquisition/ construction of fixed assets and bringing the assets to its working condition for its intended use.
- ii) Exchange difference arising on account of liabilities incurred for acquisition or construction of Fixed Assets is adjusted in the carrying amount of related Fixed Assets.

c) Capital Work-in-Progress

Advances paid towards the acquisition of fixed assets, costs of assets not ready for use before the year-end and expenditure during construction period that is directly or indirectly related to construction, including borrowing costs are included under Capital Work-in-Progress.

d) Depreciation

"Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:"

Particulars	Useful life in years
Factory Buildings	28
Plant and equipment including Telecom Networking, Testing instrument, electrical equipments, Fork lift and office equipment	20
Furniture and fixtures	15
Data Processing System	5

Leasehold land is amortized over the duration of the lease.

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

e) Impairment of Assets

- i) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted at their present value at the weighted average cost of capital.
- ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- iii) A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

f) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long Term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such diminution is other than temporary. Current Investments are carried at the lower of cost and fair value and provisions are made to recognize the decline in the carrying value.

g) Inventories

- i) 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.
- ii) 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 FIFO 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.
- iii) The comparison of cost and realizable value is made on an item-by-item basis.
- iv) Net realizable value of work-in-process is determined on the basis of selling prices of related finished products.
- v) 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.

h) Foreign Currency Transactions

- i) Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.
- ii) Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.
- iii) Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.
- iv) The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit & loss in the year in which exchange rate changes. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognized as income or expense for the year. None of the forward exchange contracts are taken for trading or speculation purpose.

i) Borrowing Costs

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.

j) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be readily measured.

Sales of Goods and Services

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer (usually at the point of dispatch to customers). Sales include excise duty, sale of scrap and net of sale tax and quantity discount.

Income from services is recognized on the completion of services. Period based services are accounted for proportionately over the period of service.

Income from Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Other Incomes

Other Incomes are accrued as earned except where the receipt of income is uncertain.

k) Retirement and other Employee Benefits

- i) Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the statement of Profit and Loss for the year when the contributions to the respective funds are due. The Company has no other obligation other than the contribution payable.
- ii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method calculated at the end of each financial year. The liability with regard to gratuity in respect of any employee not covered under group gratuity scheme is provided on the basis of amount payable to such employees as if they were to retire on the last day of financial year.
- iii) Compensated Absences liability is provided for based on actuarial valuation done as per Projected Unit Credit Method calculated at the end of each financial year.
- iv) Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

l) Export Incentives

Export Incentive in the form of advance licenses / 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.

m) Taxes on Income

Tax expense comprises of current and deferred tax. Current income tax is determined as the amount of tax payable in respect of taxable income for the year based on provisions of Income Tax Act, 1961. Deferred income tax reflects the

impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if legally and enforceable right exist to set off current tax asset against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In case of unabsorbed depreciation and carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

n) Operating Leases

Assets given on operating leases are included in fixed assets. Lease income is recognized in the statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Profit and Loss Account.

o) Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Notified AS 20 under the Companies (Ac-

counting Standards) Rules, 2006 issued by The Institute of Chartered Accountants of India on 'Earnings Per Share'. Basic earnings per share is computed by dividing the net profit or loss for the period attributable to equity shareholders after deducting attributable taxes by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Both profit for the year and weighted average numbers of shares are adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

p) Provisions, Contingent Liabilities and Contingent Assets

As per Notified AS 29 under the Companies (Accounting Standards) Rules, 2006, Provisions, Contingent Liabilities and Contingent Assets, issued by the Institute of Chartered Accountants of India, the Company recognizes provisions (without discounting to its present value) only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation as and when a reliable estimate of the amount of the obligation can be made.

No provision is recognized for—

Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

Any present obligation that arises from past events but is not recognized because —

- It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as Contingent Liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

q) Miscellaneous Expenditure

Expenditure on issue of shares / foreign currency convertible bonds (FCCBs) / Global Depository Receipts (GDRs) / shares under Qualified Institutional Placements (QIP) and premium on redemption of FCCBs are adjusted against Securities Premium account.

r) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule III to the Companies Act, 2013, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

Notes to financial statements for the year ended March 31, 2016

3. Share capital

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Authorized shares (No.)		
170,100,000 (March 31, 2015: 170,100,000) Equity Shares of Rs.5/- each	8,505.00	8,505.00
Issued, subscribed and fully paid-up shares (No.)		
162,665,070 (March 31, 2015: 151,539,689) Equity Shares of Rs.5/- each fully paid up	8,133.25	7,576.98
	8,133.25	7,576.98

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

Equity shares

Particulars	As at 31-Mar-16		As at 31-Mar-15	
	No. of shares	Rs.in Lacs	No. of shares	Rs.in Lacs
At the beginning of the year	151,539,689	7,576.98	148,564,989	7,428.25
Add:				
- Issued pursuant to conversion of FCCBs	11,125,381	556.27	2,974,700	148.73
Outstanding at the end of the year	162,665,070	8,133.25	151,539,689	7,576.98

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) During the period of five years immediately preceeding to reporting date, the Company has not

- (i) issued any bonus shares
- (ii) issued shares for consideration other than cash
- (iii) Bought back any shares

(c) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31-Mar-16		As at 31-Mar-15	
	No. of shares	%holding	No. of shares	%holding
Dr Kailash S Choudhari	22,301,918	13.7%	25,842,700	17.1%
Usha Jain	20,451,606	12.6%	17,425,000	11.5%

Notes to financial statements for the year ended March 31, 2016

4. Reserves and Surplus

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Capital reserve	15.00	15.00
Securities premium account		
Balance as per the last financial statements	31,755.77	31,405.95
Add/(Less) :		
- Premium on conversion of FCCBs into Shares	1,308.34	349.82
Closing Balance	33,064.11	31,755.77
Surplus/ (deficit) in the statement of profit and loss		
Balance as per the last financial statements	2.88	(3,199.34)
Profit for the year	3,351.88	3,210.92
Proposed Dividend	-	(7.44)
Tax on Dividend	-	(1.26)
Net Surplus in the statement of profit and loss	3,354.76	2.88
	36,433.87	31,773.65

5. Long-term borrowings

Rs.in Lacs

Particulars	Non-current		Current	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Term Loans				
Secured Loans				
External Commercial Borrowings	2,207.78	3,868.12	1,892.39	1,487.74
USD 6.188 Mn (March 31, 2015 : USD 8.568 Mn)				
Term Loan from Bank	405.68	166.67	193.71	166.67
Term Loan from Others	1.51	9.66	8.15	8.25
Unsecured Loans				
Foreign Currency Convertible Bonds (FCCBs)				
USD Nil Mn (March 31, 2015: USD 2.992 Mn) 0% FCCBs due on February, 2019 of USD 1,000 each (unsecured)	-	1,870.30	-	-
Term Loan from Others	35.96	63.29	57.48	63.08
	2,650.93	5,978.04	2,151.73	1,725.74
The above amount includes				
Secured borrowings	2,614.97	4,044.45	2,094.25	1,662.66
Unsecured borrowings	35.96	1,933.59	57.48	63.08
Amount disclosed under the head "other current liabilities" (refer note no. 11)			(2,151.73)	(1,725.74)
	2,650.93	5,978.04	-	-

- External Commercial Borrowings are secured by way of first pari-passu charge on the fixed assets of the Company and personal guarantee of Dr. Kailash S Choudhari.
- Term Loan from Punjab National Bank are secured by way of exclusive charge on Plant and Machinery installed under the project, second pari-passu charge on current assets, third pari-passu charge on fixed assets of the Company and further secured by personal guarantee of Dr. Kailash S Choudhari.
- Term Loan from HDFC Bank are secured by way of first pari-passu charge on fixed assets, second pari-passu charge on current assets of the Company and further secured by personal guarantee of Dr. Kailash S Choudhari.
- Term Loan from others are secured by way of exclusive charge on Fixed assets installed under the subject project.
- Issue of Foreign Currency Convertible Bonds (FCCBs) convertible into ordinary shares, the particulars, terms of issue and the status of conversion as at March 31, 2016 are given below:-

Notes to financial statements for the year ended March 31, 2016

Issue	0% FCCBs (due February 2019)
Issued on	February 10, 2014
Issue Amount	USD 3.792 Mn
Face Value	USD 1000
Fixed Exchange Rate for conversion	USD 1 = INR 62.32
Redeemable on	February 10, 2019
Redemption Percentage of the principal amount	120%
FCCBs converted	USD 3.792 Million
Shares issued on conversion of FCCBs	14,100,081 shares
FCCBs outstanding as on March 31, 2016	Nil
Shares that could be issued on conversion of outstanding FCCBs	Nil

6. Deferred Tax Liabilities (net)

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	283.00	-
Gross deferred tax liability	283.00	-
Deferred tax asset		
Disallowances under the Income Tax Act, 1961	49.00	-
Gross deferred tax asset	49.00	-
Deferred Tax Liabilities (net)	234.00	-

7. Other non current liabilities

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Trade payable	540.35	798.95
(refer note no. 43 for details of dues to micro and small enterprises)		
Interest accrued but not due on borrowings	103.90	-
	644.25	798.95

8. Long Term Provisions

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Provision for Gratuity and Compensated Absences	275.93	223.77
	275.93	223.77

Notes to financial statements for the year ended March 31, 2016

9. Short-term borrowings

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Secured Loans		
- Working Capital Facilities	2,821.44	2,870.85
- Buyers Credit from Banks	521.73	632.81
Unsecured Loans		
Deposits		
15% Inter Corporate Deposit from others repayable on demand	200.00	200.00
Security Deposits	475.61	446.32
	4,018.78	4,149.98
The above amount includes:		
Secured borrowings	3,343.17	3,503.66
Unsecured Loans	675.61	646.32

- Working capital facilities from banks are secured by way of first pari-passu charge on Current Assets both present and future and second pari-passu charge on the fixed assets of the Company. These facilities are further secured by way of first pari-passu charge on the immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari. The cash credit is repayable on demand. The cash credit carries interest in the range of 11.55% to 12.40 % p.a.
- Non fund based limits are secured by first pari-passu charge on immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari.

10. Trade Payable

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Micro, Small and Medium Enterprises	4.85	-
Others	6,970.28	5,944.30
(refer note no. 43 for details of dues to micro and small enterprises)		
	6,975.13	5,944.30

11. Other current liabilities

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Current maturities of long term debt (refer note no. 5)	2,151.73	1,725.74
Interest accrued but not due on borrowings	143.37	106.77
Advance from Customers	114.07	70.20
Unearned revenue	38.58	6.64
Unclaimed Dividend #		
Dividend 2006-07	-	1.01
Dividend 2013-14	1.46	1.48
Retention Money & Security Deposit	2.80	2.80
Other current liabilities	935.20	1,397.87
	3,387.21	3,312.51

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

12. Short Term Provisions

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Provision for Gratuity and Compensated Absences	10.38	8.53
Provision for Income Tax (net of Prepaid Taxes)	461.76	630.07
	472.14	638.60

Notes to financial statements for the year ended March 31, 2016

13. Property, Plant and Equipment

	Freehold Land	Leasehold Land	Factory Buildings	Plant and equipment	Telecom Networking	Testing Instruments	Air Conditioners	Furniture and fixtures	Office Equipments	Data Processing System	Vehicles	Fork Lift	Total
Rs. in Lacs													
Cost or valuation													
At April 1, 2014	1.84	122.70	1,088.66	14,277.46	3,166.12	909.85	287.47	178.15	71.18	172.22	11.64	36.46	20,323.75
Additions	-	-	36.06	1,268.21	-	14.07	1.23	6.84	10.07	45.00	-	4.77	1,386.25
Disposals / adjustments	-	-	-	-	-	-	-	-	(1.44)	(0.36)	(0.01)	-	(1.81)
At March 31, 2015	1.84	122.70	1,124.72	15,545.67	3,166.12	923.92	288.70	184.99	79.81	216.86	11.63	41.23	21,708.19
Additions	-	-	5.89	283.04	98.66	14.70	0.28	4.68	15.85	6.24	-	-	429.34
Disposals / adjustments	-	-	-	(12.16)	-	-	-	-	(0.17)	-	-	-	(12.33)
At March 31, 2016	1.84	122.70	1,130.61	15,816.55	3,264.78	938.62	288.98	189.67	95.49	223.10	11.63	41.23	22,125.20
Depreciation													
At April 1, 2014	-	18.70	608.88	8,364.79	1,560.18	589.78	208.24	94.09	39.49	149.72	9.26	11.76	11,654.89
Charge for the year	-	1.25	36.56	1,191.54	150.39	30.04	9.25	14.60	3.54	4.40	1.10	1.80	1,444.47
Disposals / adjustments	-	-	-	-	-	-	-	-	(0.47)	(0.04)	(0.01)	-	(0.52)
At March 31, 2015	-	19.95	645.44	9,556.33	1,710.57	619.82	217.49	108.69	42.56	154.08	10.35	13.56	13,098.84
Charge for the year	-	1.25	37.66	1,371.89	150.88	28.58	9.53	14.06	4.10	11.84	0.70	2.44	1,632.93
Disposals / adjustments	-	-	-	(7.38)	-	-	-	-	(0.01)	-	-	-	(7.39)
At March 31, 2016	-	21.20	683.10	10,920.84	1,861.45	648.40	227.02	122.75	46.65	165.92	11.05	16.00	14,724.38
Net Block													
At March 31, 2015	1.84	102.75	479.28	5,989.34	1,455.55	304.10	71.21	76.30	37.25	62.78	1.28	27.67	8,609.35
At March 31, 2016	1.84	101.50	447.51	4,895.71	1,403.33	290.22	61.96	66.92	48.84	57.18	0.58	25.23	7,400.82

14. Intangible assets

	Computer software
Rs. in Lacs	
Gross block	
At April 1, 2014	2,239.16
Purchase	168.80
Disposals / adjustments	-
At March 31, 2015	2,407.96
Additions	113.56
Disposals / adjustments	-
At March 31, 2016	2,521.52
Amortization	
At April 1, 2014	1,473.77
Charge for the year	186.41
Disposals / adjustments	-
At March 31, 2015	1,660.18
Charge for the year	239.51
Disposals / adjustments	-
At March 31, 2016	1,899.69
Net block	
At March 31, 2015	747.78
At March 31, 2016	621.83

Notes to financial statements for the year ended March 31, 2016

15. Non-current investments

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Trade investments (valued at cost unless stated otherwise)		
Investment in subsidiaries		
Unquoted equity instruments		
586 (March 31, 2015: 586) equity share of Arab Emirates Dhiram (AED) 150,000 each fully paid-up in AOL FZE (Dubai)	14,736.18	14,736.18
225,950,000 (March 31, 2015: 225,950,000) Equity Shares of Rs.5/- each fully paid-up in APAKSH Broadband Limited	11,297.50	11,297.50
	26,033.68	26,033.68
Non-trade investments (valued at cost unless stated otherwise)		
Government and trust securities (unquoted)	0.05	0.05
National Saving Certificates (Deposited with Government Department as Security)		
	0.05	0.05
	26,033.73	26,033.73
Aggregate amount of unquoted investments	26,033.73	26,033.73

16. Long Term loans and advances (Unsecured, considered good unless stated otherwise)

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Capital advances	254.18	1.76
Security deposit	108.14	86.52
Income Tax Refund Due	52.81	53.63
	415.13	141.91

17. Other non current assets (Unsecured, considered good unless stated otherwise)

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Non-Current Bank Balances (refer note no. 20)	2,171.55	1,561.05
	2,171.55	1,561.05

18. Inventories (valued at lower of cost and net realizable value)

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
i) Finished Goods and Traded Goods	91.70	22.54
ii) Raw Material	1,738.75	1,635.84
iii) Semi Finished Goods	383.38	978.52
iv) Stores, Spares and others	188.22	206.01
	2,402.05	2,842.91

19. Trade receivables (Unsecured, considered good unless stated otherwise)

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Outstanding for a period exceeding six months from the date they are due for payment	2,648.35	2,163.60
Other receivables	11,502.51	10,531.94
	14,150.86	12,695.54
Trade receivables includes :		
Dues from subsidiaries (refer note no. 36)	1,709.87	1,589.83

Notes to financial statements for the year ended March 31, 2016

20. Cash and cash equivalents

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Cash and cash equivalents		
Balances with banks:		
– On current accounts	146.49	64.77
– Deposits with original maturity of less than 12 months	161.00	320.00
– On unpaid dividend account	1.46	2.49
Cash on hand	7.91	6.41
	316.86	393.67
Other bank balances		
– Deposits with original maturity for more than 12 months	20.00	25.00
– Margin money deposit #	2,151.55	1,536.05
	2,171.55	1,561.05
Less : Amount disclosed under other non current assets (refer note no. 17)	2,171.55	1,561.05
	-	-
	316.86	393.67

Cash and cash equivalents includes deposit maintained by the Company with banks which can be withdrawn by the Company at any point of time without prior notice or penalty of principal

Margin money deposits with a carrying amount of Rs.2,151.55 (March 31, 2015: Rs.1,536.05 Lacs) are pledged with Banks for various Facilities.

21. Short term loans and advances (Unsecured, considered good unless stated otherwise)

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Security deposit	45.43	43.00
Loan and advances to related parties	4,258.02	2,291.65
Advances recoverable in cash or kind	1,025.56	1,585.26
Other loans and advances		
MAT Credit Entitlement	2,126.42	1,468.75
Prepaid expenses	273.24	212.96
Balances with statutory / government authorities	1,576.12	1,513.33
	9,304.79	7,114.95

22. Other current assets (Unsecured, considered good unless stated otherwise)

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Interest accrued on fixed deposits	75.03	65.29
Interest accrued on other deposits	131.90	82.65
	206.93	147.94

Notes to financial statements for the year ended March 31, 2016

23. Revenue from operations

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Revenue from operations		
Sale of products		
- Finished goods	41,315.86	34,683.01
- Traded goods	380.56	762.03
Sale of services	3,487.93	1,365.71
Other operating revenue		
- Scrap sales	41.57	27.64
- Export Incentives	458.92	382.60
- Exchange Fluctuation	310.95	160.39
- Other operating revenue	173.28	10.96
Revenue from operations (gross)	46,169.07	37,392.34
Less: Excise duty #	2,692.60	2,562.42
Revenue from Operations (net)	43,476.47	34,829.92

Excise duty on sales amounting to Rs.2,692.60 Lacs (March 31, 2015 : Rs.2,562.42 Lacs) has been reduced from sales in statement of profit and loss and excise duty on increase/(decrease) in stock amounting to Rs.5.33 Lacs (March 31, 2015 : Rs.(38.72) Lacs) has been considered as (income)/expense in note no. 29 of financial statements.

Detail of products sold

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Finished goods		
Optical Fibre and Optical Fibre Cables	30,566.61	23,358.96
Fibre Reinforced Plastic Rod and Impregnated Glass Roving Reinforcement	10,749.25	11,324.05
	41,315.86	34,683.01
Traded goods		
Telecom and electronic items	380.56	762.03
	380.56	762.03
Detail of services rendered		
E-Governance activities	3038.41	1,227.16
Network Errection, Installation and Commissioning	385.28	52.77
Other (IPTV)	64.24	85.78
	3,487.93	1,365.71

24. Other income

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Interest income		
- on deposits	211.35	188.60
- on advances to Related parties	69.70	161.35
- on other advances	73.94	54.26
Other non-operating income	-	179.33
	354.99	583.54

Notes to financial statements for the year ended March 31, 2016

25. Cost of raw material and components consumed

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Inventory at the beginning of the year	1,635.84	1,030.87
Add: Purchases	25,184.23	21,487.98
	26,820.07	22,518.85
Less: inventory at the end of the year	1,738.75	1,635.84
Cost of raw material and components consumed	25,081.32	20,883.01

Details of raw material and components consumed

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Glass Fibre and Glass Preforms	13,139.51	9,983.94
Resin such as (PVC, HDPE, Nylon, MB, LSZH, PBT, Nucrel, UV resin and Polyester)	6,891.47	7,740.96
Others	5,050.34	3,158.11
	25,081.32	20,883.01

26. Purchase of traded goods

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Telecom and electronic items	355.64	584.61
	355.64	584.61

27. (Increase)/ decrease in inventories

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Inventories at the end of the year		
Finished/Traded goods	91.70	22.54
Semi Finished goods	383.38	978.52
	475.08	1,001.06
Inventories at the beginning of the year		
Finished/traded goods	22.54	376.19
Semi finished goods	978.52	834.50
	1,001.06	1,210.69
(Increase)/decrease in inventories	525.98	209.63

28. Employee benefits expense

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Salaries, wages and bonus	1,796.56	1,458.51
Contribution to provident and other funds	111.32	92.98
Gratuity	57.67	38.15
Staff welfare expenses	109.78	95.27
Directors' Remuneration	34.42	151.59
	2,109.75	1,836.50

Notes to financial statements for the year ended March 31, 2016

29. Other expenses

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Consumption of stores and spares	550.41	451.20
Increase/(Decrease) in Excise Duty Provision on Stock	5.33	(38.72)
Power and Fuel	810.45	714.66
Packing Material Consumed	1,771.17	1,899.96
Repair and Maintenance		
- Plant and Machinery	45.41	52.18
- Buildings	35.98	21.35
- Others	57.27	71.61
Sub-contracting expenses	2,249.67	802.37
Marketing and Service Charges	423.67	578.60
Freight and Cartage (Outward)	197.74	217.68
Travelling and Conveyance	288.82	270.29
CSR Expenditure	53.43	33.80
Postage and Telephone	66.21	38.89
Insurance	40.24	55.35
Rent	111.85	100.46
Professional and Legal Expenses	364.73	305.44
Auditors' Remuneration	42.98	36.38
Bank Charges (other than financing)	320.37	320.30
Other Expenses	1,011.88	474.19
	8,447.61	6,405.99
Less : Transfer to Capital Asset/ Capital Work in Progress	53.35	9.55
	8,394.26	6,396.44

Detail of payment to auditor

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
As auditor:		
Audit fee	30.00	26.00
Tax audit fee	4.00	4.00
In other capacity:		
Taxation matters	1.50	3.50
Other services (certification fees)	5.46	1.20
Reimbursement of expenses	2.02	1.68
	42.98	36.38

30. Depreciation and amortization expense

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Depreciation of Property, Plant and Equipment	1,632.93	1,444.47
Amortization of intangible assets	239.51	186.41
	1,872.44	1,630.88

31. Finance costs

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Interest on Cash Credit	360.54	358.33
Interest Others	679.58	347.47
	1,040.12	705.80

Notes to financial statements for the year ended March 31, 2016

32. Exceptional Item's income / (expense)

		Rs.in Lacs
Particulars	31-Mar-16	31-Mar-15
Foreign Exchange Fluctuations	(267.55)	104.68
Profit/(Loss) on sale of Investments	-	11.45
Profit/(Loss) on sale of fixed assets	(1.16)	(0.62)
Balances written off	(460.55)	-
	(729.26)	115.51

33. Contingent Liabilities:

Liabilities through contingent are provided for, if there are reasonable prospects of their maturity. Other contingent liabilities except frivolous claims are disclosed.

- a) Claims not acknowledged as debts

			Rs.in Lacs
S. No.	Particulars	31-Mar-16	31-Mar-15
1	Sales Tax Matters	124.88	69.11
2	Service Tax	232.89	231.17
3	Excise / Custom Duty	555.08	559.63
4	Stamp Duty	-	28.50
5	Income Tax Matters	91.01	-
6	Others	177.03	166.61

- b) Bank Guarantees, letters of credit (Net of margin) issued by banks and outstanding as on the reporting date is Rs.2,965.83 Lacs (March 31, 2015: Rs.1,940.99 Lacs)
- c) Estimated amounts of contracts remaining to be executed on Capital Account (net of advances) is Rs.2,276.93 Lacs (March 31, 2015 : Rs.28.00 Lacs)
- d) Corporate guarantee given by the Company in respect of Loans outstanding as on the reporting date is Rs.2,033.12 Lacs (March 31, 2015: Rs.2,376.07 Lacs).
- e) Liabilities of Letter of credit bill discounted with bank of Rs.4,055.19 Lacs (March 31, 2015 : Rs.344.21 Lacs) has been netted off from trade receivables.

34. Employee Benefits:

The disclosures as per the Notified AS 15 under the Companies (Accounting Standards) Rules, 2006 on "Employee Benefits", are as follows:

- a) The Company has classified various benefits provided to employees as under:
Defined Contribution Plans and amount recognized in Statement of Profit and Loss.

		Rs.in Lacs
Particulars	31-Mar-16	31-Mar-15
Employer's Contribution to Provident Fund	108.38	89.20
Employer's Contribution to ESI	2.94	3.78
	111.32	92.98

Notes to financial statements for the year ended March 31, 2016

b) Defined Benefit Plans

Gratuity and Compensated Absences – actuarial valuation done in accordance with the Accounting Standard -15 (Revised), details of the same are given:

i) Summary of results

Change in present value of obligation

Rs.in Lacs

S. No.	Particulars	Year Ended 31-Mar-16		Year Ended 31-Mar-15	
		Gratuity	Compensated Absences	Gratuity	Compensated Absences
a)	Present value of obligation as at the beginning of the period	170.89	61.41	148.16	54.86
b)	Acquisition adjustment	-	-	-	-
c)	Interest cost	13.24	4.76	12.59	4.66
d)	Past service cost	-	-	-	-
e)	Current service cost	25.41	12.39	20.21	10.22
f)	Curtailment cost/(Credit)	-	-	-	-
g)	Settlement cost/(Credit)	-	-	-	-
h)	Benefits paid	(15.38)	(18.30)	(20.51)	(8.94)
i)	Actuarial (gain)/loss on obligation	24.24	7.65	10.44	0.61
j)	Present value of obligation as at the end of period	218.40	67.91	170.89	61.41

Changes in the fair value of plan assets

Rs.in Lacs

S. No.	Particulars	Year Ended 31-Mar-16		Year Ended 31-Mar-15	
		Gratuity	Compensated Absences	Gratuity	Compensated Absences
a)	Fair value of plan assets at the beginning of the period	61.75	-	56.65	-
b)	Acquisition adjustment	-	-	-	-
c)	Expected return on plan assets	5.56	-	5.10	-
d)	Employer Contributions	2.13	-	-	-
e)	Benefits paid	-	-	-	-
f)	Actuarial gain/(loss) on plan assets	(0.34)	-	-	-
g)	Fair value of plan assets at the end of the period	69.10	-	61.75	-
Net liability recognized in balance sheet		218.40	67.91	170.89	61.41

Expense recognized in the Statement of Profit and Loss

Rs.in Lacs

S. No.	Particulars	Year Ended 31-Mar-16		Year Ended 31-Mar-15	
		Gratuity	Compensated Absences	Gratuity	Compensated Absences
a)	Current service cost	25.41	12.39	20.21	10.22
b)	Past service cost	-	-	-	-
c)	Interest cost	13.24	4.76	12.59	4.66
d)	Expected return on plan assets	(5.56)	-	(5.10)	-
e)	Curtailment cost / (Credit)	-	-	-	-
f)	Settlement cost / (Credit)	-	-	-	-
g)	Net actuarial (gain)/ loss recognized in the period	24.58	7.65	10.44	0.60
h)	Expenses recognized in the Statement of Profit and Losses	57.67	24.80	38.15	15.48

Notes to financial statements for the year ended March 31, 2016

ii) Actuarial Assumptions

S. No.	Particulars	Year Ended 31-Mar-16		Year Ended 31-Mar-15	
		Gratuity (Funded)	Compensated Absences	Gratuity (Funded)	Compensated Absences
a)	Discounting Rate	8.00%	8.00%	7.75%	7.75%
b)	Future salary Increase	5.50%	5.50%	5.25%	5.25%
c)	Expected Rate of return on plan assets	8.35%	0.00%	9.00%	0.00%

35. Detail of loans given, Investment made and guarantee given covered U/s 186 (4) of the Companies Act, 2013

Investment made are given under respective head (refer note no. 15)

Loans given by the Company at March 31, 2016

Particulars	Rs.in Lacs		
	31-Mar-16	31-Mar-15	Max. Balance during the year
AOL FZE (Dubai)	4,258.02	2,291.65	4,258.02

Corporate guarantee given by the Company in respect of Loans as at March 31, 2016

Name of the Company	Rs.in Lacs	
	31-Mar-16	31-Mar-15
APAKSH Broadband Limited	582.03	582.03
AOL FZE (Dubai)	1,451.09	1,794.04

36 Related Party Disclosures

Related party disclosures as required under Accounting Standard-18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as given below as on March 31, 2016:

a) Subsidiary Companies :

- APAKSH Broadband Limited
- AOL FZE (Dubai)
- AOL PROJECTS DMCC (Fellow Subsidiary)

b) Individuals exercising significant influence and their relatives:

- Dr. Kailash S. Choudhari
- Dr. Rohan Choudhari (related till March 09, 2015)

c) Key Management personnel and their relatives:

- Mr. Chetan Choudhari (related till June 01, 2015)
- Mr. Satyendra Gupta (related w.e.f August 02, 2014)
- Mr. Gaurav Mehta (related w.e.f August 02, 2014)

d) Enterprise over which personnel referred in (b) and (c) aforementioned exercise significant influence :-

- Mangal Chand Tubes Private Limited (related till June 01, 2015)

Notes to financial statements for the year ended March 31, 2016

Related Party Transactions

Rs.in Lacs

S. No.	Particulars	Subsidiaries	Key Management Personnel	Others	Total
1	Re-imbursement of expenses	89.17 44.94	-	-	89.17 44.94
2	Interest income on Loan	69.70 161.35	-	-	69.70 161.35
3	Remuneration Paid *	-	167.60 275.40	-	167.60 280.49
4	Purchase / Services Received	53.16 165.34	-	3.39 25.48	56.55 190.82
5	Sale	168.46 31.65	-	-	168.46 31.65
6	Advance Given	1,912.03 720.69	-	-	1,912.03 720.69
7	Repayment of Advances	205.00	-	-	205.00
8	Loan Taken	-	-	-	-
		-	-	15.00	15.00
9	Repayment of Loan	-	-	-	-
		-	-	15.00	15.00
10	Sitting Fees	-	-	1.80	1.80
		-	-	0.95	0.95
11	Conversion of Loan into Investments	-	-	-	-
		7,133.37	-	-	7,133.37

Balance due to/(from) as at March 31, 2016					
1	Trade Receivables	(1,709.87) (1,589.83)	-	-	(1,709.87) (1,589.83)
2	Loan and advances	(4,258.02) (2,291.65)	-	-	(4,258.02) (2,291.65)
3	Trade and other Payables	-	6.27 7.34	- 1.56	6.27 8.90

Figures in italic represents Previous Year

*Not comparable with previous year

37. The Company has taken assets on cancellable operating lease, the future minimum lease payments in respect of which are as follows:-

Name of the Company	Rs.in Lacs	
	31-Mar-16	31-Mar-15
Not later than 1 year	54.01	81.91
Later than 1 year and not later than 5 years	16.97	70.98
Later than 5 years	-	-

The Lease agreements provide for an option to the Company to renew the lease period. There are no exceptional/restrictive covenants in the lease agreements.

Lease rental expense in respect of operating leases is Rs.111.85 Lacs (March 31, 2015 : Rs.100.46 Lacs)

Notes to financial statements for the year ended March 31, 2016

38. Expenditure relating to corporate social responsibility as per section 135 of the Companies Act, 2013 read with schedule VII

	Rs.in Lacs	
Name of the Company	31-Mar-16	31-Mar-15
(a) Gross amount required to be spent during the year	52.89	40.17

(b) Amount spent during the year ending March 31, 2016:

	Rs.in Lacs		
Particulars	In cash	Yet to be paid in cash	Total
(i) Construction/Acquisition of any asset	-	-	-
(ii) Purpose other than (i) above	53.43	-	53.43

(c) Amount spent during the year ending March 31, 2015:

	Rs.in Lacs		
Particulars	In cash	Yet to be paid in cash	Total
(i) Construction/Acquisition of any asset	-	-	-
(ii) Purpose other than (i) above	33.80	-	33.80

39. Exceptional items represents net foreign exchange gain / (loss) on translation of Foreign Exchange assets and liabilities other than operational of Rs.(267.55) Lacs (March 31, 2015: Rs.104.68 Lacs), profit/(loss) on sale of fixed assets and Investments of Rs.(1.16) Lacs (March 31, 2015: Rs.10.83 Lacs) and balances written of Rs.(460.55) Lacs (March 31, 2015 : Nil).

40. Basic and diluted earnings per share

S. No.	Particulars	31-Mar-16	31-Mar-15
a.	Net Profit for the year (Rs.in Lacs)	3,351.88	3,210.92
b.	Weighted Average No of Equity Shares used in computing Basic-Earning per Share (Nos.)	156,916,562	150,685,485
c.	Impact of diluted instruments on Net Profit/(Loss) for the year	-	-
d.	Net Profit used for the computation of diluted earning per share (Rs.in Lacs)	3,351.88	3,210.92
e.	Weighted average number of equity shares from dilutive instruments (Nos.)	-	11,125,384
f.	Weighted Average No of Equity Shares used in computing Diluted Earning per Share (Nos.)	156,916,562	161,810,869
g.	Nominal Value of Equity Shares (Rs.)	5.00	5.00
h.	Basic-Earning Per Shares (Rs.)	2.14	2.13
i.	Diluted -Earning Per Share (Rs.)	2.14	1.98

41. The Company has an investment of Rs.11,297.50 Lacs (March 31, 2015 : Rs.11,297.50 Lacs) in the equity shares and has outstanding dues of Rs.1,539.10 Lacs (March 31, 2015 : Rs.1,576.55 Lacs) (net of advances) from APAKSH Broadband Limited (APAKSH), subsidiary acquired as a result of the amalgamation of erstwhile Aksh Broadband Limited with the Company. APAKSH's operations got suspended due to litigation by one of the shareholder of APAKSH. The Board of Directors has approved the merger of its subsidiary APAKSH with the Company subject to necessary statutory approvals and process to be finalised in due course with requisite agencies. Post merger synergies of APAKSH would be utilised to augment business domain of the Company. In view of this, no provision has been considered necessary in respect of the outstanding dues and investment at this stage.

Notes to financial statements for the year ended March 31, 2016

42 Derivative Instruments:

Forward contracts outstanding as at the reporting date:

		Amount in Lacs	
Particulars	Currency	31-Mar-16	31-Mar-15
Forward contracts to sell	USD	34.25	41.10
	EURO	1.00	2.50
Forward contracts to buy	USD	3.33	-

Particulars of foreign currency receivable as at the reporting date:

Particulars of foreign currency receivable as at the reporting date:				Amount in Lacs
S.No	Particulars	Currency	31-Mar-16	31-Mar-15
1	Export of goods	USD	89.46	47.73
		EURO	6.65	5.35
		GBP	0.02	0.02
		RINGGIT	22.10	14.11
2	Advance to Vendor	USD	4.02	8.27
		EURO	1.71	0.30
		JPY	-	3.98
		GBP	0.94	0.01
		RINGGIT	0.89	0.20
3	Loan and advances to related party	USD	37.80	11.25
4	Interest receivable on advances	USD	26.46	25.41

Particulars of foreign currency payable as at the reporting date:

Particulars of foreign currency payable as at the reporting date:				Amount in Lacs
S.No	Particulars	Currency	31-Mar-16	31-Mar-15
1	Import of goods and services	USD	22.50	25.18
		EURO	9.81	11.49
		GBP	-	0.05
2	Advance from customers	USD	1.11	0.50
		EURO	0.71	-
3	Buyer's Credit	USD	7.87	10.12
4	External Commercial Borrowing	USD	61.88	85.68
5	Foreign currency convertible bonds	USD	-	29.92

43 There are no Micro and Small Enterprises, to whom the Company owes, which are outstanding for more than 45 days as at March 31, 2016. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

44 During the year, Hon'ble High Court of Jaipur, Rajasthan admitted a winding up petition against the Company, being Corporate Guarantor for Rs.540.00 Lacs, for the alleged /disputed liability of its subsidiary, i.e. M/s APAKSH Broadband Limited. Consequently, Company filed an appeal in Double Bench of Hon'ble High Court of Jaipur, Rajasthan, which has been admitted by Court and pending for adjudication.

Notes to financial statements for the year ended March 31, 2016

45 Segmental Reporting for the year ended March 31, 2016

Based on the guiding principles given in Accounting Standard AS-17, "Segment Reporting" issued by The Institute of Chartered Accountants of India, the Company's business segments are Manufacturing, Services and Trading of goods. The information about business segments are given below:

Particulars	Manufacturing		Services		Trading		Total	
	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015
1 Segment Revenue								
External Turnover	39,605.80	32,708.51	3,490.11	1,359.38	380.56	762.03	43,476.47	34,829.92
Inter Segment Turnover	83.90	9.55	-	-	-	-	-	-
Total Revenue	39,689.70	32,718.06	3,490.11	1,359.38	380.56	762.03	43,476.47	34,829.92
2 Segment Results before Interest and Taxes	5,691.11	4,207.12	(574.33)	(920.14)	20.30	181.20	5,137.08	3,468.18
Less : Finance Cost							1,040.12	705.80
Add : Interest Income							354.99	404.21
Add : Exceptional Items							(729.26)	115.51
Add/(Less): Unallocated (Expenses)/ Income							-	-
Profit before Tax							3,722.69	3,282.10
3 Other Information								
Segment Assets	20,177.82	18,823.53	12,755.97	13,247.91	-	-	32,933.79	32,071.44
Unallocated Assets							30,291.70	28,325.34
Total Assets	20,177.82	18,823.53	12,755.97	13,247.91	-	-	63,225.49	60,396.78
Segment Liabilities	11,392.91	11,531.48	7,031.46	9,514.67	-	-	18,424.37	21,046.15
Share Capital and reserves							44,801.12	39,350.63
Total Liabilities	11,392.91	11,531.48	7,031.46	9,514.67	-	-	63,225.49	60,396.78
Capital Expenditure	390.20	39.41	245.69	73.83	-	-	635.89	113.24
Depreciation and Amortization	462.64	380.43	1,409.80	1,250.45	-	-	1,872.44	1,630.88

Note: Total Revenue is after elimination of inter segment turnover of Rs.83.90 Lacs (March 31, 2015 : Rs.9.55 Lacs)

Notes to financial statements for the year ended March 31, 2016

	Particulars	31-Mar-16		31-Mar-15	
		Rs.In Lacs	%	Rs.In Lacs	%
46	Value and percentage of Imported/Indigenous				
	Raw - Material Consumed				
	Imported	11,213.02	45%	8,732.33	42%
	Indigenous	13,868.30	55%	12,150.68	58%
		25,081.32	100%	20,883.01	100%
47	Spare Parts and components Consumed				
	Imported	204.15	37%	127.55	28%
	Indigenous	346.26	63%	323.65	72%
		550.41	100%	451.20	100%
48	Value of Imports on CIF Basis				
	Raw Material	10,715.92		9,144.23	
	Spare Parts, Consumable and Packing Material	199.36		156.12	
	Accessories	9.55		53.02	
	Capital Goods	80.75		98.55	
49	Earning in Foreign Exchange on FOB Basis				
	Export of Goods and Services	17,465.46		11,792.40	
	Interest	69.70		161.35	
50	Expenditure in foreign currency				
	Travelling Expense	17.27		38.98	
	Sales Commission	293.71		153.47	
	Interest and Bank Charges	424.61		239.98	
	Dubai Branch Office Expenses	99.98		139.98	
	Other Charges	54.34		58.22	
51	Previous year's figures have been regrouped, rearranged and reclassified to conform to those of current year's figures wherever necessary. The accompanying notes (1-51) are an integral part of the financial statements				

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

CA K. C. Gupta
Partner
Membership No.: 088638

Date: May 28, 2016
 Place: New Delhi

Satyendra Gupta
Deputy Managing Director
DIN : 00035141

Gaurav Mehta
Chief - Corporate Affairs & Company Secretary

For and on behalf of the Board of Directors

Dr. Kailash S. Choudhari
Chairman & Managing Director
DIN : 00023824

Pawan Kumar Gambhir
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS TO THE MEMBERS OF AKSH OPTIFIBRE LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of AKSH OPTIFIBRE LIMITED (hereinafter referred to as "the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Aksh Group"), which comprise of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement 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").

Management's Responsibility for the Consolidated Financial Statements.

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Company(Accounts) Rules, 2014. The respective Board of Directors of the Company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of these consolidated financial statements by the Board of Director of the Company.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In

making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors referred to in the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors' on separate financial statement of the subsidiary, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India

- i. in the case of the Consolidated Balance sheet, of the state of affairs of the Group as at March 31, 2016;
- ii. in the case of the Consolidated Profit and Loss, of the Profit of the Group for the year ended on that date; and
- iii. in the case of the Consolidated Cash Flow Statement, of the cash flow of the Group for the year ended on that date.

Other Matters

We did not audit the financial statements of one foreign subsidiary Company, whose financial statements reflect total assets of Rs.21,244.55 Lacs as at March 31, 2016, total revenues of Rs.1,623.17 Lacs and net cash inflows/(outflows) amounting to Rs.(33.15) Lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors' whose report has been furnished by the management and our opinion of consolidated financial statements, in so far as it relates to the amounts and disclosure included in respect of subsidiary is based solely on the reports of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor.

Report on Other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

- (b) In our opinion, proper books of account as required by law relating to preparation of the consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- (c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act as applicable.
- (e) On the basis of the written representations received from the directors of the Company as on March 31, 2016 taken on record by the Board of Directors of the Company and the report of the statutory auditors of its subsidiary Companies incorporated in India, none of the Directors of the Group Companies incorporated in India is disqualified as on March 31, 2016 from being appointed as a Director of that Company in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our report in “Annexure A”, which is based on the Auditors’ Reports of the Company and its subsidiary Companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company and its subsidiary Companies incorporated in India; and
- (g) With respect to the other matters to be included in the Auditors’ Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 27 to the consolidated financial statements.
 - ii. The Company has made provisions in its consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts including derivative contracts.: and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary Company incorporated in India.

For P.C. Bindal & Co.

Firm Registration Number: 003824N

Chartered Accountants

CA K.C. Gupta

Partner

Membership No 088638

Date: May 28, 2016

Place: New Delhi

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

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

Report on the Internal Financial Controls over financial reporting under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of AKSH OPTIFIBRE LIMITED ('the Holding Company') and its subsidiary companies which incorporated in India as at March 31, 2016, 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 March 31, 2016, 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.

For P.C. Bindal & Co.

Firm Registration Number: 003824N

Chartered Accountants

CA K.C. Gupta

Partner

Membership No 088638

Date: May 28, 2016

Place: New Delhi

Consolidated Balance Sheet

as at March 31, 2016

		Rs.in Lacs	
Particulars	Note	31-Mar-16	31-Mar-15
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	10,347.78	9,791.51
Reserves and surplus	4	35,674.25	31,062.32
		46,022.03	40,853.83
Minority Interest		10.47	10.47
Non-current liabilities			
Long-term borrowings	5	3,670.88	7,372.36
Deferred tax liabilities (net)	6	234.00	-
Other non current liabilities	7	644.25	856.72
Long-term provisions	8	411.76	325.28
		4,960.89	8,554.36
Current liabilities			
Short-term borrowings	9	4,566.71	4,697.91
Trade payables	10		
- Micro, Small and Medium Enterprises		4.85	-
- Others		7,288.28	6,097.80
Other current liabilities	10	3,971.84	4,064.20
Short-term provisions	8	472.14	638.60
		16,303.82	15,498.51
TOTAL		67,297.21	64,917.17
ASSETS			
Non-current assets			
Fixed assets			
Property, Plant and Equipment	11	10,154.04	11,546.93
Intangible assets	12	621.82	747.77
Capital work-in-progress including intangible assets		15,077.86	14,653.71
Non-current investments	13	0.05	0.05
Long-term loans and advances	14	682.70	94.10
Other non-current assets	15.2	2,174.74	1,582.19
		28,711.21	28,624.75
Current assets			
Inventories	16	2,486.04	2,905.76
Trade receivables	15.1	16,567.80	14,951.68
Cash and cash equivalents	17	328.28	435.27
Short-term loans and advances	14	18,996.95	17,851.77
Other current assets	15.2	206.93	147.94
		38,586.00	36,292.42
TOTAL		67,297.21	64,917.17
Summary of Significant Accounting Policies	2.1		
See accompanying Notes forming part of the Financial Statements	1-38		

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

CA K. C. Gupta
 Partner
 Membership No.: 088638

Date: May 28, 2016
 Place: New Delhi

Satyendra Gupta
 Deputy Managing Director
 DIN : 00035141

Gaurav Mehta
 Chief - Corporate Affairs & Company Secretary

For and on behalf of the Board of Directors

Dr. Kailash S. Choudhari
 Chairman & Managing Director
 DIN : 00023824

Pawan Kumar Gambhir
 Chief Financial Officer

Consolidated Statement of Profit and Loss

For the Year Ended March 31, 2016

Rs.in Lacs			
Particulars	Note	31-Mar-16	31-Mar-15
Income			
Revenue from operations (gross)	18	47,571.29	38,167.06
Less: excise duty		2,692.60	2,562.42
Revenue from operations (net)		44,878.69	35,604.64
Other income	19	286.85	422.18
Total revenue (I)		45,165.54	36,026.82
Expenses			
Cost of raw material and components consumed	20	25,769.41	21,112.85
Purchase of traded goods	21	355.64	658.41
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	22	534.86	210.58
Employee benefits expense	23	2,797.54	2,344.73
Other expense	24	8,830.58	6,696.75
Total expense (II)		38,288.03	31,023.32
Earnings before interest ,depreciation & amortization, exceptional items and tax (EBITDA), (I) – (II)		6,877.51	5,003.50
Depreciation and amortization expense	25	2,061.20	1,721.14
Finance costs	26	1,155.88	793.75
Profit before exceptional items and tax		3,660.43	2,488.61
Exceptional Item's income / (expense)	32	(729.26)	115.51
Profit before tax		2,931.17	2,604.12
Tax expenses			
Income Tax		794.48	687.95
Earlier Year Taxes		-	71.18
Deferred Tax expense		234.00	-
MAT Credit Entitlement		657.67	687.95
Total tax expense		370.81	71.18
Profit for the year		2,560.36	2,532.94
Earnings per equity share	34		
[nominal value of share Rs.5/- (March 31, 2015: Rs.5/-)]			
Basic		1.63	1.68
Diluted		1.63	1.57
Summary of Significant Accounting Policies	2.1		
See accompanying Notes forming part of the Financial Statements	1-38		

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

CA K. C. Gupta
Partner
 Membership No.: 088638

Date: May 28, 2016
 Place: New Delhi

Satyendra Gupta
Deputy Managing Director
 DIN : 00035141

Gaurav Mehta
Chief - Corporate Affairs & Company Secretary

For and on behalf of the Board of Directors

Dr. Kailash S. Choudhary
Chairman & Managing Director
 DIN : 00023824

Pawan Kumar Gambhir
Chief Financial Officer

Consolidated Cash Flow Statement

For the year ended March 31, 2016

Particulars	Rs.in Lacs	
	31-Mar-16	31-Mar-15
A. Cash flow from operating activities		
Profit before tax	2,931.17	2,604.12
Profit before tax	2,931.17	2,604.12
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization on continuing operation	2,061.20	1,721.14
Loss/ (profit) on sale of investments	-	(11.45)
Loss/ (profit) on sale of fixed assets	1.16	0.62
Foreign Currency Translation Reserve	743.23	298.82
Finance costs	1,155.88	793.75
Interest (income)	(285.29)	(242.85)
Operating profit before working capital changes	6,607.35	5,164.15
Movements in working capital :		
Increase in trade and other payables	1,319.15	3,707.99
(Increase) in trade receivables	(1,616.00)	(5,804.69)
Decrease / (increase) in inventories	419.72	(416.57)
(Increase) in other receivables	(2,463.14)	804.96
Cash generated from operations	4,267.08	3,455.84
Direct taxes paid (net of refunds)	(962.79)	(531.52)
Net cash flow from operating activities (A)	3,304.29	2,924.32
B. Cash flows from investing activities		
Purchase of fixed assets, including CWIP	(971.44)	(2,780.38)
Proceeds from sale of fixed assets	3.78	0.66
Proceeds from sale of non-current investments	-	13.22
Interest income	226.30	242.85
Net cash flow (used in) / from investing activities (B)	(741.36)	(2,523.65)
C. Cash flows from financing activities		
(Repayment) of Long-term borrowings	(1,382.84)	(364.06)
Proceeds/(Repayment) of Short-term borrowings	(131.20)	1,558.18
Proposed Dividend	-	(443.23)
Finance costs	(1,155.88)	(793.75)
Net cash flow (used in) in financing activities (C)	(2,669.92)	(42.86)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(106.99)	357.81
Cash and cash equivalents at the beginning of the year	435.27	77.46
Cash and cash equivalents at the end of the year	328.28	435.27
Components of cash and cash equivalents		
Cash on hand	7.91	6.41
With banks- on current account	157.91	106.37
Deposits with original maturity of less than 12 months	161.00	320.00
Unpaid dividend accounts	1.46	2.49
Total cash and cash equivalents (refer note no. 17)	328.28	435.27
Summary of Significant Accounting Policies		
The accompanying Notes (1-38) are an integral part of the Financial Statements		

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

CA K. C. Gupta
Partner
Membership No.: 088638

Date: May 28, 2016
 Place: New Delhi

Satyendra Gupta
Deputy Managing Director
DIN : 00035141

Gaurav Mehta
Chief - Corporate Affairs & Company Secretary

For and on behalf of the Board of Directors

Dr. Kailash S. Choudhari
Chairman & Managing Director
DIN : 00023824

Pawan Kumar Gambhir
Chief Financial Officer

Notes to Consolidated financial statements for the year ended March 31, 2016

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 Limited in India. The Company is engaged in the manufacturing and selling of Optical Fibre, Optical Fibre Cable, Fibre Reinforced Plastic Rods and Impregnated Glass Roving Reinforcement. The Company caters to both domestic and international markets. The Company also provides the E Governance services, FTTH and Internet Protocol Television (IPTV) services in North India.

2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The significant accounting policies adopted by Aksh Optifibre Limited (the Company) and its subsidiaries (hereinafter referred to as the "Group") in respect of these Consolidated Financial Statements, are set out below.

2.1 SIGNIFICANT ACCOUNTING POLICIES

a) BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies Act, 2013. Additional disclosures specified in the Accounting Standards shall be made in the notes to accounts or by way of additional statement unless required to be disclosed on the face of the Financial Statements. Similarly, all other disclosures as required by the Companies Act, 2013 shall be made in the notes to accounts in addition to the requirements set out in this Schedule. These consolidated financial statements are prepared under the historical cost convention on the accrual basis of accounting and in accordance with the reporting requirements of Accounting Standard - 21 'Consolidated Financial Statements' issued by the ICAI.

b) Principles of Consolidation

These accounts represent consolidated accounts of the Group and its majority owned subsidiaries as follows:

Entity	Country of Incorporation	Shareholding as at March 31, 2016
APAKSH Broadband Limited (APAKSH)	India	99.92%
AOL FZE	UAE	100%
AOL Projects DMCC subsidiary of AOL FZE	UAE	100%

c) Use of Estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting year. Difference between the actual result and estimates are recognized in the year in which the results are known/materialized.

d) Fixed Assets

- Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment. Cost includes any borrowing costs directly attributable to the acquisition/ construction of fixed assets and bringing the assets to its working condition for its intended use.

- Exchange difference arising on account of liabilities incurred for acquisition or construction of Fixed Assets is adjusted in the carrying amount of related Fixed Assets.

e) Capital Work-in-Progress

Advances paid towards the acquisition of fixed assets, costs of assets not ready for use before the year-end and expenditure during construction period that is directly or indirectly related to construction, including borrowing costs are included under Capital Work-in-Progress.

f) Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Particulars	Useful life in years
Factory Buildings	28
Plant and equipment including Telecom Networking, Testing instrument, electrical equipments, Fork lift and office equipment	20
Furniture and fixtures	15
Data Processing System	5

Leasehold land is amortized over the duration of the lease.

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

g) Impairment of Assets

- The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted at their present value at the weighted average cost of capital.
- After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

h) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long Term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such diminution is other than temporary. Current Investments are carried at the lower of cost and fair value and

Notes to Consolidated financial statements for the year ended March 31, 2016

provisions are made to recognize the decline in the carrying value.

i) Inventories

- i) 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.
- ii) 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 FIFO 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.
- iii) The comparison of cost and realizable value is made on an item-by-item basis.
- iv) Net realizable value of work-in-process is determined on the basis of selling prices of related finished products.
- v) 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 cost of related finished goods will exceed their net realizable value.

j) Foreign Currency Transactions

- i) Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.
- ii) Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.
- iii) Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.
- iv) The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which exchange rate changes. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognized as income or expense for the year. None of the forward exchange contracts are taken for trading or speculation purpose.

k) Borrowing Costs

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.

l) Revenue Recognition

Revenue is recognized to the extent that it is probable that the

economic benefits will flow to the Company and the revenue can be readily measured.

Sales of Goods and Services

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer (usually at the point of dispatch to customers). Sales include excise duty, sale of scrap and net of sale tax and quantity discount.

Income from services is recognized on the completion of services. Period based services are accounted for proportionately over the period of service.

Income from Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Other Incomes

Other Incomes are accrued as earned except where the receipt of income is uncertain.

m) Retirement and other Employee Benefits

- i) Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Profit and Loss for the year when the contributions to the respective funds are due. The company has no other obligation other than the contribution payable.
- ii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method calculated at the end of each financial year. The liability with regard to gratuity in respect of any employee not covered under group gratuity scheme is provided on the basis of amount payable to such employees as if they were to retire on the last day of financial year.
- iii) Leave Encashment liability is provided for based on actuarial valuation done as per Projected Unit Credit Method calculated at the end of each financial year.
- iv) Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

n) Export Incentives

Export Incentive in the form of advance licenses / 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.

o) Taxes on Income

Income taxes are computed using the tax effect accounting method where taxes are accrued in the same period, as the related revenue and expenses to which they relate. The differences that result between profit offered for income tax and the profit before tax as per financial statements are identified and deferred tax assets or deferred tax liabilities are recorded for timing differences, namely differences that originate in one accounting period and are capable of reversal in future. Deferred tax assets and liabilities are measured using tax rates and tax laws enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized. However, where the Company has unabsorbed depreciation or carried forward losses under taxation laws, a much stricter test, viz, virtual certainty of realization, is applied for recognition of deferred tax assets. Deferred tax assets are reviewed for the continuing appropriateness of their respective carrying values at each balance sheet date and written down or written up to reflect

Notes to Consolidated financial statements for the year ended March 31, 2016

the amount that is reasonably/ virtually certain (as the case may be) of realization.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

p) Operating Leases

Assets given on operating leases are included in fixed assets. Lease income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

q) Earnings Per Share

The Group reports basic and diluted earnings per share in accordance with Notified AS 20 under the Companies (Accounting Standards) Rules, 2006 issued by The Institute of Chartered Accountants of India on 'Earnings Per Share'. Basic earnings per share is computed by dividing the net profit or loss for the period attributable to equity shareholders after deducting attributable taxes by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Both profit for the year and weighted average numbers of shares are adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

r) Provisions, Contingent Liabilities and Contingent Assets

As per Notified AS 29 under the Companies (Accounting Standards) Rules, 2006, Provisions, Contingent Liabilities and Contingent Assets, issued by the Institute of Chartered Accountants of India, the Company recognizes provisions (without discounting to its present value) only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation as and when a reliable estimate of the amount of the obligation can be made.

No provision is recognized for:

Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

Any present obligation that arises from past events but is not recognized because –

- It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as Contingent Liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

s) Project Development Expenditure

Expenses incurred relating to project prior to commencement of commercial production / start of the project is classified as Project Development Expenditure net of income earned during the project development stage.

t) Miscellaneous Expenditure

Expenditure on issue of shares / foreign currency convertible bonds (FCCBs) / Global Depository Receipts (GDRs) / shares under Qualified Institutional Placements (QIP) and premium on redemption of FCCBs are adjusted against Securities Premium account.

u) Translation of Foreign Subsidiary

In case of foreign subsidiary, the revenue and expense transactions at the year end reflected in the Statement of Profit and Loss have been translated at the average exchange rates for the period to which the financial statements relate. The assets and liabilities, both monetary and non-monetary, have been translated at the closing exchange rate prevailing on the date of the Balance Sheet.

Exchange difference arising on the Company's net investment in foreign subsidiary are accumulated in a foreign currency translation reserve until the disposal of such investment, at which time they are recognized as income and expense.

v) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

w) Additional information, as required under Schedule III to the Companies Act 2013, "General instructions for the preparation of consolidated financial statements" for financial year 2015-16

S. No.	Name of the Enterprise	Net Assets, i.e., total assets minus total liabilities		Share in Profit or Loss	
		As % of consolidated net assets	Amount (Rs.in Lacs)	As % of consolidated profit or loss	Amount (Rs.in Lacs)
	Parent				
1	Aksh Optifibre Limited	96.84	44,567.12	130.91	3,351.58
	Subsidiaries				
	Indian				
2	Apaksh Broadband Limited	3.12	1,437.51	-	-
	Foreign				
3	AOL FZE	(2.61)	(1,201.46)	(30.34)	(776.72)
4	AOL Projects DMCC	2.67	1,229.33	(0.57)	(14.50)
	Minority Interests in subsidiaries	(0.02)	(10.47)	-	-
Total		100.00	46,022.03	100.00	2,560.36

Notes to Consolidated financial statements for the year ended March 31, 2016

3. Share capital

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Authorized shares (No.)		
170,100,000 (March 31, 2015: 170,100,000) Equity Shares of Rs.5/- each	8,505.00	8,505.00
Issued, subscribed and fully paid-up shares (No.)		
162,665,070 (March 31, 2015: 151,539,689) Equity Shares of Rs.5/- each fully paid up	8,133.25	7,576.98
Forfeited Shares in case of APAKSH Broadband Ltd.	2,214.53	2,214.53
Total issued, subscribed and fully paid-up share capital	10,347.78	9,791.51

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

Equity shares

Particulars	31-Mar-016		31-Mar-15	
	No. of shares	Rs.in Lacs	No. of shares	Rs.in Lacs
At the beginning of the year	151,539,689	7,576.98	148,564,989	7,428.25
Add:				
- Issued pursuant to conversion of FCCBs	11,125,381	556.27	2,974,700	148.73
Outstanding at the end of the year	162,665,070	8,133.25	151,539,689	7,576.98

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) During the period of five years immediately preceeding to reporting date, the Company has not

- (i) issued any bonus shares
- (ii) issued shares for consideration other than cash
- (iii) Bought back any shares

(c) Details of shareholders (as per register of shareholders) holding more than 5% shares in the Company

Name of the shareholder	31-Mar-16		31-Mar-15	
	No. of shares	%holding	No. of shares	%holding
Dr Kailash S Choudhari	22,301,918	13.7%	25,842,700	17.1%
Usha Jain	20,451,606	12.6%	17,425,000	11.5%

Notes to Consolidated financial statements for the year ended March 31, 2016

4. Reserves and Surplus

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Capital reserve	15.00	15.00
Securities premium account		
Balance as per the last financial statements	31,755.77	31,405.95
Add :		
- Premium on conversion of FCCB into Shares	1,308.34	349.82
Closing Balance	33,064.11	31,755.77
Foreign Currency Translation Reserve		
Balance as per the last financial statements	155.07	(143.77)
Add: Created on translation and incorporation of non integral foreign subsidiaries	743.23	298.84
Closing Balance	898.30	155.07
Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	(863.52)	(3,387.76)
Profit for the year	2,560.36	2,532.94
Proposed Dividend	-	(7.44)
Tax on dividend	-	(1.26)
Net Surplus / (Deficit) in the statement of profit and loss	1,696.84	(863.52)
Total reserves and surplus	35,674.25	31,062.32

5. Long-term borrowings

Rs.in Lacs

Particulars	Non-current		Current	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Secured Loans				
Term Loans				
External Commercial Borrowings	2,207.78	3,868.12	1,892.39	1,487.74
6.188 Mn USD (March 31, 2015 : 8.568 Mn USD)				
Term Loan from Bank	1,404.85	1,529.68	643.67	589.92
Term Loan from Others	1.51	9.66	8.15	8.25
Car Loan from Banks	20.78	31.31	12.50	11.17
Unsecured Loans				
Foreign Currency Convertible Bonds (FCCBs)				
Nil (March 31, 2015: 2.992 Mn USD) 0% FCCBs due on February, 2019 of \$ 1,000 each	-	1,870.30	-	-
Term Loan from Others	35.96	63.29	57.48	63.08
	3,670.88	7,372.36	2,614.19	2,160.16
The above amount includes				
Secured borrowings	3,634.92	5,438.77	2,556.71	2,097.08
Unsecured borrowings	35.96	1,933.59	57.48	63.08
Amount disclosed under the head "other current liabilities" (refer note no. 10)	-	-	(2,614.19)	(2,160.16)
Net amount	3,670.88	7,372.36	-	-

- External Commercial Borrowings are secured by way of first pari-passu charge on fixed assets of the Company and personal guarantee of Dr. Kailash S Choudhari
- Term Loan from Punjab National Bank are secured by way of exclusive charge on Plant and Machinery installed under the project, second pari-passu charge on current assets, third pari-passu charge on fixed assets of the Company and further secured by personal guarantee of Dr. Kailash S Choudhari.
- Term Loan from HDFC Bank are secured by way of first pari-passu charge on fixed assets, second pari-passu charge on current assets of the Company and further secured by personal guarantee of Dr. Kailash S Choudhari.
- Term loan from Bank of Baroda are secured by way of charge on fixed assets of AOL FZE, personal guarantee of Dr. Kailash S Choudhari and Corporate guarantee of the Company.

Notes to Consolidated financial statements for the year ended March 31, 2016

5. Car loan from Banks are secured against the hypothecation of Car.
6. Term Loan from others are secured by way of exclusive charge on Fixed assets installed under the subject Project.
7. Issue of Foreign Currency Convertible Bonds (FCCBs) convertible into ordinary shares, the particulars, terms of issue and the status of conversion as at March 31, 2016 are given below :-

Issue	0% FCCBs (due February 2019)
Issued on	February 10, 2014
Issue Amount	USD 3.792 Mn
Face Value	USD 1000
Fixed Exchange Rate for conversion	USD 1 = INR 62.32
Redeemable on	February 10, 2019
Redemption Percentage of the principal amount	120%
FCCBs converted	USD 3.792 Mn
Shares issued on conversion of FCCBs	14,100,081 shares
FCCBs outstanding as on March 31, 2016	Nil
Shares that could be issued on conversion of outstanding FCCBs	Nil

6. Deferred Tax Liabilities (net)

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Deferred tax liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	283.00	-
Gross deferred tax liability	283.00	-
Deferred tax asset		
Disallowances under the Income Tax Act, 1961	49.00	-
Gross deferred tax asset	49.00	-
Deferred Tax Liabilities (net)	234.00	-

7. Other non current liabilities

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Trade payable	540.35	856.72
(refer note no. 35 for details of dues to micro and small enterprises)		
Interest accrued but not due on borrowings	103.90	-
	644.25	856.72

8. Provisions

Rs.in Lacs

Particulars	Non-current		Current	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Provision for Gratuity and Compensated Absences	411.76	325.28	10.38	8.53
Provision for Income Tax (net of Prepaid Taxes)	-	-	461.76	630.07
	411.76	325.28	472.14	638.60

Notes to Consolidated financial statements for the year ended March 31, 2016

9. Short-term borrowings

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Secured Loans		
Working Capital Facilities from Banks		
- Working Capital Facilities	2,821.44	2,870.85
- Buyers Credit	521.73	632.81
Other Loans		
Cisco Systems Capital India Private Limited	497.93	497.93
Unsecured Loans		
Deposits		
Inter Corporate Deposit repayable on demand	50.00	50.00
15% Inter Corporate Deposit from others repayable on demand	200.00	200.00
Security Deposits	475.61	446.32
	4,566.71	4,697.91
The above amount includes :		
Secured borrowings	3,841.10	4,001.59
Unsecured borrowings	725.61	696.32

- Working capital facilities from banks are secured by way of first pari-passu charge on Current Assets both present and future and second pari-passu charge on the fixed assets of the Company. These facilities are further secured by way of first pari-passu charge on the immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari. The cash credit is repayable on demand. The cash credit carries interest in the range of 11.55% to 12.40 % p.a.
- Non fund based limits are secured by first pari-passu charge on immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari.
- Loan from Cisco Systems Capital India Private Limited is secured against first and exclusive charge on plant and machinery of APAKSH Broadband Limited covered under loan agreement and corporate guarantee of Aksh Optifibre Limited.

10. Other Current Liabilities

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Trade payables (including acceptances)		
Micro, Small and Medium Enterprises	4.85	-
Others	7,288.28	6,097.80
(refer note no. 35 for details of dues to micro and small enterprises)	7,293.13	6,097.80
Other liabilities		
Current maturities of long term debt (refer note no. 5)	2,614.19	2,160.16
Interest accrued but not due on borrowings	149.04	112.45
Advance from Customers	114.07	70.20
Unearned revenue	38.58	6.64
Unclaimed Dividend #		
Dividend 2013-14	1.46	1.48
Dividend 2006-07	-	1.01
Other current liabilities	1,054.50	1,712.26
	3,971.84	4,064.20
	11,264.97	10,162.00

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

Notes to Consolidated financial statements for the year ended March 31, 2016

11. Property, Plant and Equipment

	Freehold Land	Leasehold Land	Factory Buildings	Plant and equipment	Telecom Networking	Testing Instruments	Air Conditioners	Furniture and fixtures	Office Equipments	Data Processing System	Vehicles	Fork Lift	Total
Rs.in Lacs													
Cost or valuation													
At April 1, 2014	1.84	122.70	1,448.07	14,271.94	3,166.12	909.85	287.47	189.71	89.99	221.55	22.72	36.46	20,768.42
Additions	-	-	168.57	3,730.87	-	14.07	1.23	9.46	13.59	45.87	56.50	4.77	4,044.93
Disposals / adjustments	-	-	-	-	-	-	-	-	(1.44)	(0.36)	(0.01)	-	(1.81)
At March 31, 2015	1.84	122.70	1,616.64	18,002.81	3,166.12	923.92	288.70	199.17	102.14	267.06	79.21	41.23	24,811.54
Additions	-	-	5.89	288.92	98.66	14.70	0.28	5.23	16.25	6.24	-	-	436.17
Disposals / adjustments	-	-	-	(12.16)	-	-	-	-	(0.17)	-	-	-	(12.33)
At March 31, 2016	1.84	122.70	1,622.53	18,279.57	3,264.78	938.62	288.98	204.40	118.22	273.30	79.21	41.23	25,235.38
Depreciation													
At April 1, 2014	-	18.70	611.90	8,364.75	1,560.18	589.78	208.24	100.51	45.39	198.56	18.21	11.77	11,727.99
Charge for the year	-	1.25	42.03	1,274.51	150.39	30.04	9.25	14.78	3.66	4.63	2.39	1.80	1,534.73
Preoperative Expense Adjustment	-	-	-	-	-	-	-	0.73	0.63	-	1.05	-	2.41
Disposals / adjustments	-	-	-	-	-	-	-	-	(0.47)	(0.04)	(0.01)	-	(0.52)
At March 31, 2015	-	19.95	653.93	9,639.26	1,710.57	619.82	217.49	116.02	49.21	203.15	21.64	13.57	13,264.61
Charge for the year	-	1.25	54.45	1,535.43	150.88	28.58	9.53	14.34	4.80	12.23	7.76	2.44	1,821.69
Preoperative Expense Adjustment	-	-	-	-	-	-	-	0.74	0.63	-	1.06	-	2.43
Disposals / adjustments	-	-	-	(7.38)	-	-	-	-	(0.01)	-	-	-	(7.39)
At March 31, 2016	-	21.20	708.38	11,167.31	1,861.45	648.40	227.02	131.10	54.63	215.38	30.46	16.01	15,081.34
Net Block													
At March 31, 2015	1.84	102.75	962.71	8,363.55	1,455.55	304.10	71.21	83.15	52.93	63.91	57.57	27.66	11,546.93
At March 31, 2016	1.84	101.50	914.15	7,112.26	1,403.33	290.22	61.96	73.30	63.59	57.92	48.75	25.22	10,154.04

12. Intangible assets

	Rs.in Lacs
Gross block	
At 1 April 2014	2,303.36
Purchase	168.80
At March 31, 2015	2,472.16
Purchase	113.56
At March 31, 2016	2,585.72
Amortization	
At April 1, 2014	1,537.98
Preoperative Expense Adjustment	-
Charge for the year	186.41
At March 31, 2015	1,724.39
Preoperative Expense Adjustment	-
Charge for the year	239.51
At March 31, 2016	1,963.90
Net block	
At March 31, 2015	747.77
At March 31, 2016	621.82

13. Non-current investments

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Trade investments (valued at cost unless stated otherwise)		
Non-trade investments (valued at cost unless stated otherwise)		
*Investment in equity instruments (Unquoted)		
1 (March 31, 2015: 1) equity shares of AED 3.67 (rounded off to AED 4) each fully paid-up in Eminent One Ventures Limited	-	-
Government and trust securities (unquoted)		
National Saving Certificates (Deposited with Government Department as Security)	0.05	0.05
	0.05	0.05
Aggregate amount of unquoted investments	0.05	0.05

* Investment made in Eminent One Ventures Limited by Rs.68 equivalent to 4 AED (March 31, 2015: Rs.68).

14. Loans and advances (Unsecured, considered good unless stated otherwise)

Rs.in Lacs

Particulars	Non-current		Current	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Capital advances	574.56	7.58	-	-
Security deposit	108.14	86.52	45.70	63.47
Advances recoverable in cash or kind	-	-	14,921.97	14,480.76
Other loans and advances				
Income Tax Refund	-	-	52.81	57.41
MAT Credit Entitlement	-	-	2,126.42	1,468.75
Prepaid expenses	-	-	273.93	215.04
Balances with statutory / government authorities	-	-	1,576.12	1,566.34
	-	-	4,029.28	3,307.55
	682.70	94.10	18,996.95	17,851.77

15.1. Trade receivables (Unsecured, considered good unless stated otherwise)

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Outstanding for a period exceeding six months from the date they are due for payment	4,778.83	4,061.72
Other receivables	11,788.97	10,889.96
	16,567.80	14,951.68

15.2. Other current assets (Unsecured, considered good unless stated otherwise)

Rs.in Lacs

Particulars	Non-current		Current	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Other bank balances (refer note no. 17)	2,174.74	1,582.19	-	-
Interest accrued on fixed deposits	-	-	75.03	65.29
Interest accrued on other deposits	-	-	131.90	82.65
	-	-	206.93	147.94
	2,174.74	1,582.19	206.93	147.94

16. Inventories (valued at lower of cost and net realizable value)

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
i) Finished Goods and Traded Goods	91.70	22.54
ii) Raw Material	1,775.80	1,666.71
iii) Semi Finished Goods	406.48	1,010.50
iv) Stores, Spares and others	212.06	206.01
	2,486.04	2,905.76

Notes to Consolidated financial statements for the year ended March 31, 2016

17. Cash and cash equivalents

Rs.in Lacs

Particulars	Non-current		Current	
	31-Mar-16	31-Mar-15	31-Mar-16	31-Mar-15
Cash and cash equivalents				
Balances with banks:				
– On current accounts	-	-	157.91	106.37
– Deposits with original maturity of less than 12 months	-	-	161.00	320.00
– On unpaid dividend account	-	-	1.46	2.49
Cash on hand	-	-	7.91	6.41
	-	-	328.28	435.27
Other bank balances				
– Deposits with original maturity for more than 12 months	20.00	25.00	-	-
– Margin money deposit #	2,154.74	1,557.19	-	-
	2,174.74	1,582.19	-	-
Amount disclosed under non-current assets (refer note 15.2)	(2,174.74)	(1,582.19)	-	-
	-	-	328.28	435.27

Cash and cash equivalents includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time without prior notice or penalty on the principal.

Margin money deposits with a carrying amount of Rs.2,154.74 Lacs (March 31, 2015: Rs.1,557.19 Lacs) are pledged with Banks for various Facilities.

18. Revenue from operations

Rs.in Lacs

Particulars	31-Mar-16	31-Mar-15
Revenue from operations		
Sale of products		
- Finished goods	42,710.74	35,149.86
- Traded goods	380.56	927.76
Sale of services	3,487.93	1,501.96
Other operating revenue		
- Scrap sales	49.21	28.85
- Export Incentives	458.92	382.60
- Exchange Fluctuation	310.95	165.37
- Other operating revenue	172.98	10.66
Revenue from operations (gross)	47,571.29	38,167.06
Less: Excise duty #	2,692.60	2,562.42
Revenue from operations (net)	44,878.69	35,604.64

Excise duty on sales amounting to Rs.2,692.60 Lacs (March 31, 2015 : Rs.2,562.42 Lacs) has been reduced from sales in statement of profit and loss and excise duty on increase/(decrease) in stock amounting to Rs.5.33 Lacs (March 31, 2015 : Rs.(38.72) Lacs) has been considered as (income)/expense in note 24 of financial statements.

Notes to Consolidated financial statements for the year ended March 31, 2016

Detail of products sold

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Finished goods		
Optical Fibre and Optical Fibre Cables	30,566.61	23,358.96
Fibre Reinforced Plastic Rod and Impregnated Glass Roving Reinforcement	12,144.13	11,790.90
	42,710.74	35,149.86
Traded goods		
Telecom and electronic items	380.56	927.76
	380.56	927.76
Detail of services rendered		
E-Governance activities	3,038.41	1,227.17
Network Erection, Installation and Commissioning	385.28	52.76
other (IPTV)	64.24	85.78
Consultancy Income	-	136.25
	3,487.93	1,501.96

19. Other income

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Interest income		
on deposits	211.35	188.60
on other advances	73.94	54.25
Other non-operating income	1.56	179.33
	286.85	422.18

20. Cost of raw material and components consumed

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Inventory at the beginning of the year	1,666.71	1,030.87
Add: Purchases	25,878.50	21,748.69
	27,545.21	22,779.56
Less: inventory at the end of the year	1,775.80	1,666.71
Cost of raw material and components consumed	25,769.41	21,112.85

Details of raw material and components consumed

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Glass Fibre and Glass Preforms	13,827.60	10,393.66
Resin such as (PVC, HDPE, Nylon, MB, LSZH, PBT, Nucrel, UV resin and Polyester)	6,891.47	7,740.96
Others	5,050.34	2,978.23
	25,769.41	21,112.85

21. Purchase of traded goods

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Telecom and electronic items	355.64	658.41
	355.64	658.41

Notes to Consolidated financial statements for the year ended March 31, 2016

22. (Increase)/ decrease in inventories

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Inventories at the end of the year		
Finished/Traded Goods	91.70	22.54
Semi Finished Goods	406.48	1,010.50
	498.18	1,033.04
Inventories at the beginning of the year		
Finished/Traded Goods	22.54	409.12
Semi Finished Goods	1,010.50	834.50
	1,033.04	1,243.62
(Increase)/Decrease in Inventories	534.86	210.58

23. Employee benefits expense

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Salaries, wages and bonus	2,384.33	1,942.94
Contribution to provident and other funds	111.32	92.98
Gratuity	83.43	40.36
Staff welfare expenses	184.04	116.86
Directors' Remuneration	34.42	151.59
	2,797.54	2,344.73

24. Other expenses

	Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15
Consumption of stores and spares	572.75	474.58
Increase/(Decrease) in Excise Duty Provision on Stock	5.33	(38.72)
Power and Fuel	886.74	748.16
Packing Material Consumed	1,873.24	1,958.51
Repair and Maintenance		
- Plant and Machinery	49.92	53.93
- Buildings	35.98	21.35
- Others	70.87	79.11
Sub-contracting expenses	2,249.67	802.37
Marketing and Service Charges	476.79	596.03
Freight and Cartage (Outward)	225.37	237.67
Travelling and Conveyance	298.38	303.89
CSR Expenditure	53.43	33.80
Postage and Telephone	72.31	42.56
Insurance	47.39	61.27
Rent	167.98	136.00
Professional and Legal Expenses	368.81	315.75
Auditors' Remuneration	46.01	39.21
Bank Charges	344.94	328.18
Other Expenses	1,038.02	512.65
	8,883.93	6,706.30
Less : Transfer to Capital Asset/ Capital Work in Progress	53.35	9.55
	8,830.58	6,696.75

Notes to Consolidated financial statements for the year ended March 31, 2016

Detail of payment to auditor

		Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15	
As auditor:			
Audit fee	33.03	28.83	
Tax audit fee	4.00	4.00	
In other capacity:			
Taxation matters	1.50	3.50	
Other services (certification fees)	5.46	1.20	
Reimbursement of expenses	2.02	1.68	
	46.01	39.21	

25. Depreciation and amortization expense

		Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15	
Depreciation of Property, Plant and Equipment	1,821.69	1,534.73	
Amortization of intangible assets	239.51	186.41	
	2,061.20	1,721.14	

26. Finance costs

		Rs.in Lacs	
Particulars	31-Mar-16	31-Mar-15	
Interest on Cash Credit	360.54	358.32	
Interest	795.34	435.43	
	1,155.88	793.75	

27. Contingent Liabilities:

Liabilities through contingent are provided for, if there are reasonable prospects of their maturity. Other contingent liabilities except frivolous claims are disclosed.

a) Claims not acknowledged as debts

		Rs.in Lacs	
S. No.	Particulars	31-Mar-16	31-Mar-15
1	VAT/Sales Tax Matters	124.88	387.78
2	Service Tax	232.89	231.17
3	Excise / Custom Duty	555.08	559.63
4	Stamp Duty	-	28.50
5	Income Tax matters	91.01	-
6	Others	177.03	166.61

b) Bank Guarantees, letters of credit (Net of margin) issued by banks and outstanding as on the reporting date is Rs.2,965.83 Lacs (March 31, 2015 : Rs.1,940.99 Lacs).

c) Estimated amounts of contracts remaining to be executed on Capital Account (net of advances) is Rs.5,673.64 Lacs (March 31, 2015 : Rs.30,291.28 Lacs).

d) Rs.350 Lacs (March 31, 2015 : Rs.350 Lacs) were demanded by M/s. Andhra Pradesh Technology Services Limited towards liquidated damages, not acknowledged as debt.

e) Rs.23.75 Lacs (March 31, 2015 : Rs.23.75 Lacs) claimed by M/s Broadband Net Inc towards supply of equipments, which were not approved and returned to the supplier. Case is under sub judice.

f) Liabilities of Letter of credit bill discounted with bank of Rs.4,055.19 Lacs (March 31, 2015 : Rs.344.21 Lacs) has been netted off from trade receivables.

28. With a view to have a global presence in telecom, the Company has incorporated a wholly owned subsidiary in Dubai, viz. "AOL FZE" for expansion of Companies businesses. The subsidiary Company has signed an agreement with Africa One, a Company which has been mandated to provide majority stake in Company, holding GSM licenses with spectrum in African continent for Broadband, IPTV and FTTH projects. In Compliance of the terms of the agreement, the subsidiary Company has advanced towards part consideration an amount aggregating Rs.11,900.82 Lacs (equivalent to AED 660.06 Lacs) (March 31, 2015 : 11,194.56 Lacs (equivalent to AED 660.06 Lacs)).

Notes to Consolidated financial statements for the year ended March 31, 2016

29 Related Party Disclosures

Related party disclosures as required under Accounting Standard - 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as given below as on March 31, 2016:

- a) Individuals exercising significant influence and their relatives:
 - Dr. Kailash S. Choudhari
 - Dr. Rohan Choudhari (related till March 09, 2015)
- b) Key Management personnel:
 - Mr. Chetan Choudhari (related till June 01, 2015)
 - Mr. Satyendra Gupta (related w.e.f August 02, 2014)
 - Mr. Gaurav Mehta (related w.e.f August 02, 2014)
- c) Enterprise over which personnel referred in (b) and (C) aforementioned exercise significant influence:-
 - Mangal Chand Tubes Private Limited (related till June 01, 2015)

Related Party Transactions

Rs.in Lacs

S. No.	Particulars	Key Management Personnel	Others	Total
1	Remuneration Paid*	661.67 710.83	- -	661.67 710.83
2	Purchase	-	3.39 25.48	3.39 25.48
3	Loan taken	-	-	-
4	Repayment of loan	-	15.00	15.00
5	Sitting Fees	-	1.80 0.95	1.80 0.95
Balance due to/(from) as at March 31, 2016				
	Trade and other Payables	47.74 46.35	- 1.56	47.74 47.91

Figures in italic represents Previous Year

*Not comparable with previous year

30 The Company has taken assets on cancellable operating lease, the future minimum lease payments in respect of which are as follows:

Rs.in Lacs

Name of the Company	31-Mar-16	31-Mar-15
Not later than 1 year	54.01	81.91
Later than 1 year and not later than 5 years	16.97	70.98
Later than 5 years	-	-

The Lease agreements provide for an option to the Company to renew the lease period. There are no exceptional/restrictive covenants in the lease agreements.

Lease rental expense in respect of operating leases is Rs.167.98 Lacs (March 31, 2015 : Rs.136.00 Lacs)

Notes to Consolidated financial statements for the year ended March 31, 2016

31 Expenditure relating to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII:

Rs.in Lacs		
Name of the Company	31-Mar-16	31-Mar-15
(a) Gross amount required to be spent during the year	52.89	40.17

(b) Amount spent during the year ending March 31, 2016:

Rs.in Lacs			
Particulars	In cash	Yet to be paid in cash	Total
(i) Construction/Acquisition of any asset	-	-	-
(ii) On purpose other than (i) above	53.43	-	53.43

(c) Amount spent during the year ending March 31, 2015:

Rs.in Lacs			
Particulars	In cash	Yet to be paid in cash	Total
(i) Construction/Acquisition of any asset	-	-	-
(ii) Purpose other than (i) above	33.80	-	33.80

- 32 Exceptional items represents net foreign exchange gain on translation of Foreign Exchange assets and liabilities other than operational of Rs.(267.55) Lacs (March 31, 2015: Rs.104.68 Lacs), profit/(loss) on sale of fixed assets & Investments of Rs.(1.16) Lacs (March 31, 2015: Rs.10.83 Lacs), balances written off of Rs.(460.55) Lacs (March 31, 2015: Nil).

33 Segmental Reporting

Based on the guiding principles given in Accounting Standard AS-17, "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company's business segments are Manufacturing, Services and Trading of goods. The information about business segments are given below:

Rs.in Lacs								
Particulars	Manufacturing		Services		Trading		Total	
	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015
1 Segment Revenue								
External Turnover	40,997.34	33,158.68	3,500.80	1,512.27	380.55	933.69	44,878.69	35,604.64
Inter Segment Turnover	83.90	9.55	-	-	-	-	-	-
Total Revenue	41,081.24	33,168.23	3,500.80	1,512.27	380.55	933.69	44,878.69	35,604.64
2 Segment Results before Interest and Taxes	5,634.32	4,077.09	(1,109.10)	(829.48)	5.80	222.26	4,531.02	3,469.87
Less : Finance Cost							1,155.88	793.75
Add : Interest Income							285.29	242.85
Add : Exceptional Items							(729.26)	115.51
Add/(Less): Unallocated (Expenses)/ Income							-	(430.36)
Profit before Tax							2,931.17	2,604.12
3 Other Information								
Segment Assets	23,683.02	22,123.77	27,354.96	27,284.94	4,358.39	3,753.89	55,396.37	53,162.60
Unallocated Assets	-	-	-	-	-	-	11,900.84	11,754.57
Total Assets	23,683.02	22,123.77	27,354.96	27,284.94	4,358.39	3,753.89	67,297.21	64,917.17
Segment Liabilities	13,228.27	13,487.57	7,612.06	10,155.59	190.38	409.71	21,030.71	24,052.87
Share Capital & reserves	-	-	-	-	-	-	46,266.50	40,864.30
Total Liabilities	13,228.27	13,487.57	7,612.06	10,155.59	190.38	409.71	67,297.21	64,917.17
Capital Expenditure	456.92	2,669.02	514.52	73.82	-	37.54	971.44	2,780.38
Depreciation and Amortization	646.66	469.44	1,409.89	1,250.53	4.65	1.17	2,061.20	1,721.14

Note: Total Revenue is after elimination of inter segment turnover of Rs.83.90 Lacs (March 31, 2015 : Rs.9.55 Lacs)

Notes to Consolidated financial statements for the year ended March 31, 2016

34 Basic and diluted earnings per share

S. No.	Particulars	31-Mar-16	31-Mar-15
a.	Net Profit for the year (Rs.in Lacs)	2,560.36	2,532.94
b.	Weighted Average No of Equity Shares used in computing Basic-Earning per Share (Nos.)	156,916,562	150,658,485
c.	Impact of diluted instruments on Net Profit for the year (Rs.in Lacs)	-	-
d.	Net Profit used for the computation of diluted earning per share (Rs.in Lacs)	2,560.36	2,532.94
e.	Weighted average number of equity shares from dilutive instruments (Nos.)	-	11,125,384
f.	Weighted Average No of Equity Shares used in computing Diluted Earning per Share (Nos.)	156,916,562	161,783,869
g.	Nominal Value of Equity Shares (Rs.)	5.00	5.00
h.	Basic-Earning Per Shares (Rs.)	1.63	1.68
i.	Diluted -Earning Per Share (Rs.)	1.63	1.57

35 There are no Micro and Small Enterprises, to whom the Group owes any sum, which are outstanding for more than 45 days as at March 31, 2016. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information received from vendors. There are no Micro and Small Enterprises, to whom the Group owes any sum, which are outstanding for more than 45 days as at March 31, 2013. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information received from vendors.

36 APAKSH is setting up a Broadband Project in the state of Andhra Pradesh. No Statement of Profit and Loss has been prepared in respect of the said project since the Company has not commenced revenue operations. The expenditure incurred during the period are classified as "Project Development Expenses" pending capitalization and will be apportioned to the assets on the completion of the project.

37 During the year, Hon'ble High Court of Jaipur, Rajasthan admitted a winding up petition against the Company, being Corporate Guarantor for Rs.540.00 Lacs, for the alleged /disputed liability of its subsidiary, i.e. M/s APAKSH Broadband Limited. Consequently, Company filed an appeal in Double Bench of Hon'ble High Court of Jaipur, Rajasthan, which has been admitted by Court and pending for adjudication.

38 Previous year's figures have been reworked, regrouped, rearranged and reclassified to conform to those of current year's figures wherever necessary. Previous year's figures have been reworked, regrouped, rearranged and reclassified to conform to those of current year's figures wherever necessary.

The accompanying Notes (1-38) are an integral part of the Consolidated Financial Statements.

As per our report of even date

For P. C. Bindal & Co.

Firm Registration Number: 003824N

Chartered Accountants

CA K. C. Gupta

Partner

Membership No.: 088638

Date: May 28, 2016

Place: New Delhi

For and on behalf of the Board of Directors

Satyendra Gupta
Deputy Managing Director
DIN : 00035141

Dr. Kailash S. Choudhari
Chairman & Managing Director
DIN : 00023824

Gaurav Mehta
Chief - Corporate Affairs & Company Secretary

Pawan Kumar Gambhir
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AKSH OPTIFIBRE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Financial Statements of AKSH OPTIFIBRE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Financial Statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Financial Statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. Further, 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 appears from our examination of those books
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representations received from the directors as on 31st March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 25 to 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.

for P.C. BINDAL & CO.
Chartered Accountants
Firm Registration No. 003824 N

CA .K.C. GUPTA
Partner
Membership No: 088638

Place : New Delhi
Date : May 30, 2015

ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE

As stated in Para 1 'Report on Other Legal and Regulatory Requirements' in Our Auditors' report on even date, the following statement is based on the comment in the Auditors report on Standalone Financial Statement.

- 1 (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanation given to us fixed assets except the assets installed at customer premises have been physically verified by the management during the year. No material discrepancies were noticed on such verification. In our opinion, frequency of physical verification of fixed assets is reasonable.
- 2 (a) During the year, The Inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanation given to us. the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanation given to us and on the basis of our examination of the records, we are of the opinion that the Company is maintaining proper records of inventory. 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.
- 3 (a) The Company has granted unsecured loan to its subsidiaries, covered in the register maintained under Section 189 of Companies Act, 2013 ('the Act').
- (b) In respect of loans granted to subsidiaries covered under section 189 of the Act, the terms of arrangement for payment of principal and interest are payable on demand. Accordingly, paragraph 3(iii)(a) is not applicable to the Company.
- (c) In respect of the aforesaid advances, as per the information made available to us, there is no overdue amount exceeding Rupees One Lac as at year end.
- 4 In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any major weakness in internal controls.
- 5 In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public to which the directives issued by Reserve Bank of India and provisions of sections 73 to 76 of the Companies Act, 2013, including rules framed there under, apply. Further, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other tribunal.
- 6 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 the Companies, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- 7 (a) According to the information and explanations given to us and according to the books and records produced before us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and Any Other Statutory Dues with the Appropriate Authority, as Applicable to it.
- (b) According to the information and explanations given to us, there are no dues of Income Tax or Sales Tax or Wealth Tax or Service Tax or Duty of Customs or Duty of Excise or Value Added Tax or Cess which have not been deposited on account of any dispute except of the following amounts:-

Name of the Statute	Nature of Dues	Disputed amount (Rs. In lacs)	Period to which amount relates	Forum where dispute is pending
SALES TAX				
Sales Tax Act	Sales Tax Demand	41.63	2000-01 & 2001-02	Hon'ble High Court Jaipur
Sales Tax Act	MVAT Demand	7.85	2007-08	Joint Commissioner of Sales Tax (Appeals), Mumbai
CUSTOM				
Customs Act, 1962	Duty, Interest & Penalty	408.97	2005-06 & 2008-09	CESTAT
EXCISE				
Central Excise Act, 1944	Excise Duty, Interest & Penalty	84.38	2003-05 & 2000-01	CESTAT
Central Excise Act, 1944	Excise Duty	32.79	2011-12	Assistant Commissioner, Bhiwadi
Central Excise Act, 1944	Excise Duty	22.35	2010-11	Commissioner (Appeals)
SERVICE TAX				
Finance Act, 1994	Service Tax	7.50	2004-05	Hon'ble High Court, Jaipur
Finance Act, 1994	Service Tax	0.54	2005-06	Commissioner of Central Excise (Appeals), Jaipur
Finance Act, 1994	Service Tax	0.42	2005-06	Deputy Commissioner
Finance Act, 1994	Service Tax & Interest	219.85	2004-06, 2009-10 & 2011-12	CESTAT
Finance Act, 1994	Service Tax	0.91	2010-11	Assistant Commissioner, Bhiwadi
Finance Act, 1994	Service Tax	1.94	2014-15	Commissioner (Appeals)
PROVIDENT FUND				
Provident Fund Act	Provident Fund	7.60	2004-05	Hon'ble High Court, Jaipur

- (c) According to information and explanation given to us, Company has transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time
- 8 In our opinion, the accumulated losses of the Company are not equal to or more than fifty percent of its net worth as at year end and also the Company has neither incurred cash losses during the financial year covered by our audit nor in the immediately preceding financial year.
- 9 In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- 10 According to the information and explanations

given to us, the terms and condition on which Company has given the guarantee for loans taken by subsidiary from banks and financial institutions are not prejudicial to the interest of the Company.

- 11 In our opinion, and according to the information and explanations given to us, the term loans have

been applied for the purposes for which they were raised.

- 12 According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

for P.C. BINDAL & CO.
Chartered Accountants
Firm Registration No. 003824 N

Place : New Delhi
Date : May 30, 2015

CA .K.C. GUPTA
Partner
Membership No: 088638

BALANCE SHEET AS AT MARCH 31, 2015

	Notes	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Equity and liabilities			
Shareholders' funds			
Share capital	3	7,576.98	7,428.25
Reserves and surplus	4	31,773.65	28,221.61
		39,350.63	35,649.86
Non-current liabilities			
Long-term borrowings	5	5,978.04	7,791.41
Long-term provisions	6	223.77	197.49
		6,201.81	7,988.90
Current liabilities			
Short-term borrowings	7	4,149.98	2,591.80
Trade payables	8	6,743.25	3,740.53
Other current liabilities	8	3,312.51	2,796.64
Short-term provisions	6	638.60	842.53
		14,844.34	9,971.50
TOTAL		60,396.78	53,610.26
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	8,609.35	8,668.86
Intangible assets	10	747.78	765.39
Capital work-in-progress		107.95	1,549.77
Non-current investments	11	26,033.73	18,672.33
Long-term loans and advances	12	88.28	80.18
Other non-current assets	13.2	1,561.05	1,455.73
		37,148.14	31,192.26
Current assets			
Inventories	14	2,842.91	2,456.26
Trade receivables	13.1	12,695.54	6,785.54
Cash and cash equivalents	15	393.67	54.18
Short-term loans and advances	12	7,168.58	13,046.06
Other current assets	13.2	147.94	75.96
		23,248.64	22,418.00
TOTAL		60,396.78	53,610.26
Summary of significant accounting policies	2.1		
The accompanying notes (1-42) are an integral part of the financial statements.			

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

CA K. C. Gupta
Partner
Membership No.: 088638

Place: New Delhi
Date: May 30, 2015

for & on behalf of the Board of Directors
Dr. Kailash S. Choudhari
Chairman
DIN. : 00023824

Chetan Choudhari
Managing Director
DIN. : 00872366

Gaurav Mehta
Company Secretary

Satyendra Gupta
Executive Director
(Finance) & CFO

Pawan Kumar Gambhir
Process Leader (F & A)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

	Notes	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Income			
Revenue from operations (gross)	16	37,392.34	22,882.34
Less: excise duty		2,562.42	875.94
Revenue from operations (net)		34,829.92	22,006.40
Other income	17	583.54	742.06
Total Revenue (I)		35,413.46	22,748.46
Expenses			
Cost of raw material and components consumed	18	20,883.01	13,261.21
Purchase of traded goods	19	584.61	213.60
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	20	209.63	(652.73)
Employee benefits expense	21	1,836.50	1,519.47
Other expense	22	6,076.14	4,306.68
Total Expense (II)		29,589.89	18,648.23
Earnings before interest , tax, depreciation & Amortization and exceptional items (EBITDA) (I) – (II)		5,823.57	4,100.23
Depreciation and amortization expense	23	1,630.88	1,499.38
Finance costs	24	1,026.10	705.90
Profit before exceptional items and tax		3,166.59	1,894.95
Exceptional Items	31	115.51	706.60
Profit before tax		3,282.10	2,601.55
Tax expenses			
Income Tax		687.95	520.51
Earlier Year Taxes		71.18	-
MAT Credit Entitlement		687.95	520.51
Total tax expense		71.18	-
Profit for the year		3,210.92	2,601.55
Earnings per equity share	32		
[nominal value of share Rs 5/- (March 31, 2014: Rs 5/-)]			
Basic		2.18	1.75
Diluted		2.03	1.60
Summary of significant accounting policies	2.1		
The accompanying notes (1-42) are an integral part of the financial statements.			

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

for & on behalf of the Board of Directors

Dr. Kailash S. Choudhari

Chairman

DIN. : 00023824

CA K. C. Gupta
Partner
Membership No.: 088638

Chetan Choudhari
Managing Director
DIN. : 00872366

Satyendra Gupta
Executive Director
(Finance) & CFO

Place: New Delhi
Date: May 30, 2015

Gaurav Mehta
Company Secretary

Pawan Kumar Gambhir
Process Leader (F & A)

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR 2014-15

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
A. Cash flow from operating activities		
Profit before tax	3,282.10	2,601.55
Profit before tax	3,282.10	2,601.55
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization on continuing operation	1,630.88	1,499.38
Loss/ (profit) on sale of Investment	(11.45)	-
Loss/ (profit) on sale of fixed Assets	0.62	20.76
Finance costs	1,026.10	705.90
Interest (income)	(404.21)	(739.00)
Operating profit before working capital changes	5,524.04	4,088.59
Movements in working capital :		
Increase/ (decrease) in trade and other payables	3,843.09	338.42
Decrease / (increase) in trade receivables	(5,910.00)	(584.99)
Decrease / (increase) in inventories	(386.65)	(948.39)
Decrease / (increase) in other receivables	(1,509.72)	(1,427.55)
Cash generated from / (used in) operations	1,560.76	1,466.08
Direct taxes paid (net of TDS)	(531.52)	(150.08)
Net cash flow from/ (used in) operating activities (A)	1,029.24	1,316.00
B. Cash flows from investing activities		
Purchase of fixed assets, including CWIP	(113.24)	(1,497.78)
Net Proceeds from sale of fixed assets	0.66	18.26
Net Proceeds from sale of non-current investments	13.22	-
Interest (income)	242.85	217.37
Net cash flow from/ (used in) investing activities (B)	143.49	(1,262.15)
C. Cash flows from financing activities		
Expense on issue of FCCBs	-	(69.15)
Proceeds/(Repayment) of long-term borrowings	(922.09)	(834.57)
Proceeds/(Repayment) of Short-term borrowings	1,558.18	1,416.89
Dividend paid including tax	(443.23)	-
Finance costs	(1,026.10)	(705.90)
Net cash flow from/ (used in) in financing activities (C)	(833.24)	(192.73)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	339.49	(138.88)
Cash and cash equivalents at the beginning of the year	54.18	193.06
Cash and cash equivalents at the end of the year	393.67	54.18
Components of cash and cash equivalents		
Cash on hand	6.41	5.38
With banks- on current account	64.77	47.79
Deposits with original maturity of less than 12 months	320.00	-
Unpaid dividend accounts	2.49	1.01
Total cash and cash equivalents (note 15)	393.67	54.18
Summary of significant accounting policies	2.1	
The accompanying notes (1-42) are an integral part of the financial statements.		

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Executive Director
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Place: New Delhi
Date: May 30, 2015

Gaurav Mehta
Company Secretary

Pawan Kumar Gambhir
Process Leader (F & A)

Notes to Financial Statements for the year ended March 31, 2015

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, The National Stock Exchange Limited in India and GDRs are listed at Luxembourg Stock Exchange. The Company is engaged in the manufacturing and selling of Optical Fibre, Optical Fibre Cable, Fibre Reinforced Plastic Rods and Impregnated Glass Roving Reinforcement. The Company caters to both domestic and international markets. The Company also provides the E Governance services, FTTH and Internet Protocol Television (IPTV) services in North India.

2 BASIS OF PREPARATION

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Companies Act, 2013. Additional disclosures specified in the Accounting Standards shall be made in the notes to accounts or by way of additional statement unless required to be disclosed on the face of the Financial Statements. Similarly, all other disclosures as required by the Companies Act, 2013 shall be made in the notes to accounts in addition to the requirements set out in this Schedule.

2.1 SIGNIFICANT ACCOUNTING POLICIES

a) Use of Estimates

The preparation of the Financial Statements is in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the Financial Statements and the reported amount of revenues and expenses during the reporting year. Difference between the actual result and estimates are recognized in the year in which the results are known/ materialized.

b) Fixed Assets

- i) Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment. Cost includes any borrowing costs directly attributable to the acquisition/ construction of fixed assets and bringing the assets to its working condition for its intended use.

- ii) Exchange difference arising on account of liabilities incurred for acquisition or construction of Fixed Assets is adjusted in the carrying amount of related Fixed Assets.

c) Capital Work-in-Progress

Advances paid towards the acquisition of fixed assets, costs of assets not ready for use before the year-end and expenditure during construction period that is directly or indirectly related to construction, including borrowing costs are included under Capital Work-in-Progress.

d) Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Particulars	Useful life in years
Factory Buildings	28
Plant and Equipment including Telecom Networking, Testing Instrument, Electrical Equipments, Fork lift and Office Equipment	20
Furniture and Fixtures	15
Data Processing System	5

Leasehold land is amortized over the duration of the lease.

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

e) Impairment of Assets

- i) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is

Notes to Financial Statements for the year ended March 31, 2015

the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted at their present value at the weighted average cost of capital.

- ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- iii) A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

f) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long Term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such diminution is other than temporary. Current Investments are carried at the lower of cost and fair value and provisions are made to recognize the decline in the carrying value.

g) Inventories

- i) Raw materials, work-in-progress, 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.
- ii) 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 FIFO basis. In determining the cost of work-in-progress and finished goods, fixed production overheads are allocated on the basis of normal capacity of production facilities.
- iii) The comparison of cost and realizable value is made on an item-by-item basis.
- iv) Net realizable value of work-in-progress is determined on the basis of selling prices of related finished products.
- v) 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.

h) Foreign Currency Transactions

- i) Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.
- ii) Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.
- iii) Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.
- iv) The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the Statement of Profit and Loss in the year in which exchange rate changes. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognized as income or expense for the year. None of the forward exchange contracts are taken for trading or speculation purpose.

i) Borrowing Costs

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.

Notes to Financial Statements for the year ended March 31, 2015

j) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be readily measured.

Sale of Goods and Services

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer (usually at the point of dispatch to customers). Sales include excise duty, sale of scrap and net of sale tax and quantity discount.

Income from services is recognized on the completion of services. Period based services are accounted for proportionately over the period of service.

Income from Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Other Incomes

Other Incomes are accrued as earned except where the receipt of income is uncertain.

k) Retirement and other Employee Benefits

- i) Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due. The Company has no other obligation other than the contribution payable.
- ii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method calculated at the end of each financial year. The liability with regard to gratuity in respect of any employee not covered under group gratuity scheme is provided on the basis of amount payable to such employees as if they were to retire on the last day of financial year.
- iii) Compensated Absences liability is provided for based on actuarial valuation done as per Projected Unit Credit Method calculated at the end of each financial year.
- iv) Actuarial gains/losses are immediately taken to Statement of Profit and Loss and are not deferred.

l) Export Incentives

Export Incentive in the form of advance licenses / 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.

m) Taxes on Income

Tax expense comprises of current and Deferred Tax. Current Income Tax is determined as the amount of tax payable in respect of taxable income for the year based on provisions of Income Tax Act, 1961. Deferred Income Tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred Tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred Tax Assets and Deferred Tax Liabilities are offset, if legally and enforceable right exist to set off Current Tax Asset against Current Tax Liabilities and the Deferred Tax Assets and Deferred Tax Liabilities relate to the taxes on income levied by same governing taxation laws. Deferred Tax Assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In case of unabsorbed depreciation and carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized Deferred Tax Assets. It recognizes unrecognized Deferred Tax Assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.

The carrying amount of Deferred Tax Assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a Deferred Tax Asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which Deferred Tax Asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the

Notes to Financial Statements for the year ended March 31, 2015

case may be, that sufficient future taxable income will be available.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay Normal Income Tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay Normal Income Tax during the specified period.

n) Operating Leases

Assets given on operating leases are included in fixed assets. Lease income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

o) Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Notified AS 20 under the Companies (Accounting Standards) Rules, 2006 issued by The Institute of Chartered Accountants of India on 'Earnings Per Share'. Basic earnings per share is computed by dividing the net profit or loss for the period attributable to equity shareholders after deducting attributable taxes by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Both profit for the year and weighted average numbers of shares are adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

p) Provisions, Contingent Liabilities and Contingent Assets

As per Notified AS 29 under the Companies

(Accounting Standards) Rules, 2006, Provisions, Contingent Liabilities and Contingent Assets, issued by the Institute of Chartered Accountants of India, the Company recognizes provisions (without discounting to its present value) only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation as and when a reliable estimate of the amount of the obligation can be made.

No provision is recognized for –

Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

Any present obligation that arises from past events but is not recognized because –

- It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as Contingent Liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

q) Miscellaneous Expenditure

Expenditure on issue of shares / Foreign Currency Convertible Bonds (FCCBs) / Global Depository Receipts (GDRs) / shares under Qualified Institutional Placements (QIP) and premium on redemption of FCCBs are adjusted against Securities Premium Account.

r) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule III to the Companies Act, 2013, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

Notes to Financial Statements for the year ended March 31, 2015
3. Share capital

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Authorized shares (No.)		
170,100,000 (31st March 2014: 170,100,000) Equity Shares of Rs.5/- each	8,505.00	8,505.00
Issued, subscribed and fully paid-up shares (No.)		
151,539,689 (31st March 2014: 148,564,989) Equity Shares of Rs.5/- each fully paid up	7,576.98	7,428.25
Total issued, subscribed and fully paid-up share capital	7,576.98	7,428.25

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

	31-Mar-15		31-Mar-14	
	No.	Rs. in lacs	No.	Rs. in lacs
At the beginning of the year	148,564,989	7,428.25	148,564,989	7,428.25
Add:				
- Issued pursuant to conversion of FCCBs	2,974,700	148.73	-	-
Outstanding at the end of the year	151,539,689	7,576.98	148,564,989	7,428.25

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) During the period of five years immediately preceeding to reporting date, the Company has not

- (i) issued any bonus shares
- (ii) issued shares for consideration other than cash
- (iii) Bought back any shares

(c) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	31-Mar-15		31-Mar-14	
	No.	%holding	No.	%holding
Dr. Kailash S. Choudhari	25,842,700	17.05%	25,842,700	17.39%
Usha Jain	17,425,000	11.50%	-	-
Sunidhi Capital Private Limited	7,338,671	4.84%	9,005,250	6.06%
Seema Choudhari	7,000,000	4.62%	7,809,341	5.26%
The Bank of New York, Mellon	1,375,000	0.91%	9,065,850	6.10%
Religare Finvest Limited	69,000	0.05%	20,851,807	14.04%

Notes to Financial Statements for the year ended March 31, 2015
4. Reserves and surplus

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Capital reserve	15.00	15.00
Securities Premium Account		
Balance as per the last Financial Statements	31,405.95	33,830.69
Add/(Less) :		
- Issue expenses on issue of FCCBs (USD 3.792 Million)	-	(69.15)
- Premium On Redemption of FCCBs	-	(2,355.59)
- Premium on conversion of FCCBs into Shares	349.82	-
Closing Balance	31,755.77	31,405.95
Surplus/ (deficit) in the Statement of Profit and Loss		
Balance as per last Financial Statements	(3,199.34)	(5,366.36)
Profit for the year	3,210.92	2,601.55
Proposed Dividend	(7.44)	(371.41)
Tax on Dividend	(1.26)	(63.12)
Net Surplus/(Deficit) in the Statement of Profit and Loss	2.88	(3,199.34)
Total reserves and surplus	31,773.65	28,221.61

5. Long-term borrowings

	Non-current		Current	
	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Term Loans				
Secured Loans				
External Commercial Borrowings	3,868.12	5,133.95	1,487.74	1,140.88
USD 8.568 Million (31st March 2014 : USD 10.472 Million)				
Term Loan from Bank	166.67	333.33	166.67	166.67
Term Loan from Others	9.66	-	8.25	-
Unsecured Loans				
Foreign Currency Convertible Bonds (FCCBs)				
USD 2.992 Mn (March 31, 2014: USD 3.792 Mn) 0% FCCBs due on Feb-2019 of USD 1,000 each (unsecured)	1,870.30	2,272.17	-	-
Term Loan from Others	63.29	51.96	63.08	25.47
	5,978.04	7,791.41	1,725.74	1,333.02
The above amount includes				
Secured borrowings	4,044.45	5,467.28	1,662.66	1,307.55
Unsecured borrowings	1,933.59	2,324.13	63.08	25.47
Amount disclosed under the head "other current liabilities" (note 8)	-	-	(1,725.74)	(1,333.02)
	5,978.04	7,791.41	-	-

Notes to Financial Statements for the year ended March 31, 2015

- External Commercial Borrowings are secured by way of first pari-passu charge on the fixed assets of the Company and personal guarantee of Dr. Kailash S. Choudhari.
- Term Loan from Bank are secured by way of exclusive charge on Plant and Machinery installed under the project, second pari-passu charge on current assets, third pari-passu charge on fixed assets of the Company and further secured by personal guarantee of Dr. Kailash S. Choudhari.
- Term Loan from others are secured by way of exclusive charge on Fixed assets installed under the subject project.
- Issue of Foreign Currency Convertible Bonds (FCCBs) convertible into ordinary shares, the particulars, terms of issue and the status of conversion as at March 31, 2015 are given below :-

Issue	0% FCCBs (due February 2019)
Issued on	February 10, 2014
Issue Amount	USD 3.792 Million
Face Value	USD 1000
Fixed Exchange Rate for conversion	USD 1 = INR 62.32
Redeemable on	February 10, 2019
Redemption Percentage of the principal amount	120%
FCCBs converted	USD 0.80 Million
Shares issued on conversion of FCCBs	2,974,700 shares
FCCBs outstanding as on March 31, 2015	USD 2.992 Million
Shares that could be issued on conversion of outstanding FCCBs	11,125,384 shares

6. Provisions

	Long-term		Short-term	
	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Provision for Gratuity and Compensated Absences	223.77	197.49	8.53	5.53
Provision for Income Tax (net of Prepaid Taxes)	-	-	630.07	402.47
Proposed Dividend	-	-	-	371.41
Provision for Tax on Dividend	-	-	-	63.12
	223.77	197.49	638.60	842.53

7. Short-term borrowings

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Secured Loans		
- Working Capital Facilities	2,870.85	1,511.03
- Buyers Credit from Banks	632.81	488.58
Unsecured Loans		
Deposits (unsecured)		
15% Inter Corporate Deposit from others repayable on demand	200.00	200.00
0 % Security Deposits	446.32	392.19
	4,149.98	2,591.80
The above amount includes		
Secured borrowings	3,503.66	1,999.61
Unsecured borrowings	646.32	592.19

Notes to Financial Statements for the year ended March 31, 2015

- a. Working capital facilities from banks are secured by way of first pari-passu charge on Current Assets both present and future and second pari-passu charge on the fixed assets of the Company. These facilities are further secured by way of first pari-passu charge on the immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari. The cash credit is repayable on demand. The interest payable on cash credit is 14.00% p.a.
- b. Non fund based limits are secured by first pari-passu charge on immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari.

8. Other current liabilities

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Trade payables (including acceptances)	6,743.25	3,740.53
Other liabilities		
Current maturities of long term debt (Refer Note No 5)	1,725.74	1,333.02
Interest accrued but not due on borrowings	106.77	120.03
Advance from Customers	70.20	93.40
Unearned revenue	6.64	6.06
Unclaimed Dividend #		
Dividend 2006-07	1.01	1.01
Dividend 2013-14	1.48	-
Retention Money & Security Deposit	2.80	2.30
Other current liabilities	1,397.87	1,240.82
	3,312.51	2,796.64
	10,055.76	6,537.17

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

Notes to Financial Statements for the year ended March 31, 2015

9. Tangible assets

	Freehold Land	Leasehold Land	Factory Buildings	Plant and equipment	Telecom Networking	Testing Instruments	Conditioners Air	Furniture and fixtures	Office Equipments	Data Processing System	Electric Fittings	Vehicles	Fork Lift	(Rs. in lacs) Total
Cost or valuation														
At 1 April 2013	1.84	122.70	1,088.66	13,653.86	3,166.12	906.18	282.40	161.03	70.89	186.81	483.90	11.64	42.42	20,178.45
Additions	-	-	-	218.85	-	3.67	1.00	51.38	1.42	3.12	-	-	-	279.44
Disposals / adjustments	-	-	-	(79.15)	-	-	4.07	(34.26)	(1.13)	(17.71)	-	-	(5.96)	(134.14)
At 31 March 2014	1.84	122.70	1,088.66	13,793.56	3,166.12	909.85	287.47	178.15	71.18	172.22	483.90	11.64	36.46	20,323.75
Additions	-	-	36.06	1,257.14	-	14.07	1.23	6.84	10.07	45.00	11.07	-	4.77	1,386.25
Disposals / adjustments	-	-	-	-	-	-	-	-	(1.44)	(0.36)	-	(0.01)	-	(1.81)
At 31 March 2015	1.84	122.70	1,124.72	15,050.70	3,166.12	923.92	288.70	184.99	79.81	216.86	494.97	11.63	41.23	21,708.19
Depreciation														
At 1 April 2013	-	17.45	572.52	7,160.13	1,409.79	552.00	200.61	85.73	36.22	158.04	218.10	8.16	14.73	10,433.48
Charge for the year	-	1.25	36.36	1,025.23	150.39	38.34	10.67	16.74	3.66	6.71	23.98	1.10	2.09	1,316.52
Disposals / adjustments	-	-	-	(62.65)	-	(0.56)	(3.04)	(8.38)	(0.39)	(15.03)	-	-	(5.06)	(95.11)
At 31 March 2014	-	18.70	608.88	8,122.71	1,560.18	589.78	208.24	94.09	39.49	149.72	242.08	9.26	11.76	11,654.89
Charge for the year	-	1.25	36.56	1,173.23	150.39	30.04	9.25	14.60	3.54	4.40	18.31	1.10	1.80	1,444.47
Disposals / adjustments	-	-	-	-	-	-	-	-	(0.47)	(0.04)	-	(0.01)	-	(0.52)
At 31 March 2015	-	19.95	645.44	9,295.94	1,710.57	619.82	217.49	108.69	42.56	154.08	260.39	10.35	13.56	13,098.84
Net Block														
At 31 March 2014	1.84	104.00	479.78	5,670.85	1,605.94	320.07	79.23	84.06	31.69	22.50	241.82	2.38	24.70	8,668.86
At 31 March 2015	1.84	102.75	479.28	5,754.76	1,455.55	304.10	71.21	76.30	37.25	62.78	234.58	1.28	27.67	8,609.35

10. Intangible assets

	(Rs. in lacs)
Computer software	
Gross block	
At 1 April 2013	2,239.16
Additions	-
Disposals / adjustments	-
At 31 March 2014	2,239.16
Additions	168.80
Disposals / adjustments	-
At 31 March 2015	2,407.96
Amortization	
At 1 April 2013	1,290.91
Charge for the year	182.86
Disposals / adjustments	-
At 31 March 2014	1,473.77
Charge for the year	186.41
Disposals / adjustments	-
At 31 March 2015	1,660.18
Net block	
At 31 March 2014	765.39
At 31 March 2015	747.78

Notes to Financial Statements for the year ended March 31, 2015
11. Non-current investments

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Trade investments (valued at cost unless stated otherwise)		
Investment in subsidiaries		
Unquoted equity instruments		
586 (31st March 2014: 295) equity share of Arab Emirates Dirham (AED) 150,000 each fully paid-up in AOL FZE (Dubai)	14,736.18	7,373.01
225,950,000 (31st March 2014: 225,950,000) Equity Shares of Rs.5/- each fully paid-up in APAKSH Broadband Limited	11,297.50	11,297.50
	26,033.68	18,670.51
Non-trade investments (valued at cost unless stated otherwise)		
Investment in equity instruments (quoted)		
Nil (31st March 2014: 22,300) equity shares of Rs. 10/- each fully paid-up in CMI Limited	-	0.45
Government and trust securities (unquoted)		
National Saving Certificates (Deposited with Government Department as Security)	0.05	0.87
Kisan Vikas Patra	-	0.50
	0.05	1.82
	26,033.73	18,672.33
Aggregate amount of quoted investments (Market value: Nil (31.03. 2014: Rs 3.04 lacs)	-	0.45
Aggregate amount of unquoted investments	26,033.73	18,671.88

12. Loans and advances (Unsecured, considered good unless stated otherwise)

	Non-current		Current	
	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Capital advances	1.76	-	-	-
Security deposit	86.52	80.18	43.00	44.32
Loan and advances to related parties	-	-	2,291.65	8,501.07
Advances recoverable in cash or kind	-	-	2,122.56	2,175.62
Other loans and advances				
Income Tax Refund Due	-	-	53.63	57.64
MAT Credit Entitlement	-	-	1,468.75	756.02
Prepaid expenses	-	-	212.96	222.29
Balances with Statutory / Government Authorities	-	-	976.03	1,289.10
	-	-	2,711.37	2,325.05
	88.28	80.18	7,168.58	13,046.06

Notes to Financial Statements for the year ended March 31, 2015
13. Trade receivables and other assets
13.1. Trade receivables

	Current	
	31-Mar-15	31-Mar-14
	Rs. in lacs	Rs. in lacs
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payment	2,163.60	1,867.35
Other receivables	10,531.94	4,918.19
	12,695.54	6,785.54

13.2. Other assets

	Non-current		Current	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
Unsecured, considered good unless stated otherwise				
Non Current bank balances (note15)	1,561.05	1,455.73	-	-
Interest accrued on fixed deposits	-	-	65.29	36.94
Interest accrued on other deposits	-	-	82.65	39.02
	-	-	147.94	75.96
	1,561.05	1,455.73	147.94	75.96

14. Inventories (valued at lower of cost and net realizable value)

	31-Mar-15	31-Mar-14
	Rs. in lacs	Rs. in lacs
i) Finished Goods and Traded Goods	22.54	376.19
ii) Raw Material	1,635.84	1,030.87
iii) Semi Finished Goods	978.52	834.50
iv) Stores, Spares and others	206.01	214.70
	2,842.91	2,456.26

Notes to Financial Statements for the year ended March 31, 2015
15.Cash and cash equivalents

	Non-current		Current	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
Cash and cash equivalents				
Balances with banks:				
– On current accounts	-	-	64.77	47.79
– Deposits with original maturity of less than 12 months	-	-	320.00	-
– On unpaid dividend account	-	-	2.49	1.01
Cash on hand	-	-	6.41	5.38
	-	-	393.67	54.18
Other bank balances				
– Deposits with original maturity for more than 12 months	25.00	0.10	-	-
– Margin money deposit #	1,536.05	1,455.63	-	-
	1,561.05	1,455.73	-	-
Amount disclosed under other assets (note 13.2)	(1,561.05)	(1,455.73)	-	-
	-	-	393.67	54.18

Cash and cash equivalents includes deposit maintained by the Company with banks which can be withdrawn by the Company at any point of time without prior notice or penalty of principal.

Margin money deposits with a carrying amount of Rs.1,536.05 lacs (31.03.2014 Rs.1,455.63 lacs) are pledged with Banks for various Facilities.

Notes to Financial Statements for the year ended March 31, 2015
16. Revenue from operations

	31-Mar-15	31-Mar-14
	Rs. in lacs	Rs. in lacs
Revenue from operations		
Sale of products		
- Finished goods	34,683.01	20,979.03
- Traded goods	762.03	301.32
Sale of services	1,365.71	813.35
Other operating revenue		
- Scrap sales	27.64	22.26
- Export Incentives	382.60	696.88
- Exchange Fluctuation	160.39	43.91
- Other operating revenue	10.96	25.59
Revenue from operations (gross)	37,392.34	22,882.34
Less: Excise duty #	2,562.42	875.94
Revenue from operations (net)	34,829.92	22,006.40

Excise duty on sales amounting to Rs.2,562.42 lacs (31.03.2014 : Rs.875.94 lacs) has been reduced from sales in Statement of Profit and loss and Excise duty on increase/(decrease) in stock amounting to (Rs. 38.72) lacs (31.03.2014 : Rs.25.65 lacs) has been considered as (income)/expense in note 22 of financial statements.

Detail of products sold

	31-Mar-15	31-Mar-14
	Rs. in lacs	Rs. in lacs
Finished goods sold		
Optical Fibre and Optical Fibre Cables	23,358.96	11,639.49
Fibre Reinforced Plastic Rod and Impregnated Glass Roving Reinforcement	11,324.05	9,339.54
	34,683.01	20,979.03
Traded goods sold		
Telecom and Electronic items	762.03	301.32
	762.03	301.32

Detail of services rendered

E-Governance activities	1227.16	447.11
IPTV and VoIP	85.78	147.44
Network Errection, Installation and Commissioning	52.77	218.80
	1,365.71	813.35

17. Other income

	31-Mar-15	31-Mar-14
	Rs. in lacs	Rs. in lacs
Interest income		
-on deposits	188.60	170.13
-on advances to Related parties	161.35	521.63
-on other advances	54.26	47.24
Other non-operating income	179.33	3.06
	583.54	742.06

Notes to Financial Statements for the year ended March 31, 2015
18. Cost of raw material and components consumed

	31-Mar-15	31-Mar-14
	Rs. in lacs	Rs. in lacs
Inventory at the beginning of the year	1,030.87	742.16
Add: Purchases	21,487.98	13,549.92
	22,518.85	14,292.08
Less: inventory at the end of the year	1,635.84	1,030.87
Cost of raw material and components consumed	20,883.01	13,261.21

Details of raw material and components consumed

	31-Mar-15	31-Mar-14
	Rs. in lacs	Rs. in lacs
Glass Fibre and Glass Preforms	9,983.94	6,655.84
Resin such as (PVC, HDPE, Nylon, MB, LSZH, PBT, Nucrel, UV resin and Polyster)	7,740.96	4,577.70
Others	3,158.11	2,027.67
	20,883.01	13,261.21

19. Details of purchase of traded goods

	31-Mar-15	31-Mar-14
	Rs. in lacs	Rs. in lacs
Telecom and electronic items	584.61	213.60
	584.61	213.60

20. (Increase)/ decrease in inventories

	(Increase)/ Decrease	31-Mar-15	31-Mar-14
	Rs. in lacs	Rs. in lacs	Rs. in lacs
Inventories at the end of the year	31-Mar-15		
Finished/Traded goods	353.65	22.54	376.19
Semi Finished goods	(144.02)	978.52	834.50
	209.63	1,001.06	1,210.69
Inventories at the beginning of the year	31-Mar-14		
Finished/Traded goods	(209.04)	376.19	167.15
Semi Finished goods	(443.69)	834.50	390.81
	(652.73)	1,210.69	557.96

21. Employee benefits expense

	31-Mar-15	31-Mar-14
	Rs. in lacs	Rs. in lacs
Salaries, wages and bonus	1,458.51	1,202.40
Contribution to provident and other funds	92.98	86.72
Gratuity	38.15	30.56
Staff welfare expenses	95.27	84.20
Directors' Remuneration	151.59	115.59
	1,836.50	1,519.47

Notes to Financial Statements for the year ended March 31, 2015
22. Other expenses

	31-Mar-15	31-Mar-14
	Rs. in lacs	Rs. in lacs
Consumption of stores and spares	451.20	358.71
Sub-contracting expenses	802.37	508.14
CSR Expenditure	33.80	-
Packing Material Consumed	1,899.96	1,058.97
Increase/(Decrease) in Excise Duty Provision on Stock	(38.72)	25.65
Power and Fuel	714.66	555.89
Travelling and Conveyance	270.29	239.92
Postage and Telephone	38.89	34.30
Insurance	55.35	50.50
Rent	100.46	99.13
Professional and Legal Expenses	305.44	304.76
Repair and Maintenance		
- Plant and Machinery	52.18	56.82
- Buildings	21.35	51.98
- Others	71.61	71.95
Marketing and Service Charges	578.60	220.00
Freight and Cartage (Outward)	217.68	267.66
Auditors' Remuneration	36.38	28.30
Other Expenses	474.19	392.60
	6,085.69	4,325.28
Less : Transfer to Capital Asset/ Capital Work in Progress	9.55	18.60
	6,076.14	4,306.68

Detail of payment to Auditor

	31-Mar-15	31-Mar-14
	Rs. in lacs	Rs. in lacs
As auditor:		
- Audit fee	26.00	20.00
- Tax Audit fee	4.00	4.00
In other capacity:		
- Taxation matters	3.50	2.11
- Other services (certification fees)	1.20	1.20
- Reimbursement of expenses	1.68	0.99
	36.38	28.30

23. Depreciation and amortization expense

	31-Mar-15	31-Mar-14
	Rs. in lacs	Rs. in lacs
Depreciation of tangible assets	1,444.47	1,316.52
Amortization of intangible assets	186.41	182.86
	1,630.88	1,499.38

24. Finance costs

	31-Mar-15	31-Mar-14
	Rs. in lacs	Rs. in lacs
Interest on Cash Credit	358.33	139.05
Interest Others	347.47	268.44
Bank Charges	320.30	298.41
	1,026.10	705.90

Notes to Financial Statements for the year ended March 31, 2015
25 Contingent Liabilities:
a) Claims not acknowledged as debts
(Rs. in lacs)

S. No.	Particulars	31-Mar-15	31-Mar-14
1.	Sales Tax Matters	69.11	185.77
2.	Service Tax	231.17	304.76
3.	Excise / Custom Duty	559.63	552.18
4.	Stamp Duty	28.50	28.50
5.	Others	166.61	78.91

b) Bank Guarantees, letters of credit (Net of margin) issued by banks and outstanding as on the reporting date is Rs. 1,940.99 lacs (31.03.2014 : Rs.2,163.96 lacs).

c) The Company had imported plant and machinery in previous years under EPCG scheme. An export obligation ('EO') amounting to Rs.10,699.43 lacs was placed on the Company which was to be fulfilled in a period of 8 years starting from August 2001. Subsequently, the said EO was refixed by DGFT vide its letter dated Jan 2011 upto August 2011 in terms of the Chapter VI of EXIM Policy and Procedure (Vol-1) 1997-2002. The Company has fulfilled the entire EO and final redumption is awaited.

d) Estimated amounts of contracts remaining to be executed on Capital Account (net of advances) is Rs.28.00 lacs (31.03.2014 : Rs. 18.03 lacs).

26 Employee Benefits:

The disclosures as per the Notified AS 15 under the Companies (Accounting Standards) Rules, 2006 on "Employee Benefits", are as follows:

a) The Company has classified various benefits provided to employees as under :

Defined Contribution Plans and amount recognized in Statement of Profit and Loss.

(Rs. in lacs)

Particulars	31-Mar-15	31-Mar-14
Employer's Contribution to Provident Fund	89.20	81.67
Employer's Contribution to ESI	3.78	5.03
	92.98	86.70

b) Defined Benefit Plans

Gratuity and Compensated Absences – actuarial valuation done in accordance with the Accounting Standard -15 (Revised), details of the same are given :

i) Summary of results
Change in present value of obligation
(Rs. in lacs)

S. No.	Particulars	Year Ended March 31, 2015		Year Ended March 31, 2014	
		Gratuity	Compensated Absences	Gratuity	Compensated Absences
a)	Present value of obligation as at the beginning of the period	148.16	54.86	132.71	56.09
b)	Acquisition adjustment	-	-	-	-
c)	Interest cost	12.59	4.66	10.62	4.49
d)	Past service cost	-	-	-	-
e)	Current service cost	20.21	10.22	18.70	10.10
f)	Curtailment cost/(Credit)	-	-	-	-
g)	Settlement cost/(Credit)	-	-	-	-
h)	Benefits paid	(20.51)	(8.94)	(19.59)	(11.62)
i)	Actuarial (gain)/loss on obligation	10.44	0.60	5.72	(4.20)
j)	Present value of obligation as at the end of period	170.89	61.40	148.16	54.86

Notes to Financial Statements for the year ended March 31, 2015
Changes in the fair value of plan assets
(Rs. in lacs)

S. No. Particulars	Year Ended March 31, 2015		Year Ended March 31, 2014	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
a) Fairvalue of plan assets at the beginning of the period	56.65	-	48.64	-
b) Acquisition adjustment	-	-	-	-
c) Expected return on plan assets	5.10	-	4.26	-
d) Employer Contributions	-	-	3.54	-
e) Benefits paid	-	-	-	-
f) Actuarial gain/(loss) on plan assets	-	-	0.21	-
g) Fair value of plan assets at the end of the period	61.75	-	56.65	-
Net liability recognized in balance sheet	170.89	61.40	148.16	54.86

Expense recognized in the Statement of Profit and Loss
(Rs. in lacs)

	Year Ended March 31, 2015		Year Ended March 31, 2014	
	Gratuity	Compensated Absences	Gratuity	Compensated Absences
a) Current service cost	20.21	10.22	18.70	10.10
b) Past service cost	-	-	-	-
c) Interest cost	12.59	4.66	10.62	4.49
d) Expected return on plan assets	(5.10)	-	(4.26)	-
e) Curtailment cost / (Credit)	-	-	-	-
f) Settlement cost / (Credit)	-	-	-	-
g) Net actuarial (gain)/ loss recognized in the period	10.44	0.60	5.50	(4.20)
h) Expenses recognized in the Statement of Profit and Loss	38.14	15.48	30.56	10.39

ii) Actuarial Assumptions

	Gratuity (Funded)	Compensated Absences	Gratuity (Funded)	Compensated Absences
a) Discounting Rate	7.75%	7.75%	8.50%	8.50%
b) Future salary Increase	5.25%	5.25%	6.00%	6.00%
c) Expected Rate of return on plan assets	9.00%	0.00%	8.75%	0.00%

27 Detail of loans given, Investment made and guarantee given covered U/s 186 (4) of the Companies Act, 2013
Investment made are given under respective head (Refer Note No. 11)

Loans given by the Company at March 31, 2015

(Rs. in lacs)

Name of the Co.	31-Mar-15	31-Mar-14	Max. Balance during the year
AOL FZE (Dubai)	2,291.65	8,501.07	9,186.76

Corporate guarantee given by the Company in respect of Loans as at March 31, 2015

(Rs. in lacs)

Name of the Company	31-Mar-15	31-Mar-14
Apaksh Broadband Limited	582.03	582.03
AOL FZE (Dubai)	1,794.04	2,025.30

Notes to Financial Statements for the year ended March 31, 2015
28 Related Party Disclosures

Related party disclosures as required under Accounting Standard - 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as given below as on March 31, 2015:

- a) Subsidiary Companies :
 - APAKSH Broadband Limited
 - AOL FZE (Dubai)
 - AOL PROJECTS DMCC (Fellow Subsidiary)
- b) Individuals exercising significant influence and their relatives:
 - Dr. Kailash S. Choudhari (Chairman)
 - Dr. Rohan Choudhari
- c) Key Management personnel and their relatives:
 - Mr. Chetan Choudhari (Managing Director)
 - Mr. Satyendra Gupta (Chief Financial Officer) (related w.e.f. 2nd August, 2014)
 - Mr. Gaurav Mehta (Company Secretary) (related w.e.f. 2nd August, 2014)
- d) Enterprise over which personnel referred in (b) and (C) aforementioned exercise significant influence :-
 - Mangal Chand Tubes Private Limited

Related Party Transactions

					(Rs. in lacs)
S.No.	Nature of Transaction	Subsidiaries	Key Management Personnel	Others	Total
1	Re-imbursement of expenses	44.94	-	-	44.94
		9.62	-	-	9.62
2	Interest received on Loan	161.35	-	-	161.35
		521.63	-	-	521.63
3	Remuneration Paid*	-	275.40	5.08	280.48
		-	112.40	-	112.40
4	Purchase / Services Received	165.34	-	25.48	190.82
		-	-	-	-
5	Sale	31.65	-	-	31.65
		-	-	-	-
6	Advance Given	720.69	-	-	720.69
		-	-	-	-
7	Interest Expenses	-	-	-	-
		-	-	5.50	5.50
8	Loan Taken	-	-	15.00	15.00
		-	-	-	-
9	Repayment of Loan	-	-	15.00	15.00
		-	-	81.75	81.75
10	Sitting Fees	-	-	0.95	0.95
		-	-	0.60	0.60
11	Rent Paid	-	-	-	-
		-	-	16.52	16.52

Notes to Financial Statements for the year ended March 31, 2015

					(Rs. in lacs)
S.No.	Nature of Transaction	Subsidiaries	Key Management Personnel	Others	Total
12	Conversion of Loan into Investments	7,133.37	-	-	7,133.37
		7,354.81	-	-	7,354.81

Balance due to/(from) as at March 31, 2015

1	Trade Receivables	(1,589.83)	-	-	(1,589.83)
		(1,565.21)	-	-	(1,565.21)
2	Loan and advances	2,291.65	-	-	2,291.65
		(8,501.07)	-	-	(8,501.07)
3	Trade and other Payables	-	-	1.56	1.56
		-	-	-	-

Figures in italic for previous year

*Not comparable with previous year

- 29** The Company has taken assets on cancellable operating lease, the future minimum lease payments in respect of which are as follows :-

			(Rs. in lacs)
Particulars	Minimum Lease 31-Mar-15	Payments 31-Mar-14	
Not later than 1 year	8.86	8.86	
Later than 1 year and not later than 5 years	25.83	34.69	
Later than 5 years	-	-	

The Lease agreements provide for an option to the Company to renew the lease period. There are no exceptional/restrictive covenants in the lease agreements.

Lease rental expense in respect of operating leases is Rs.8.86 lacs (31.03.2014 : Rs.0.74 lacs)

Contingent rent recognised in the Statement of Profit and Loss is Rs. Nil (31.03.2014 : Rs. Nil)

- 30** Expenditure relating to corporate social responsibility as per section 135 of the Companies Act, 2013 read with schedule VII

a) Gross amount required to be spent during the year : Rs. 40.17 lacs

b) Amount spent during the year on:

				(Rs. in lacs)
S.No	Particulars	In cash	Yet to be paid in cash	Total
i)	Construction/Acquisition of any asset	-	-	-
ii)	Purpose other than (i) above	33.80	-	33.80

Notes to Financial Statements for the year ended March 31, 2015

- 31** Exceptional items represents net foreign exchange gain on translation of Foreign Exchange assets and liabilities other than operational of Rs.104.68 lacs (31.03.2014: Rs.717.10 lacs), profit/(loss) on sale of fixed assets and Investments of Rs. 10.83 lacs {31.03.2014: (Rs.20.76) lacs}, liabilities written back of Rs. Nil lacs (31.03.2014: Rs.10.26 lacs).

32 Basic and diluted earnings per share

S.No.	Particulars	31-Mar-15	31-Mar-14
a.	Net Profit/(Loss) for the year (Rs. in lacs)	3,210.92	2,601.55
b.	Weighted Average No. of Equity Shares used in computing Basic-Earning per Share (Nos.)	150,685,485	148,564,989
c.	Impact of diluted instruments on Net Profit/(Loss) for the year	-	-
d.	Net Profit/(Loss) used for the computation of diluted earning per share (Rs. in lacs)	3,210.92	2,601.55
e.	Weighted average number of equity shares from dilutive instruments (Nos.)	11,125,384	14,100,086
f.	Weighted Average No of Equity Shares used in computing Diluted Earning per Share (Nos.)	161,810,869	162,665,075
g.	Nominal Value of Equity Shares (Rs.)	5.00	5.00
h.	Basic-Earning Per Shares (Rs.)	2.18	1.75
i.	Diluted -Earning Per Share (Rs.)	2.03	1.60

- 33** The Company has an investment of Rs. 11,297.50 lacs in the equity shares and has outstanding dues of Rs. 1,576.55 lacs (31.03.2014: Rs. 1,565.21 lacs) (net of advances) from APAKSH Broadband Limited (APAKSH), subsidiary acquired as a result of the amalgamation of erstwhile Aksh Broadband Limited with the Company. APAKSH's operations are presently suspended due to pending litigation by one of the shareholder of APAKSH. Considering creation of spreading OFC network by all orders in the country, the Management of the Company is in the process of discussions on the revival of the project and pending that no provision has been considered necessary in respect of the outstanding dues and investment at this stage.

34 Derivative Instruments
Forward contracts outstanding as at the reporting date:-

		(Amount in lacs)	
Particulars	Currency	31-Mar-15	31-Mar-14
Forward contracts to sell	USD	41.10	34.85
	EURO	2.50	1.25

Amount receivable in foreign currency on account of the following

				(Amount in lacs)
S.No	Particulars	Currency	31-Mar-15	31-Mar-14
1	Export of goods	USD	47.73	36.31
		EURO	5.35	4.01
		GBP	0.02	0.02
		RINGGIT	14.11	1.26
2	Advance to Vendor	USD	8.27	6.11
		EURO	0.30	0.01
		JPY	3.98	-
		GBP	0.01	-
		RINGGIT	0.20	-
3	Advance to Other	USD	11.25	119.07
4	Interest receivable on advances	USD	25.41	22.83

Notes to Financial Statements for the year ended March 31, 2015
Amount payable in foreign currency on account of the following
(Amount in lacs)

S.No	Particulars	Currency	31-Mar-15	31-Mar-14
1	Import of goods and services	USD	25.18	18.96
		EURO	11.49	11.54
		JPY	-	17.57
		GBP	0.05	0.18
2	Advance from customers	USD	0.50	0.61
3	Buyer's Credit	USD	10.12	8.15
4	Packing Credit Facility	EURO	-	0.41
5	External Commercial Borrowing	USD	85.68	104.72
6	Foreign currency convertible bonds	USD	29.92	37.92

- 35** There are no Micro and Small Enterprises, to whom the Company owes, which are outstanding for more than 45 days as at March 31, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

36 Segmental Reporting for the year ended March 31, 2015

Based on the guiding principles given in Accounting Standard AS-17, "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company's business segments are Manufacturing, Services and Trading of goods. The information about business segments are given below:

Particulars	Manufacturing		Services		Trading		Total	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
1 Segment Revenue								
External Turnover	32,708.51	20,879.48	1,359.38	825.60	762.03	301.32	34,829.92	22,006.40
Inter Segment Turnover	9.55	20.39	-	-	-	-	-	-
Total Revenue	32,718.06	20,899.87	1,359.38	825.60	762.03	301.32	34,829.92	22,006.40
2 Segment Results before Interest and Taxes	5,522.26	3,904.15	(762.39)	(1,204.55)	181.20	85.97	4,941.07	2,785.57
Less : Finance Cost							1,026.10	705.90
Add : Interest Income							404.21	739.00
Add : Exceptional Items							115.51	706.60
Add/(Less): Unallocated (Expenses)/Income							(1,152.59)	(923.72)
Profit before Tax							3,282.10	2,601.55
3 Other Information								
Segment Assets	18,823.53	12,970.33	13,247.91	13,468.33	-	-	32,071.44	26,438.66
Unallocated Assets							28,325.34	27,171.60
Total Assets	18,823.53	12,970.33	13,247.91	13,468.33	-	-	60,396.78	53,610.26
Segment Liabilities	11,531.48	7,023.40	9,514.66	10,937.00	-	-	21,046.14	17,960.40
Share Capital and reserves							39,350.64	35,649.86
Total Liabilities	11,531.48	7,023.40	9,514.66	10,937.00	-	-	60,396.78	53,610.26
Capital Expenditure	1,149.16	232.63	405.89	46.81	-	-	1,555.05	279.44
Depreciation and Amortization	380.43	371.36	1,250.45	1,128.02	-	-	1,630.88	1,499.38

Note :-

Total Revenue is after elimination of inter segment turnover of Rs. 9.55 lacs (31.03.2014 : Rs. 20.39 lacs)

Notes to Financial Statements for the year ended March 31, 2015

	31-Mar-15		31-Mar-14	
	Rs. in lacs	%	Rs. in lacs	%
37 Value and percentage of Imported/Indigenous Raw - Material Consumed				
Imported	8,732.33	42%	6,067.57	46%
Indigenous	12,150.68	58%	7,193.64	54%
	20,883.01	100%	13,261.21	100%
38 Spare Parts and components Consumed				
Imported	127.55	28%	139.50	39%
Indigenous	323.65	72%	219.21	61%
	451.20	100%	358.71	100%
39 Value of Imports on CIF Basis				
Raw Material	9,144.23		6,676.33	
Spare Parts, Consumable and Packing Material	156.12		212.07	
Accessories	53.02		-	
Capital Goods	98.55		948.84	
40 Earning in foreign Exchange on FOB Basis				
Export of Goods and Services	11,792.40		12,764.97	
Interest	161.35		521.63	
41 Expenditure in foreign currency				
Travelling Expense	38.98		34.51	
Sales Commission	153.47		117.29	
Interest and Bank Charges	239.98		13.47	
FCCB issue Expenses	-		69.15	
Overseas Branch Office Expenses	139.98			
Other Expenses	58.22		40.41	
42	Previous year's figures have been regrouped, rearranged and reclassified to conform to those of current year's figures wherever necessary. The accompanying notes (1-42) are an integral part of the financial statements.			

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

CA K. C. Gupta
Partner
Membership No.: 088638

Place: New Delhi
Date: May 30, 2015

for & on behalf of the Board of Directors

Dr. Kailash S. Choudhari
Chairman
DIN. : 00023824

Chetan Choudhari
Managing Director
DIN. : 00872366

Satyendra Gupta
Executive Director
(Finance) & CFO

Gaurav Mehta
Company Secretary

Pawan Kumar Gambhir
Process Leader (F & A)

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AKSH OPTIFIBRE LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Financial Statements of AKSH OPTIFIBRE LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Aksh Group"), comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement 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").

Management's Responsibility for the Consolidated Financial Statements.

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance and Consolidated Cash Flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Company (Accounts) Rules, 2014. The respective Board of Directors of the Company included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act, and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors' on separate financial statement of the subsidiary, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India

- i. in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2015
- ii. in the case of the Consolidated Profit and Loss, of the Profit of the Group for the year ended on that date.
- iii. in the case of the Consolidated Cash Flow Statement, of the cash flow of the Group for the year ended on that date.

Other Matters

We did not audit the financial statements of foreign subsidiary, whose financial statements reflect total assets of Rs. 19,510.95 lacs as at March 31, 2015, total revenues of Rs. 968.46 lacs and net cash inflows amounting to Rs. 17.12 lacs for the year then ended, as considered in the Consolidated Financial Statements. These Financial Statements have been audited by other auditors' whose report has been furnished by the management and our opinion of Consolidated Financial Statements, in so far as it relates to the amounts and disclosure included in respect of subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary Company, is based solely on the reports of the other auditor.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditor and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company, subsidiary Company incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and the reports of the other auditor.

- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- (d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the Directors of the Subsidiary Company as on March 31, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the Statutory Auditor of its Subsidiary Company incorporated in India, none of the Directors of the Group Company incorporated in India is disqualified as on March 31, 2015 from being appointed as a Director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Company (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on the Consolidated Financial position of the Group – Refer Note 37 to the Consolidated Financial Statements.
 - ii. The Holding Company and its Subsidiary Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses: and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Subsidiary Company incorporated in India.

for P.C. BINDAL & CO.
Chartered Accountants
 Firm Registration No. 003824 N

CA .K.C. GUPTA
Partner
 Membership No: 088638

Place : New Delhi
 Date : May 30, 2015

ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE

As stated in Para 1 'Report on Other Legal and Regulatory Requirements' in Our Auditors' report on even date, the following statement is based on the comment in the Auditors report on financial statement of the Holding Company and its Subsidiary Company incorporated in India.

1. (a) The Holding Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. However its Subsidiary Company incorporated in India has not produced any proper records showing full particulars including quantitative details and situation of fixed assets.

The impact & quantum of this on Group Company's assets cannot be qualified.

- (b) According to the information and explanation given to us, Holding Company have a regular programme of physical verification of fixed assets by the management during the year except the assets installed at customer premises. No material discrepancies were noticed on such verification. In our opinion, frequency of physical verification of fixed assets is reasonable. However Subsidiary Company incorporated in India has not produced any documents confirming that fixed assets have been physically verified by the management during the year

The impact and quantum of this on Group Company's assets cannot be qualified.

2. (a) During the year, the Inventory of holding Company has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable, However its subsidiary Company incorporated in India do not hold any inventories therefore paragraph 3 (ii) of the order is not applicable to subsidiary Company.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the holding Company and the nature of its business.
- (c) In our opinion and according to the information and explanation given to us and on the basis of our examination of the records, we are of the

opinion that the holding Company is maintaining proper records of inventory. 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.

3. According to the information and explanation given to us, The Holding Company and its Subsidiary Company incorporated in India have not granted any loan, secured or unsecured to Companies, firm or other parties covered in the register maintained by it Section 189 of Company Act 2013. Accordingly paragraph 3(iii) of order is not applicable.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Holding Company and its Subsidiary Company incorporated in India and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any major weakness in internal controls.
5. In our opinion and according to the information and explanations given to us, the Holding Company and its Subsidiary Company incorporated in India have not accepted any deposits from public to which the directives issued by Reserve Bank of India and provisions of sections 73 to 76 of the Companies Act, 2013, including rules framed there under, apply. Further, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other tribunal.
6. We have broadly reviewed the books of accounts of the Holding Company and its Subsidiary Company incorporated in India 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 the Companies, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However subsidiary Company has not yet made or maintained such accounts and records.
7. (a) According to the information and explanations given to us and according to the books and records produced before us, The Holding Company and its Subsidiary Company

incorporated in India is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value

Added Tax, Cess and any other Statutory dues with the Appropriate Authority, as applicable to it, except of the following arrears of outstanding statutory dues appearing as at year end for a period of more than six months from the date they became payable:-

Nature of Statutory for period Authority outstanding	Applicable recipient Authority	Arrears amount for period exceeding six months
TDS	Income Tax Department	9,170,632/-

- (b) According to the information and explanations given to us, there are no dues of Income Tax or Sales Tax or Wealth Tax or Service Tax or Duty of Customs or Duty of Excise or Value Added Tax or Cess which have not been deposited on account of any dispute except of the following amounts:-

Name of the Statute	Nature of Dues	Disputed amount (Rs. In lacs)	Period to which amount relates	Forum where dispute is pending
SALES TAX				
Sales Tax Act	Sales Tax Demand	41.63	2000-01 & 2001-02	Hon'ble High Court Jaipur
Sales Tax Act	MVAT Demand	7.85	2007-08	Joint Commissioner of Sales Tax (Appeals), Mumbai
Sales Tax Act	Sale Tax Demand	258.15	2005-06	Hon'ble Supreme Court
Sales Tax Act	Sale Tax Demand	60.51	2006-07	Hon'ble Supreme Court
CUSTOM				
Customs Act, 1962	Duty, Interest & Penalty	408.97	2005-06 & 2008-09	CESTAT
EXCISE				
Central Excise Act, 1944	Excise Duty, Interest & Penalty	84.38	2003-05 & 2000-01	CESTAT
Central Excise Act, 1944	Excise Duty	32.79	2011-12	Assistant Commissioner, Bhiwadi
Central Excise Act, 1944	Excise Duty	22.35	2010-11	Commissioner (Appeals)
SERVICE TAX				
Finance Act, 1994	Service Tax	7.50	2004-05	Hon'ble High Court, Jaipur
Finance Act, 1994	Service Tax	0.54	2005-06	Commissioner of Central Excise (Appeals), Jaipur
Finance Act, 1994	Service Tax	0.42	2005-06	Deputy Commissioner
Finance Act, 1994	Service Tax & Interest	219.85	2004-06, 2009-10 & 2011-12	CESTAT
Finance Act, 1994	Service Tax	0.91	2010-11	Assistant Commissioner, Bhiwadi
Finance Act, 1994	Service Tax	1.94	2014-15	Commissioner (Appeals)
PROVIDENT FUND				
Provident Fund Act	Provident Fund	7.60	2004-05	Hon'ble High Court, Jaipur

- (c) According to the information and explanations provided to us, the Holding Company and its Subsidiary Company incorporated in India has transferred to investor education and protection fund in accordance with the relevant provisions under Companies Act, 1956 (1 of 1956) and rules made there under within the stipulated time.
8. In our opinion, the accumulated losses of the Holding Company and its Subsidiary Company incorporated in India are not equal to or more than fifty percent of its net worth as at year end and also the Company has neither incurred cash losses during the financial year covered by our audit nor in the immediately preceding financial year.
9. In our opinion and according to the information and explanations given to us, the Holding company have not defaulted in repayment of dues to a financial institution, bank or debenture holders, however Subsidiary company incorporated in India did not have any borrowings from any financial institution, bank or debenture holders.
10. According to the information and explanations given to us, the terms and condition on which holding Company and its Subsidiary Company incorporated in India have not given any guarantee for loans taken by other from banks and financial institutions.
11. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were raised in case of holding Company, however subsidiary Company has not availed any term loan during the year under audit.
12. According to the information and explanations given to us, no fraud on or by Holding Company and its Subsidiary Company incorporated in India has been noticed or reported during the course of our audit.

for P.C. BINDAL & CO.
Chartered Accountants
Firm Registration No. 003824 N

Place : New Delhi
Date : May 30, 2015

CA .K.C. GUPTA
Partner
Membership No: 088638

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015

	Notes	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Equity and liabilities			
Shareholders' funds			
Share capital	3	9,791.51	9,642.78
Reserves and surplus	4	31,062.32	27,889.42
		40,853.83	37,532.20
Minority Interest		10.47	10.47
Non-current liabilities			
Long-term borrowings	5	7,372.36	8,756.40
Trade payables	6	57.77	57.77
Long-term provisions	7	325.28	377.47
		7,755.41	9,191.64
Current liabilities			
Short-term borrowings	8	4,697.91	3,139.73
Trade payables	9	6,896.75	4,227.24
Other current liabilities	9	4,064.20	3,143.06
Short-term provisions	7	638.60	842.53
		16,297.46	11,352.56
TOTAL		64,917.17	58,086.87
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10	11,546.93	9,040.43
Intangible assets	11	747.77	765.38
Capital work-in-progress		14,653.71	16,084.65
Non-current investments	12	0.05	1.82
Long-term loans and advances	13	94.10	1,501.84
Other non-current assets	14.2	1,582.19	1,455.73
		28,624.75	28,849.85
Current assets			
Inventories	15	2,905.76	2,489.19
Trade receivables	14.1	14,951.68	9,146.99
Cash and cash equivalents	16	435.27	77.46
Short-term loans and advances	13	17,851.77	17,447.42
Other current assets	14.2	147.94	75.96
		36,292.42	29,237.02
TOTAL		64,917.17	58,086.87

Summary of significant accounting policies 2.1

The accompanying notes (1-39) are an integral part of the consolidated financial statements.

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

for & on behalf of the Board of Directors

Dr. Kailash S. Choudhari

Chairman

DIN. : 00023824

CA K. C. Gupta
Partner
Membership No.: 088638

Chetan Choudhari
Managing Director
DIN. : 00872366

Satyendra Gupta
Executive Director
(Finance) & CFO

Place: New Delhi
Date: May 30, 2015

Gaurav Mehta
Company Secretary

Pawan Kumar Gambhir
Process Leader (F & A)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2015

	Notes	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Income			
Revenue from operations (gross)	17	38,167.06	24,750.22
Less: excise duty		2,562.42	875.94
Revenue from operations (net)		35,604.64	23,874.28
Other income	18	422.18	220.42
Total revenue (I)		36,026.82	24,094.70
Expenses			
Cost of raw material and components consumed	19	21,112.85	13,261.21
Purchase of traded goods	20	658.41	493.10
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	21	210.58	267.96
Employee benefits expense	22	2,344.73	1,956.71
Other expense	23	6,368.57	4,443.82
Total expense (II)		30,695.14	20,422.80
Earnings before interest, tax depreciation and amortization and exceptional items (EBITDA) (I) – (II)		5,331.68	3,671.90
Depreciation and amortization expense	24	1,721.14	1,502.40
Finance costs	25	1,121.93	709.48
Profit before exceptional items and tax		2,488.61	1,460.02
Exceptional Items	32	115.51	706.60
Profit before tax		2,604.12	2,166.62
Tax expenses			
Income Tax		687.95	520.51
Earlier Year Taxes		71.18	-
MAT Credit Entitlement		687.95	520.51
Total tax expense		71.18	-
Profit for the year		2,532.94	2,166.62
Earnings per equity share	34		
[nominal value of share Rs 5/- (March 31,2014: Rs 5/-)]			
Basic		1.68	1.46
Diluted		1.57	1.33
Summary of significant accounting policies	2.1		
The accompanying notes (1-39) are an integral part of the consolidated financial statements.			

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

for & on behalf of the Board of Directors

Dr. Kailash S. Choudhari

Chairman

DIN. : 00023824

CA K. C. Gupta
Partner
Membership No.: 088638

Chetan Choudhari
Managing Director
DIN. : 00872366

Satyendra Gupta
Executive Director
(Finance) & CFO

Place: New Delhi
Date: May 30, 2015

Gaurav Mehta
Company Secretary

Pawan Kumar Gambhir
Process Leader (F & A)

CONSOLIDATED CASH FLOW STATEMENT FOR THE FINANCIAL YEAR 2014-15

	31-Mar-15 Rs. In lacs	31-Mar-14 Rs. In lacs
A. Cash flow from operating activities		
Profit before tax	2,604.12	2,166.62
Profit before tax	2,604.12	2,166.62
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation/ amortization on continuing operation	1,721.14	1,502.40
Loss/ (profit) on sale of investments	(11.45)	-
Loss/ (profit) on sale of fixed assets	0.62	20.76
Foreign Currency Translation Reserve	298.82	(125.20)
Finance costs	1,121.93	709.48
Interest (income)	(242.85)	(217.37)
Operating profit before working capital changes	5,492.33	4,056.69
Movements in working capital :		
Increase/ (decrease) in trade and other payables	3,707.99	(380.70)
Decrease / (increase) in trade receivables	(5,804.69)	(827.96)
Decrease / (increase) in inventories	(416.57)	(27.70)
Decrease / (increase) in other receivables	804.96	(2,239.28)
Cash generated from / (used in) operations	3,784.02	581.06
Direct taxes paid (net of TDS)	(531.52)	(150.08)
Net cash flow from/ (used in) operating activities (A)	3,252.50	430.98
B. Cash flows from investing activities		
Purchase of fixed assets, including CWIP	(2,780.38)	(1,867.61)
Proceeds from sale of fixed assets	0.66	18.26
Proceeds from sale of non current investments	13.22	-
Interest received	242.85	217.37
Net cash flow from/ (used in) investing activities (B)	(2,523.65)	(1,631.98)
C. Cash flows from financing activities		
Expense on issue of FCCBs	-	(69.15)
Net Proceeds/(Repayment) of Long-term borrowings	(364.06)	436.10
Net Proceeds/(Repayment) of Short-term borrowings	1,558.18	1,416.89
Dividend paid including tax	(443.23)	-
Finance costs	(1,121.93)	(709.48)
Net cash flow from/ (used in) in financing activities (C)	(371.04)	1074.36
Net increase/(decrease) in cash and cash equivalents (A + B + C)	357.81	(126.64)
Cash and cash equivalents at the beginning of the year	77.46	204.10
Cash and cash equivalents at the end of the year	435.27	77.46
Components of cash and cash equivalents		
Cash on hand	6.41	9.37
With banks- on current account	106.37	67.08
Deposits with original maturity of less than 12 months	320.00	-
Unpaid dividend accounts	2.49	1.01
Total cash and cash equivalents (note 16)	435.27	77.46

Summary of significant accounting policies 2.1

The accompanying notes (1-39) are an integral part of the consolidated financial statements.

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

CA K. C. Gupta
Partner
Membership No.: 088638

Place: New Delhi
Date: May 30, 2015

for & on behalf of the Board of Directors
Dr. Kailash S. Choudhari
Chairman
DIN. : 00023824

Chetan Choudhari
Managing Director
DIN. : 00872366

Satyendra Gupta
Executive Director
(Finance) & CFO

Gaurav Mehta
Company Secretary

Pawan Kumar Gambhir
Process Leader (F & A)

Notes to Consolidated Financial Statements for the year ended March 31, 2015

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, The National Stock Exchange Limited in India and GDRs are listed at Luxembourg Stock Exchange. The Company is engaged in the manufacturing and selling of Optical Fibre, Optical Fibre Cable, Fibre Reinforced Plastic Rods and Impregnated Glass Roving Reinforcement, The Company caters to both domestic and international markets. The Company also provides the E Governance services, FTTH and Internet Protocol Television (IPTV) services in North India.

2 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The significant accounting policies adopted by Aksh Optifibre Limited (the Company) and its subsidiaries (hereinafter referred to as the "Group") in respect of these Consolidated Financial Statements, are set out below.

2.1 SIGNIFICANT ACCOUNTING POLICIES

a) Basis of Preparation

These Consolidated Financial Statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies Act, 2013. Additional disclosures specified in the Accounting Standards shall be made in the notes to accounts or by way of additional statement unless required to be disclosed on the face of the Financial Statements. Similarly, all other disclosures as required by the Companies Act, 2013 shall be made in the notes to accounts in addition to the requirements set out in this Schedule. These Consolidated Financial Statements are prepared under the historical cost convention on the accrual basis of accounting and in accordance with the reporting requirements of Accounting Standard - 21 'Consolidated Financial Statements' issued by the ICAI.

b) Principles of Consolidation

These accounts represent consolidated accounts of the Group and its majority owned subsidiaries as follows :

Entity	Country of Incorporation	Shareholding as at March 31, 2015
APAKSH Broadband Limited (APAKSH)	India	99.92%
AOL (FZE- Dubai)	UAE	100%
AOL Projects DMCC subsidiary of AOL (FZE-Dubai)	UAE	100%

c) Use of Estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting year. Difference between the actual result and estimates are recognized in the year in which the results are known/materialized.

d) Fixed Assets

- Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment. Cost includes any borrowing costs directly attributable to the acquisition/construction of fixed assets and bringing the assets to its working condition for its intended use.
- Exchange difference arising on account of liabilities incurred for acquisition or construction of Fixed Assets is adjusted in the carrying amount of related Fixed Assets.

e) Capital Work-in-Progress

Advances paid towards the acquisition of fixed assets, costs of assets not ready for use before the year-end and expenditure during construction period that is directly or indirectly related to construction, including borrowing costs are included under Capital Work-in-Progress.

f) Depreciation

"Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful

Notes to Consolidated Financial Statements for the year ended March 31, 2015

life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:"

Particulars	Useful life in years
Factory Buildings	28
Plant and Equipment including Telecom Networking, Testing Instrument, Electrical Equipments, Fork lift and Office Equipment	20
Furniture and Fixtures	15
Data Processing System	5

Leasehold land is amortized over the duration of the lease.

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

g) Impairment of Assets

- The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted at their present value at the weighted average cost of capital.
- After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

h) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long Term investments are stated at cost. Provision for diminution in the value of long- term investments is made only if such diminution is other than temporary. Current Investments are carried at the lower of cost and fair value and provisions are made to recognize the decline in the carrying value.

i) Inventories

- Raw materials, work-in-progress, 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 FIFO basis. In determining the cost of work-in-progress 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-progress 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 cost of related finished goods will exceed their net realizable value.

j) Foreign Currency Transactions

- Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.

Notes to Consolidated Financial Statements for the year ended March 31, 2015

- ii) Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.
- iii) Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.
- iv) The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the Statement of Profit and Loss in the year in which exchange rate changes. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognized as income or expense for the year. None of the forward exchange contracts are taken for trading or speculation purpose.

k) Borrowing Costs

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.

l) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be readily measured.

Sale of Goods and Services

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer (usually at the point of dispatch to customers). Sales include excise duty, sale of scrap and net of sale tax and quantity discount.

Income from services is recognized on the completion of services. Period based services are accounted for proportionately over the period of service.

Income from Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Other Incomes

Other Incomes are accrued as earned except where the receipt of income is uncertain.

m) Retirement and other Employee Benefits

- i) Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due. The Company has no other obligation other than the contribution payable.
- ii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method calculated at the end of each financial year. The liability with regard to gratuity in respect of any employee not covered under group gratuity scheme is provided on the basis of amount payable to such employees as if they were to retire on the last day of financial year.
- iii) Compensated Absences is provided for based on actuarial valuation done as per Projected Unit Credit Method calculated at the end of each financial year.
- iv) Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

Notes to Consolidated Financial Statements for the year ended March 31, 2015

n) Export Incentives

Export Incentive in the form of advance licenses / 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.

o) Taxes on Income

Income Taxes are computed using the tax effect accounting method where taxes are accrued in the same period, as the related revenue and expenses to which they relate. The differences that result between profit offered for Income Tax and the profit before tax as per financial statements are identified and Deferred Tax Assets or Deferred Tax Liabilities are recorded for timing differences, namely differences that originate in one accounting period and are capable of reversal in future. Deferred Tax Assets and Liabilities are measured using tax rates and tax laws enacted or substantively enacted by the balance sheet date.

Deferred Tax Assets are recognized only if there is reasonable certainty that they will be realized. However, where the Company has unabsorbed depreciation or carried forward losses under taxation laws, a much stricter test, viz, virtual certainty of realization, is applied for recognition of deferred tax assets. Deferred tax assets are reviewed for the continuing appropriateness of their respective carrying values at each balance sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) of realization.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay Normal Income Tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit

Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

p) Operating Leases

Assets given on operating leases are included in fixed assets. Lease income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

q) Earnings Per Share

The Group reports basic and diluted earnings per share in accordance with Notified AS 20 under the Companies (Accounting Standards) Rules, 2006 issued by The Institute of Chartered Accountants of India on 'Earnings Per Share'. Basic earnings per share is computed by dividing the net profit or loss for the period attributable to equity shareholders after deducting attributable taxes by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Both profit for the year and weighted average numbers of shares are adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

r) Provisions, Contingent Liabilities and Contingent Assets

As per Notified AS 29 under the Companies (Accounting Standards) Rules, 2006, Provisions, Contingent Liabilities and Contingent Assets, issued by the Institute of Chartered Accountants of India, the Company recognizes provisions (without discounting to its present value) only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation as and when a reliable estimate of the amount of the obligation can be made.

Notes to Consolidated Financial Statements for the year ended March 31, 2015

No provision is recognized for –

Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

Any present obligation that arises from past events but is not recognized because –

- It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as Contingent Liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

s) Project Development Expenditure

Expenses incurred relating to project prior to commencement of commercial production / start of the project is classified as Project Development Expenditure net of income earned during the project development stage.

t) Miscellaneous Expenditure

Expenditure on issue of shares / foreign currency convertible bonds (FCCBs) / Global Depository

Receipts (GDRs) / shares under Qualified Institutional Placements (QIP) and premium on redemption of FCCBs are adjusted against Securities Premium Account.

u) Translation of Foreign Subsidiary

"In case of Foreign Subsidiary, the revenue and expense transactions at the year end reflected in the Statement of Profit and Loss have been translated at the average exchange rates for the period to which the financial statements relate.

The assets and liabilities, both monetary and non-monetary, have been translated at the closing exchange rate prevailing on the date of the Balance Sheet."

Exchange difference arising on the Company's net investment in foreign subsidiary are accumulated in a foreign currency translation reserve until the disposal of such investment, at which time they are recognized as income and expenses.

v) Measurement of EBITDA

As permitted by the Guidance Note on the Schedule III to the Companies Act, 2013, the Company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. The Company measures EBITDA on the basis of profit/ (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense.

Notes to Consolidated Financial Statements for the year ended March 31, 2015
3. Share capital

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Authorized share (No.) 170,100,000 (31st March 2014: 170,100,000) Equity Shares of Rs. 5/- each	8,505.00	8,505.00
Issued, subscribed and fully paid-up share (No.) 151,539,689 (31st March 2014: 148,564,989) Equity Shares of Rs. 5/- each fully paid up Forfeited Shares in case of APAKSH Broadband Limited	7,576.98 2,214.53	7,428.25 2,214.53
Total issued, subscribed and fully paid-up share capital	9,791.51	9,642.78

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

	31-Mar-15		31-Mar-14	
	No.	Rs. in lacs	No.	Rs. in lacs
At the beginning of the period	148,564,989	7,428.25	148,564,989	7,428.25
Add: -Issued pursuant to conversion of FCCBs	2,974,700	148.73	-	-
Outstanding at the end of the year	151,539,689	7,576.98	148,564,989	7,428.25

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) During the period of five years immediately preceeding to reporting date, the Company has not

- (i) issued any bonus shares
- (ii) issued shares for consideration other than cash
- (iii) Bought back any shares

(c) Details of shareholders (as per register of shareholders) holding more than 5% shares in the Company

Name of the shareholder	31-Mar-15		31-Mar-14	
	No.	% holding	No.	% holding
Dr. Kailash S. Choudhari	25,842,700	17.05%	25,842,700	17.39%
Usha Jain	17,425,000	11.50%	-	-
Sunidhi Capital Private Limited	7,338,671	4.84%	9,005,250	6.06%
Seema Choudhari	7,000,000	4.62%	7,809,341	5.26%
The Bank of New York, Mellon	1,375,000	0.91%	9,065,850	6.10%
Religare Finvest Limited	69,000	0.05%	20,851,807	14.04%

Notes to Consolidated Financial Statements for the year ended March 31, 2015
4. Reserves and Surplus

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Capital Reserve	15.00	15.00
Securities Premium Account		
Balance as per the last Financial Statements	31,405.95	33,830.69
Add :		
- Issue expenses on issue of FCCBs (USD 3.792 Million)	-	(69.15)
- Premium On Redemption on FCCBs	-	(2,355.59)
- Premium on conversion of FCCBs into Shares	349.82	-
Closing Balance	31,755.77	31,405.95
Foreign Currency Translation Reserve		
Balance as per the last Financial Statements	(143.77)	(18.57)
Add: Created on translation and incorporation of non integral foreign subsidiaries	298.84	(125.20)
Closing Balance	155.07	(143.77)
Surplus/ (deficit) in the Statement of Profit and Loss		
Balance as per last Financial Statements	(3,387.76)	(5,119.85)
Profit for the year	2,532.94	2,166.62
Proposed Dividend	(7.44)	(371.41)
Tax on Dividend	(1.26)	(63.12)
Net Deficit in the Statement of Profit and Loss	(863.52)	(3,387.76)
Total reserves and surplus	31,062.32	27,889.42

5. Long-term borrowings

	Non-current portion		Current maturities	
	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Secured Loans				
Term Loans				
External Commercial Borrowings	3,868.12	5,133.95	1,487.74	1,140.88
USD 8.568 Million (31st March 2014 : USD 10.472 Million)				
Term Loan from Bank				
Punjab National Bank	166.67	333.34	166.67	166.67
Bank of Baroda	1,363.01	964.98	423.25	305.67
Term Loan from Others	9.66	51.96	8.25	25.47
Car Loan from Banks	31.31	-	11.17	-
Unsecured Loans				
Foreign Currency Convertible Bonds (FCCBs)				
USD 3.792 Million (31st March 2014: USD 3.792 Million)	1,870.30	2,272.17	-	-
0% FCCBs due on Feb-2019 of USD 1,000 each				
Term Loan from Others	63.29	-	63.08	-
	7,372.36	8,756.40	2,160.16	1,638.69

Notes to Consolidated Financial Statements for the year ended March 31, 2015
The above amount includes

Secured borrowings	5,438.77	6,484.23	2,097.08	1,638.69
Unsecured borrowings	1,933.59	2,272.17	63.08	-
Amount disclosed under the head "other current liabilities" (note 9)	-	-	(2,160.16)	(1,638.69)
Net Amount	7,372.36	8,756.40	-	-

- External Commercial Borrowings are secured by way of first pari- passu charge on fixed assets of the Company and personal guarantee of Dr. Kailash S. Choudhari.
- Term Loan from Punjab National Bank are secured by way of exclusive charge on Plant and Machinery installed under the project and further secured by personal guarantee of Dr. Kailash S. Choudhari.
- Term loan from Bank of Baroda are secured by way of charge on fixed assets of AOL (FZE), personal guarantee of Dr. Kailash S. Choudhari and Corporate guarantee of the Company.
- Car loan from Banks are secured against the hypothecation of Car.
- Term Loan from others are secured by way of exclusive charge on Fixed assets installed under the subject Project.
- Issue of Foreign Currency Convertible Bonds (FCCBs) convertible into ordinary shares, the particulars, terms of issue and the status of conversion as at March 31, 2015 are given below :-

Issue	0% FCCBs (due February 2019)
Issued on	February 10, 2014
Issue Amount	USD 3.792 Mn
Face Value	USD 1000
Fixed Exchange Rate for conversion	USD 1= INR 62.32
Redeemable on	February 10, 2019
Redemption Percentage of the principal amount	120%
FCCBs converted	USD 0.80 Mn
Shares issued on conversion of FCCBs	2,974,700 shares
FCCBs outstanding as on March 31, 2015	USD 2.992 Mn
Shares that could be issued on conversion of outstanding FCCBs	11,125,384 shares

6. Other long-term liabilities

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Trade payables (including acceptances)	57.77	57.77
	57.77	57.77

7. Provisions

	Long-term		Short-term	
	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Provision for Gratuity and Compensated Absences	325.28	377.47	8.53	5.53
Provision for Income Tax (net of Prepaid taxes)	-	-	630.07	402.47
Proposed Dividend	-	-	-	371.41
Provision for Tax on Dividend	-	-	-	63.12
	325.28	377.47	638.60	842.53

Notes to Consolidated Financial Statements for the year ended March 31, 2015
8.Short-term borrowings

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Secured Loans		
Working Capital Facilities from Banks		
- Working Capital Facilities	2,870.85	1,511.03
- Buyers Credit from Banks	632.81	488.58
Other Loans		
- Cisco Systems Capital India Private Limited	497.93	497.93
Unsecured Loans		
Deposits (unsecured)		
- 0% Inter Corporate Deposit repayable on demand	50.00	50.00
- 15% Inter Corporate Deposit from others repayable on demand	200.00	200.00
- 0% Security Deposits	446.32	392.19
	4,697.91	3,139.73
The above amount includes :		
Secured borrowings	4,001.59	2,497.54
Unsecured borrowings	696.32	642.19

- Working capital facilities from banks are secured by way of first pari-passu charge on Current Assets both present and future and second pari-passu charge on the fixed assets of the Company. These facilities are further secured by way of first pari-passu charge on the immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari. The cash credit is repayable on demand. The interest payable on cash credit is 14.00% p.a.
- Non fund based limits are secured by first pari-passu charge on immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari.
- Loan from Cisco Systems Capital India Private Limited is secured against first and exclusive charge on plant and machinery of APAKSH Broadband Limited covered under loan agreement.

9.Other current liabilities

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Trade payables (including acceptances)	6,896.75	4,227.24
Other liabilities		
Current maturities of long term debt (Refer Note No 5)	2,160.16	1,638.69
Interest accrued but not due on borrowings	112.45	125.71
Advance from Customers	70.20	93.40
Unearned revenue	6.64	6.06
Unclaimed Dividend #		
Dividend 2013-14	1.48	-
Dividend 2006-07	1.01	1.01
Other current liabilities	1,712.26	1,278.19
	4,064.20	3,143.06
	10,960.95	7,370.30

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



Notes to Consolidated Financial Statements for the year ended March 31, 2015

10. Tangible assets

	Freehold Land	Leasehold Land	Factory Buildings	Plant and equipment	Telecom Networking	Testing Instruments	Air Conditioners	Furniture and fixtures	Office Equipments	Data Processing System	Electric Fittings	Vehicles	Fork Lift	Total
Rs. in lacs														
Cost or valuation														
At 1 April 2013	1.84	122.70	1,088.66	13,664.95	3,166.12	906.18	282.40	172.59	89.70	235.65	467.29	22.72	42.42	20,263.22
Additions	-	-	359.41	218.85	-	3.67	1.00	51.38	1.42	3.61	-	-	-	639.34
Disposals / adjustments	-	-	-	(79.15)	-	-	4.07	(34.26)	(1.13)	(17.71)	-	-	(5.96)	(134.14)
At 31 March 2014	1.84	122.70	1,448.07	13,804.65	3,166.12	909.85	287.47	189.71	89.99	221.55	467.29	22.72	36.46	20,768.42
Additions	-	-	168.57	3,719.80	-	14.07	1.23	9.46	13.59	45.87	11.07	56.50	4.77	4,044.93
Disposals / adjustments	-	-	-	-	-	-	-	-	(1.44)	(0.36)	-	(0.01)	-	(1.81)
At 31 March 2015	1.84	122.70	1,616.64	17,524.45	3,166.12	923.92	288.70	199.17	102.14	267.06	478.36	79.21	41.23	24,811.54
Depreciation														
At 1 April 2013	-	17.45	572.52	7,160.10	1,409.79	552.00	200.61	91.42	41.49	206.88	218.09	16.06	14.74	10,501.15
Charge for the year	-	1.25	39.38	1,025.23	150.39	38.34	10.67	16.74	3.66	6.71	23.98	1.10	2.09	1,319.54
Preoperative Expense Adjustment	-	-	-	-	-	-	-	0.73	0.63	-	-	1.05	-	2.41
Disposals / adjustments	-	-	-	(62.65)	-	(0.56)	(3.04)	(8.38)	(0.39)	(15.03)	-	-	(5.06)	(95.11)
At 31 March 2014	-	18.70	611.90	8,122.68	1,560.18	589.78	208.24	100.51	45.39	198.56	242.07	18.21	11.77	11,727.99
Charge for the year	-	1.25	42.03	1,256.20	150.39	30.04	9.25	14.78	3.66	4.63	18.31	2.39	1.80	1,534.73
Preoperative Expense Adjustment	-	-	-	-	-	-	-	0.73	0.63	-	-	1.05	-	2.41
Disposals / adjustments	-	-	-	-	-	-	-	-	(0.47)	(0.04)	-	(0.01)	-	(0.52)
At 31 March 2015	-	19.95	653.93	9,378.88	1,710.57	619.82	217.49	116.02	49.21	203.15	260.38	21.64	13.57	13,264.61
Net Block														
At 1 April 2013	1.84	104.00	836.17	5,681.97	1,605.94	320.07	79.23	89.20	44.60	22.99	225.22	4.51	24.69	9,040.43
At 31 March 2015	1.84	102.75	962.71	8,145.57	1,455.55	304.10	71.21	83.15	52.93	63.91	217.98	57.57	27.66	11,546.93

11. Intangible assets

	Rs. in lacs
Computer Software	
Gross block	
At 1 April 2013	2,303.36
Addition	-
At 31 March 2014	2,303.36
Addition	168.80
At 31 March 2015	2,472.16
Amortization	
At 1 April 2013	1,355.12
Preoperative Expense Adjustment Charge for the year	-
At 31 March 2014	182.86
Preoperative Expense Adjustment	1,537.98
Charge for the year	-
At 31 March 2015	186.41
Net block	
At 31 March 2014	1,724.39
At 31 March 2015	765.38
At 31 March 2015	747.77

Notes to Consolidated Financial Statements for the year ended March 31, 2015
12. Non-current investments

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Trade investments (valued at cost unless stated otherwise)		
Non-trade investments (valued at cost unless stated otherwise)		
Investment in equity instruments (quoted)		
Nil (31st March 2014: 22,300) equity shares of Rs. 5/- each fully paid-up in CMI Limited	-	0.45
*Investment in equity instruments (Unquoted)		
1 (31st March 2014: Nil) equity shares of AED 3.67 (rounded off to AED 4) each fully paid-up in Eminent One Ventures Limited	-	-
Government and trust securities (unquoted)		
National Saving Certificates (Deposited with Government Department as Security)	0.05	0.87
Kisan Vikas Patra	-	0.50
	0.05	1.82
Aggregate amount of quoted investments (Market value: Nil) (31.03.2014: Rs 3.04 lacs)	-	0.45
Aggregate amount of unquoted investments	0.05	1.37

* Investment made in Eminent One Ventures Limited by Rs.68 equivalent to 4 AED. (31.03.2014 : Rs. Nil)

13. Loans and advances (Unsecured, considered good unless stated otherwise)

	Non-current		Current	
	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Capital advances	7.58	1,421.66	-	-
Security deposit	86.52	80.18	63.47	67.96
Advances recoverable in cash or kind	-	-	15,018.06	14,992.49
Other loans and advances				
Income Tax Refund	-	-	57.41	61.42
MAT Credit Entitlement	-	-	1,468.75	756.02
Prepaid expenses	-	-	215.04	228.70
Balances with statutory / government authorities	-	-	1,029.04	1,340.83
	-	-	2,770.24	2,386.97
Total	94.10	1,501.84	17,851.77	17,447.42

14.1. Trade receivables and other assets

	Current	
	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payment	4,061.72	4,228.80
Other receivables	10,889.96	4,918.19
	14,951.68	9,146.99

Notes to Consolidated Financial Statements for the year ended March 31, 2015
14.2. Other assets

	Non-current		Current	
	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Unsecured, considered good unless stated otherwise				
Other bank balances (note16)	1,582.19	1,455.73	-	-
Interest accrued on fixed deposits	-	-	65.29	36.94
Interest accrued on other deposits	-	-	82.65	39.02
	-	-	147.94	75.96
	1,582.19	1,455.73	147.94	75.96

15. Inventories (valued at lower of cost and net realizable value)

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
i) Finished goods and traded goods	22.54	409.12
ii) Raw material	1,666.71	1,030.87
iii) Semi finished goods	1,010.50	834.50
iv) Stores, Spares and others	206.01	214.70
	2,905.76	2,489.19

16. Cash and cash equivalents

	Non-current		Current	
	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Cash and cash equivalents				
Balances with banks:				
– On current accounts	-		106.37	67.08
– Deposits with original maturity of less than 12 months	-		320.00	-
– On unpaid dividend account	-		2.49	1.01
Cash on hand	-		6.41	9.37
	-	-	435.27	77.46
Other bank balances				
– Deposits with original maturity of more than 12 months	25.00	0.10		
– Margin money deposit #	1,557.19	1,455.63	-	-
	1,582.19	1,455.73	-	-
Amount disclosed under non-current assets (note 14.2)	(1,582.19)	(1,455.73)	-	-
	-	-	435.27	77.46

Cash and cash equivalents includes deposits maintained by the Company with banks, which can be withdrawn by the Company at any point of time without prior notice or penalty on the principal.

Margin money deposits with a carrying amount of Rs. 1,557.19 lacs (31.03.2014: Rs. 1,455.63 lacs) are pledged with Banks for various Facilities.

Notes to Consolidated Financial Statements for the year ended March 31, 2015
17.Revenue from operations

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Revenue from operations		
Sale of products		
- Finished goods	35,149.86	20,979.03
- Traded goods	927.76	2,100.51
Sale of services	1,501.96	882.05
Other operating revenue		
- Scrap sales	28.85	22.26
- Export Incentives	382.60	696.87
- Exchange Fluctuation	165.37	43.91
- Other operating revenue	10.66	25.59
Revenue from operations (gross)	38,167.06	24,750.22
Less: Excise duty #	2,562.42	875.94
Revenue from operations (net)	35,604.64	23,874.28

Excise duty on sales amounting to Rs. 2,562.42 lacs (31.03.2014 : Rs. 875.94 lacs) has been reduced from Sales in Statement of Profit and Loss and excise duty on increase/(decrease) in stock amounting to (Rs. 38.72) lacs (31.03.2014 : Rs. 25.65 lacs) has been considered as (income)/expense in note 23 of financial statements.

Detail of products sold

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Finished goods sold		
Optical Fibre and Optical Fibre Cables	23,358.96	11,639.49
Fibre Reinforced Plastic Rod and Impregnated Glass Roving Reinforcement	11,790.90	9,339.54
	35,149.86	20,979.03
Traded goods sold		
Telecom and electronic items	927.76	2,100.51
	927.76	2,100.51

Detail of services rendered

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
E-Governance activities	1,227.17	447.11
Consultancy Income	136.25	68.70
IPTV and VoIP	85.78	147.44
Network Erection, Installation and Commissioning	52.76	218.80
	1,501.96	882.05

18.Other income

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Interest income		
- on deposits	188.60	170.13
- on other advances	54.25	47.24
Other non-operating income	179.33	3.05
	422.18	220.42

Notes to Consolidated Financial Statements for the year ended March 31, 2015
19. Cost of raw material and components consumed

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Inventory at the beginning of the year	1,030.87	742.16
Add: Purchases	21,748.69	13,549.92
	22,779.56	14,292.08
Less: inventory at the end of the year	1,666.71	1,030.87
Cost of raw material and components consumed	21,112.85	13,261.21

Details of raw material and components consumed

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Glass Fibre and Glass Preforms	10,393.66	3,755.21
Resin such as (PVC, HDPE, Nylon, MB, LSZH, PBT, Nucrel, UV resin and Polyester)	7,740.96	4,577.70
Others	2,978.23	4,928.30
	21,112.85	13,261.21

20. Details of purchase of traded goods

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Telecom and electronic items	658.41	493.10
	658.41	493.10

21.(Increase)/ decrease in inventories

	(Increase)/ Decrease Rs. In lacs	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Inventories at the end of the year	31-Mar-15		
Finished/traded goods	386.58	22.54	409.12
Semi finished goods	(176.00)	1,010.50	834.50
	210.58	1,033.04	1,243.62
Inventories at the beginning of the year	31-Mar-14		
Finished/traded goods	711.65	409.12	1,120.77
Semi finished goods	(443.69)	834.50	390.81
	267.96	1,243.62	1,511.58

22.Employee benefits expense

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Salaries, wages and bonus	1,942.94	1,593.86
Contribution to provident and other funds	92.98	86.72
Gratuity	40.36	75.14
Staff welfare expenses	116.86	85.40
Directors' Remuneration	151.59	115.59
	2,344.73	1,956.71

Notes to Consolidated Financial Statements for the year ended March 31, 2015
23. Other expenses

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Consumption of stores and spares	474.58	358.71
Sub-contracting expenses	802.37	508.14
CSR Expenditure	33.80	-
Packing Material Consumed	1,958.51	1,058.97
Increase/(Decrease) in Excise Duty Provision on Stock	(38.72)	25.65
Power and Fuel	748.16	555.89
Travelling and Conveyance	303.89	274.11
Postage and Telephone	42.56	34.77
Insurance	61.27	50.85
Rent	136.00	108.21
Professional and Legal Expenses	315.75	368.16
Repair and Maintenance		
- Plant and Machinery	53.93	56.82
- Buildings	21.35	51.98
- Others	79.11	71.95
Marketing and Service Charges	596.03	220.00
Freight and Cartage (Outward)	237.67	267.66
Auditors' Remuneration	39.21	31.51
Other Expenses	512.65	419.04
	6,378.12	4,462.42
Less : Transfer to Capital Asset/ Capital Work in Progress	9.55	18.60
	6,368.57	4,443.82

Detail of payment to Auditor

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
As Auditor:		
- Audit fee	28.83	23.21
- Tax audit fees	4.00	4.00
In other capacity:		
- Taxation matters	3.50	2.11
- Other services (certification fees)	1.20	1.20
- Reimbursement of expenses	1.68	0.99
	39.21	31.51

24. Depreciation and amortization expense

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Depreciation of tangible assets	1,534.73	1,319.54
Amortization of intangible assets	186.41	182.86
	1,721.14	1,502.40

25. Finance costs

	31-Mar-15 Rs. in lacs	31-Mar-14 Rs. in lacs
Interest on Cash Credit	358.32	139.05
Interest	435.43	268.44
Bank Charges	328.18	301.99
	1,121.93	709.48

Notes to Consolidated Financial Statements for the year ended March 31, 2015
26 Contingent Liabilities:

a) Claims not acknowledged as debts

		(Rs. in lacs)	
S. No.	Particulars	31-Mar-15	31-Mar-14
1	VAT/Sales Tax Matters	387.78	549.96
2	Service Tax	231.17	304.76
3	Excise / Custom Duty	559.63	552.18
4	Stamp Duty	28.50	28.50
5	Others	166.61	78.91

b) Bank Guarantees, letters of credit (Net of margin) issued by banks and outstanding as on the reporting date is Rs. 1,940.99 lacs (31.03.2014 : Rs. 2,163.96 lacs).

c) The Company had imported plant and machinery in previous years under EPCG scheme. An export obligation ('EO') amounting to Rs.10,699.43 lacs was placed on the Company which was to be fulfilled in a period of 8 years starting from August 2001. Subsequently, the said EO was refixed by DGFT vide its letter dated Jan 2011 upto August 2011 in terms of the Chapter VI of EXIM Policy and Procedure (Vol-1) 1997-2002. The Company has fulfilled the entire EO and final redumption is awaited.

d) Estimated amounts of contracts remaining to be executed on Capital Account (net of advances) is Rs.30,291.28 lacs (31.03.2014 : Rs.31,075.73 lacs).

27 With a view to have a global presence in telecom, the Company has incorporated a wholly owned subsidiary in Dubai, viz. "AOL (FZE)" for expansion of Companies businesses. The subsidiary Company has signed an agreement with Africa One, a Company which has been mandated to provide majority stake in Company, holding GSM licenses with spectrum in African continent for Broadband, IPTV and FTTH projects. In Compliance of the terms of the agreement, the subsidiary Company has advanced towards part consideration an amount aggregating Rs 11,194.56 lacs (equivalent to AED 660.06 lacs) {31.03.2014 : Rs.10,782.68 lacs (equivalent to AED 660.06 lacs)}.

28 Detail of loans given, Investment made and guarantee given covered U/s 186 (4) of the companies Act, 2013.

Corporate guarantee given by the Company in respect of Loans as at March 31, 2015

		(Rs. in lacs)	
Name of the Co.		31-Mar-15	31-Mar-14
APAKSH Broadband Limited		582.03	582.03
AOL FZE (Dubai)		1794.04	2,025.30

29 Related Party Disclosures

Related party disclosures as required under Accounting Standard - 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as given below as on March 31, 2015:

a) Individuals exercising significant influence and their relatives:

- Dr. Kailash S. Choudhari (Chairman)
- Dr. Rohan Choudhari

b) Key Management Personnel:

- Mr. Chetan Choudhari (Managing Director)
- Mr. Satyendra Gupta (Chief Financial Officer) (related w.e.f. 2nd August, 2014)
- Mr. Gaurav Mehta (Company Secretary) (related w.e.f. 2nd August, 2014)

c) Enterprise over which personnel referred in (b) aforementioned exercise significant influence :-

- Mangal Chand Tubes Private Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2015
Related Party Transactions

				(Rs. in lacs)
S.No.	Nature of Transaction	Key Management Personnel	Others	Total
1	Remuneration Paid*	275.40	435.43	710.83
		112.40	422.86	535.26
2	Purchase	-	25.48	25.48
		-	-	-
3	Interest Expenses	-	-	-
		-	5.50	5.50
4	Loan Taken	-	15.00	15.00
		-	-	-
5	Repayment of loan	-	15.00	15.00
		-	81.75	81.75
6	Sitting Fees	-	0.95	0.95
		-	0.60	0.60
7	Rent Paid	-	-	-
		-	16.52	16.52
Balance due to/(from) as at March 31, 2015				
	Trade and other Payables	-	1.56	1.56
		-	10.70	10.70

Figures in italic for previous year

*Previous year figure are not comparable

- 30** The Company has taken assets on cancellable operating lease, the future minimum lease payments in respect of which are as follows :-

Particulars	(Rs. in lacs)	
	Minimum Lease Payments 31-Mar-15	31-Mar-14
Not later than 1 year	8.86	8.86
Later than 1 year and not later than 5 years	25.83	34.69
Later than 5 years	-	-

The Lease agreements provide for an option to the Company to renew the lease period. There are no exceptional/restrictive covenants in the lease agreements.

Lease rental expense in respect of operating leases is Rs.8.86 lacs (31.03.2014 : Rs.0.74 lacs)

Contingent rent recognized in the Statement of Profit and Loss is Rs. Nil (31.03.2014 : Rs. Nil)

- 31** Expenditure relating to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII:

(a) Gross amount required to be spent during the year	: Rs. 40.17 lacs
(b) Amount spent during the year on	:

Notes to Consolidated Financial Statements for the year ended March 31, 2015

S.No.	Particulars	(Rs. in lacs)		
		In cash	Yet to be	Total
	(i) Construction/Acquisition of any asset	-	-	-
	(ii) Purpose other than (i) above	33.80	-	33.80

- 32** Exceptional items represents net foreign exchange gain on translation of Foreign Exchange assets and liabilities other than operational of Rs.104.68 lacs (31.03.2014: Rs.717.10 lacs), profit/(loss) on sale of fixed assets and Investments of Rs. 10.83 lacs {31.03.2014: (Rs.20.76) lacs}, liabilities written back of Rs. Nil lacs (31.03.2014: Rs.10.26 lacs).

33 Segmental Reporting

Based on the guiding principles given in Accounting Standard AS-17, "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company's business segments are Manufacturing Services and Trading of goods. The information about business segment are given below :

Particulars	(Rs. in lacs)							
	Manufacturing		Services		Trading		Total	
	2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014
1 Segment Revenue								
External Turnover	33,158.68	20,879.48	1,512.27	894.29	933.69	2,100.51	35,604.64	23,874.28
Inter Segment Turnover	9.55	20.39	-	-	-	-	-	-
Total Revenue	33,168.23	20,899.87	1,512.27	894.29	933.69	2,100.51	35,604.64	23,874.28
2 Segment Results before Interest and Taxes	5,400.10	3,904.15	(671.73)	(1,232.82)	222.26	204.55	4,950.63	2,875.88
Less : Finance Cost							1,121.93	709.48
Add : Interest Income							242.85	217.37
Add : Exceptional Items							115.51	706.60
Add/(Less): Unallocated (Expenses)/Income							(1,582.94)	(923.75)
Profit before Tax							2,604.12	2,166.62
3 Other Information								
Segment Assets	22,123.77	14,748.38	27,284.94	27,286.23	3,753.89	4,599.53	53,162.60	46,634.14
Unallocated Assets	-	-	-	-	-	-	11,754.57	11,452.73
Total Assets	22,123.77	14,748.38	27,284.94	27,286.23	3,753.89	4,599.53	64,917.17	58,086.87
Segment Liabilities	13,487.61	8,294.06	10,155.59	11,577.27	409.71	672.87	24,052.91	20,544.20
Share Capital & reserves	-	-	-	-	-	-	40,864.26	37,542.67
Total Liabilities	13,487.61	8,294.06	10,155.59	11,577.27	409.71	672.87	64,917.17	58,086.87
Capital Expenditure	3,770.319	592.54	405.88	46.80	37.54	-	4,213.73	639.34
Depreciation and Amortization	469.44	374.38	1,250.53	1,128.02	1.17	-	1,721.14	1,502.40

Note :-

Total Revenue is after elimination of inter Segment turnover of Rs. 9.55 lacs 31.03.2014 : Rs. 20.39 lacs

Notes to Consolidated Financial Statements for the year ended March 31, 2015
34 Basic and diluted earnings per share

S. No.	Particulars	31-Mar-15	31-Mar-14
a.	Net Profit for the year (Rs. in lacs)	2,532.94	2,166.62
b.	Weighted Average No of Equity Shares used in computing Basic-Earning per Share (Nos.)	150,658,485	148,564,989
c.	Impact of diluted instruments on Net Profit for the year (Rs. in lacs)	-	-
d.	Net Profit used for the computation of diluted earning per share (Rs. in lacs)	2,532.94	2,166.62
e.	Weighted average number of equity shares from dilutive instruments (Nos.)	11,125,384	14,100,086
f.	Weighted Average No of Equity Shares used in computing Diluted Earning per Share (Nos.)	161,783,869	162,665,075
g.	Nominal Value of Equity Shares (Rs.)	5.00	5.00
h.	Basic-Earning Per Shares (Rs.)	1.68	1.46
i.	Diluted -Earning Per Share (Rs.)	1.57	1.33

35 There are no Micro and Small Enterprises, to whom the Group owes any sum, which are outstanding for more than 45 days as at March 31, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information received from vendors.

36 APAKSH is setting up a Broadband Project in the state of Andhra Pradesh. No Statement of Profit and Loss has been prepared in respect of the said project since the Company has not commenced revenue operations. The expenditure incurred during the period are classified as "Project Development Expenses" pending capitalization and will be apportioned to the assets on the completion of the project.

37 In the case of APAKSH, Bank Guarantee of Rs. 150.00 lacs (31.03.2014 : Rs.150.00 lacs) was invoked by M/s Andhra Pradesh Technology Services Limited due to failure of implementation of the project, shown in advance recoverable as Company is contesting. In the case of APAKSH, no provision has been made in respect of various expenses viz. rent, commission, bandwidth expenses as these are not quantifiable due to non availability of information and for interest of Rs. 209.97 lacs (31.03.2014 : Rs. 187.27 lacs) on secured loan taken from Cisco Systems Capital India Private Limited.

38 In case of APAKSH, the operations are suspended due to litigation filed by one of the shareholder of APAKSH, which was finally dismissed by the Hon'ble Supreme Court vide it's order dated 7th May 2010. The management of the Company is in discussion on the revival of the project.

39 Previous year's figures have been regrouped, rearranged and reclassified to conform to those of current year's figures wherever necessary.

The accompanying notes (1-39) are an integral part of the consolidated financial statements.

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

for & on behalf of the Board of Directors

Dr. Kailash S. Choudhari

Chairman

DIN. : 00023824

CA K. C. Gupta
Partner
Membership No.: 088638

Chetan Choudhari
Managing Director
DIN. : 00872366

Satyendra Gupta
Executive Director
(Finance) & CFO

Place: New Delhi
Date: May 30, 2015

Gaurav Mehta
Company Secretary

Pawan Kumar Gambhir
Process Leader (F & A)

INDEPENDENT AUDITORS' REPORT

To the Members of

AKSH OPTIFIBRE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of AKSH OPTIFIBRE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility of financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the companies Act 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the ministry of corporate affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - e) on the basis of written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For P. C. Bindal & Co.

Firm Registration No. : 003824
Chartered Accountants

CA. K. C. Gupta
Partner

Place of Signature: New Delhi
Date: 26th May, 2014

Membership No. 088638

ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As per information & explanation given to us fixed assets except the assets installed at customer premises have been physically verified by the management during the year. No material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification of fixed assets is reasonable.
- (c) During the year, the Company has not disposed off Substantial fixed assets. According to the information and explanation given to us, we are of the opinion that the going concern status of the Company is not affected.
- (ii) (a) During the year, the inventory has been physically verified by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the books records were not material and have been properly dealt with in the books of accounts.
- (iii) (a) According to the information and explanations given to us, the Company has granted unsecured loan to one of its wholly owned subsidiary. The maximum amount involved during the year was Rs. 14,174.60 lacs and the closing balance of loan given to such party was Rs. 8,501.07 lacs.
- (b) According to the information and explanations given to us, in our opinion, the other terms and conditions on which loans have been granted to parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, *prima facie*, prejudicial to the interest of the Company.
- (c) As per the information made available to us, the aforesaid advance granted by the Company is repayable on demand.
- (d) In respect of the aforesaid advances, there is not overdue amount as at year-end.
- (e) According to the information and explanations given to us, the Company has taken unsecured loans from three parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 311.75 lacs and the closing balance of loan taken from such parties was Rs. 200 lacs.
- (f) According to the information and explanations given to us, in our opinion, the rate of interest and other terms and conditions on which unsecured loans have been taken from Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, *prima facie*, prejudicial to the interest of the Company.
- (g) According to the information and explanations given to us, the payments of the principal amount and interest of the aforesaid loan are regular.
- (iv) In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory, fixed assets, sale of goods and services. During the course of our audit, we have not observed any major weaknesses in internal control system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public to which provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) 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 section 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

- (ix) (a) According to the information and explanations given to us and according to the books and records examined by us, the Company is generally regular in depositing undisputed statutory dues in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues were in arrears, as at 31st March, 2014 for a period of more than six months from the date they become payable.
- (c) According to the information and explanations given to us, and the records of the Company examined by us, dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of disputes and the forum where the dispute are pending as under:

Name of the Dues/ Name of the Statute	Disputed Amount (Rs. in lacs)	Period to Which Amount Relates	Forum Where Dispute is Pending
Sales Tax			
Rajasthan Sales Tax Demand	71.12	1996-97, 1998-99, 2000-01 and 2001-02	Hon'ble High Court Jaipur
MVAT Demand	7.85	2007-08	Joint Commissioner of Sales Tax (Appeals), Mumbai
Customs/ Excise Duty			
Customs Act, 1962	360.91	2005-06	CESTAT
Customs Act, 1962	48.06	2008-09	CESTAT
Central Excise Act, 1944	84.38	2003-05	CESTAT
Central Excise Act, 1944	3.37	2000-01	CESTAT
Central Excise Act, 1944	22.35	2010-11	Commissioner (Appeals)
Central Excise Act, 1944	0.31	2011-12	Commissioner (Appeals)
Service Tax			
Finance Act, 1994	7.50	2004-05	Hon'ble High Court, Jaipur
Finance Act, 1994	0.54	2005-06	Commissioner of Central Excise (Appeals), Jaipur
Finance Act, 1994	0.64	2004-06	CESTAT
Finance Act, 1994	31.20	2009-10	CESTAT
Finance Act, 1994	188.01	2011-12	CESTAT
Finance Act, 1994	0.91	2010-11	Assistant Commissioner, Bhiwadi
Finance Act, 1994	0.42	2005-06	Deputy Commissioner
Provident Fund			
Provident Fund Act	7.60	2004-05	Hon'ble High Court, Jaipur

- (x) In our opinion, the accumulated losses of the Company are not more than fifty percent of its net worth. The Company has not incurred any cash losses during the current year and in the immediately preceding financial year.
- (xi) Bonds of \$ 13 Mn and \$ 1 Mn were due for redemption on 8th January, 2013 and 5th February, 2013 respectively having maturity value of equivalent to Rs. 7,603.40 lacs has been redeemed / paid on \$1.50 Mn on 16th May, 2013, \$2.50 mn on 21st May, 2013, \$ 0.50 Mn on 23rd May, 2013 and \$ 9.50 Mn on 27th June, 2013.

- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund / Society are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) In our opinion, the terms and conditions on which the Company has given the guarantee for loans taken by subsidiary Company from banks or financial Institutions are not prejudicial to the interest of the Company.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the Company has not made preferential allotment of share to parties covered in the register maintained under section 301 of the Act.
- (xix) According to the information and explanations given to us, during the year the Company has issued 0% Unsecured Foreign Currency Convertible Bonds of US\$ 1,000 each aggregating to US\$ 3.792 Million equivalent to Rs. 2,272.17 lacs and accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xx) According to the information and explanations given to us, the Company had not raised any money by way of public issue during the year.
- (xxi) Based on the audit procedures performed and information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For P. C. Bindal & Co.

Firm Registration No. : 003824N

Chartered Accountants

CA. K. C. Gupta

Partner

Place of Signature: New Delhi

Date: 26th May, 2014

Membership Number: 088638

BALANCE SHEET AS AT 31st MARCH, 2014

	Notes	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Equity and liabilities			
Shareholders' funds			
Share capital	3	7,428.25	7,428.25
Reserves and surplus	4	28,221.61	28,479.33
		35,649.86	35,907.58
Non-current liabilities			
Long-term borrowings	5	7,791.41	-
Trade payables		-	-
Long-term provisions	6	197.49	183.44
		7,988.90	183.44
Current liabilities			
Short-term borrowings	7	2,591.80	1,174.91
Trade payables	8	3,740.53	3,811.04
Other current liabilities	8	2,796.64	9,192.83
Short-term provisions	6	842.53	37.41
		9,971.50	14,216.19
TOTAL		53,610.26	50,307.21
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	8,668.86	9,744.97
Intangible assets	10	765.39	948.25
Capital work-in-progress		1,549.77	331.43
Non-current investments	11	18,672.33	11,317.52
Long-term loans and advances	12	80.18	90.19
Trade receivables	13.1	-	47.41
Other non-current assets	13.2	1,455.73	1,206.32
		31,192.26	23,686.09
Current assets			
Inventories	14	2,456.26	1,507.87
Trade receivables	13.1	6,785.54	6,153.15
Cash and Cash equivalents	15	54.18	193.06
Short-term loans and advances	12	13,046.06	18,682.37
Other current assets	13.2	75.96	84.67
		22,418.00	26,621.12
TOTAL		53,610.26	50,307.21
Summary of significant accounting policies	2.1		
The accompanying notes (1-41) are an integral part of the financial statements.			

As per our report of even date

For and on behalf of the Board of Directors

For P. C. Bindal & Co.
Firm Registration No : 003824N
Chartered Accountants

Dr. KAILASH S. CHOUDHARI
Chairman
DIN No. 00023824

CA K. C. Gupta
Partner
Membership No.: 088638

CHETAN CHOUDHARI
Managing Director
DIN No. 00872366

B.R. RAKHECHA
Director
DIN No. 00026729

Place: New Delhi
Date : 26th May, 2014

SATYENDRA GUPTA
Chief Financial Officer

GAURAV MEHTA
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2014

	Notes	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Income			
Revenue from operations (gross)	16	22,882.34	23,925.53
Less: excise duty		875.94	625.04
Revenue from operations (net)		22,006.40	23,300.49
Other income	17	742.06	720.34
Total revenue (I)		22,748.46	24,020.83
Expenses			
Cost of raw material and components consumed	18	13,261.21	13,744.11
Purchase of traded goods	19	213.60	395.82
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	20	(652.73)	(2.34)
Employee benefits expense	21	1,519.47	1,386.03
Other expense	22	4,306.68	4,485.91
Total expense (II)		18,648.23	20,009.53
Earnings before interest, tax, depreciation, exceptional items and amortization, (EBITDA), (I) – (II)		4,100.23	4,011.30
Depreciation and amortization expense	23	1,499.38	1,663.21
Finance cost	24	705.90	373.38
Profit before exceptional items and tax		1,894.95	1,974.71
Exceptional Items	30	706.60	619.02
Profit before tax		2,601.55	2,593.73
Tax expenses			
Income Tax		520.51	64.54
MAT Credit Entitlement		520.51	64.54
Total tax expense		-	-
Profit for the year		2,601.55	2,593.73
Earnings per equity share [nominal value of share Rs 5/- (31st March 2013: Rs 5/-)]			
Basic		1.75	1.77
Diluted		1.60	1.77

Summary of significant accounting policies 2.1

The accompanying notes (1-41) are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For P. C. Bindal & Co.
Firm Registration No : 003824N
Chartered Accountants

Dr. KAILASH S. CHOUDHARI
Chairman
DIN No. 00023824

CA K. C. Gupta
Partner
Membership No.: 088638

CHETAN CHOUDHARI
Managing Director
DIN No. 00872366

B.R. RAKHECHA
Director
DIN No. 00026729

Place: New Delhi
Date : 26th May, 2014

SATYENDRA GUPTA
Chief Financial Officer

GAURAV MEHTA
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
A. Cash flow from operating activities		
Profit before tax	2,601.55	2,593.73
Profit before tax	2,601.55	2,593.73
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation / amortization on continuing operation	1,499.38	1,663.21
Loss / (profit) on sale of fixed assets	20.76	(915.14)
Finance cost	705.90	373.38
Interest (income)	(739.00)	(615.36)
Operating profit before working capital changes	4,088.59	3,099.82
Movements in working capital :		
Increase / (decrease) in trade and other payables	2,476.38	(622.43)
Decrease / (increase) in trade receivables	(584.99)	(204.52)
Decrease / (increase) in inventories	(948.39)	(308.54)
Decrease / (increase) in other receivables	(2,990.19)	(3,104.14)
Cash generated from / (used in) operations	2,041.40	(1,139.81)
Direct taxes paid (net of refunds)	520.51	64.54
Net cash flow from / (used in) operating activities (A)	2,561.91	(1,075.27)
B. Cash flows from investing activities		
Purchase of fixed assets, including CWIP	(1,497.78)	(343.59)
Proceeds from sale of fixed assets	18.26	1,685.37
Interest received	739.00	615.36
Net cash flow from / (used in) investing activities (B)	(740.52)	1,957.14
C. Cash flows from financing activities		
Proceeds from issuance of equity share capital	-	1,131.41
Expense on issue of FCCBs	(69.15)	-
Proceeds / (Repayment) of Long-term borrowings	(2,167.58)	-
Proceeds / (Repayment) of Short-term borrowings	1,416.89	(1,522.31)
Proposed Dividend	(371.41)	-
Tax on Dividend	(63.12)	-
Finance cost	(705.90)	(373.38)
Net cash flow from / (used in) in financing activities (C)	(1,960.27)	(764.28)
Net increase / (decrease) in cash and cash equivalent (A+B+C)	(138.88)	117.59
Cash and cash equivalent at the beginning of the year	193.06	75.47
Cash and cash equivalent at the end of the year	54.18	193.06
Components of cash and cash equivalent		
Cash on hand	5.38	4.50
With banks- on current account	47.79	184.50
Deposits with original maturity of less than three months	-	-
Unpaid dividend	1.01	4.06
Total cash and cash equivalents (note 15)	54.18	193.06

Summary of significant accounting policies 2.1

The accompanying notes (1-41) are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For P. C. Bindal & Co.
Firm Registration No : 003824N
Chartered Accountants

Dr. KAILASH S. CHOUDHARI
Chairman
DIN No. 00023824

CA K. C. Gupta
Partner
Membership No.: 088638

CHETAN CHOUDHARI
Managing Director
DIN No. 00872366

B.R. RAKHECHA
Director
DIN No. 00026729

Place: New Delhi
Date : 26th May, 2014

SATYENDRA GUPTA
Chief Financial Officer

GAURAV MEHTA
Company Secretary

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

1 CORPORATE INFORMATION

Aksh Optifibre Limited is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed at The Bombay Stock Exchange Limited, The National Stock Exchange Limited in India and GDRs are listed at Luxembourg Stock Exchange. The Company is engaged in the manufacturing and selling of Optical Fibre, Optical Fibre Cable, Fibre Reinforced Plastic Rods and Impregnated Glass Roving Reinforcement, The Company caters to both domestic and international markets. The Company also provides the Internet Protocol Television (IPTV) services in association with BSNL in 20 cities of North India. The Company is the pioneer in the FTTH (Fibre to the Home) space and has further consolidated its place by starting FTTH services in Delhi, Jaipur, Ajmer & Faridabad.

2 BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs and the relevant provisions of the 1956 Act/ 2013 Companies Act, as applicable 1956.

2.1 SIGNIFICANT ACCOUNTING POLICIES

a) Use of Estimates

The preparation of the financial statements is in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting year. Difference between the actual result and estimates are recognized in the year in which the results are known / materialized.

b) Fixed Assets

- i) Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment. Cost includes any borrowing cost directly attributable to the acquisition / construction of fixed assets and bringing the assets to its working condition for its intended use.
- ii) Exchange difference arising on account of liabilities incurred for acquisition or construction of Fixed Assets is adjusted in the carrying amount of related Fixed Assets.

c) Capital Work-in-Progress

Cost of assets not ready for use before the year-end and expenditure during construction period that is directly or indirectly related to construction, including borrowing cost are included under Capital Work-in-Progress.

d) Depreciation

- i) Depreciation on Fixed Assets is provided on straight-line method at the rates specified in Schedule XIV of the Companies Act, 1956 and based on the estimated useful life of assets. Depreciation is charged on pro-rata basis for assets purchased / sold during the year. Individual assets costing up to Rs. 5,000/- are depreciated in full in the year of purchase.

Depreciation on equipments installed at customer premises is being provided at 20% on useful life estimated by the management.

License fee is amortized over the licensed period.

- ii) Cost of leasehold land is amortized over lease period on a straight-line basis.
- iii) Cost of software is amortized over its useful life on a straight-line basis.
- iv) Extra shift depreciation is charged on the basis of actual extra shifts worked as required by Schedule XIV to the Companies Act, 1956.

e) Impairment of Assets

- i) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted at their present value at the weighted average cost of capital.

- ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- iii) A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

f) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long Term investments are stated at cost. Provision for diminution in the value of long- term investments is made only if such diminution is other than temporary. Current Investments are carried at the lower of cost and fair value and provisions are made to recognize the decline in the carrying value.

g) Inventories

- i) 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.
- ii) 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 FIFO 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.
- iii) The comparison of cost and realizable value is made on an item-by-item basis.
- iv) Net realizable value of work-in- process is determined on the basis of selling prices of related finished products.
- v) 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.

h) Foreign Currency Transactions

- i) Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.
- ii) Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.
- iii) Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.
- iv) The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which exchange rate changes. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognized as income or expense for the year. None of the forward exchange contracts are taken for trading or speculation purpose.

i) Borrowing Cost

Borrowing cost 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 cost are expensed in the period they occur. Borrowing cost consist of interest and other cost that Company incurs in connection with the borrowing of funds.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
j) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be readily measured.

Sales of Goods and Services

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer (usually at the point of dispatch to customers). Sales include excise duty, sale of scrap and net of sale tax and quantity discount.

Income from services is recognized on the completion of services. Period based services are accounted for proportionately over the period of service.

Income from Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Other Incomes

Other Incomes are accrued as earned except where the receipt of income is uncertain.

k) Retirement and other Employee Benefits

- i) Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due. The Company has no other obligation other than the contribution payable.
- ii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method calculated at the end of each financial year. The liability with regard to gratuity in respect of any employee not covered under group gratuity scheme is provided on the basis of amount payable to such employees as if they were to retire on the last day of financial year.
- iii) Compensated Absences liability is provided for based on actuarial valuation done as per Projected Unit Credit Method calculated at the end of each financial year.
- iv) Actuarial gains / losses are immediately taken to Statement of Profit and Loss and are not deferred.

l) Export Incentives

Export Incentive in the form of advance licenses / 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.

m) Taxes on Income

Tax expense comprises of current and deferred tax. Current income tax is determined as the amount of tax payable in respect of taxable income for the year based on provisions of Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if legally and enforceable right exist to set off current tax asset against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In case of unabsorbed depreciation and carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

n) Operating Leases

Assets given on operating leases are included in fixed assets. Lease income is recognized in the Profit and Loss on a straight-line basis over the lease term. Cost, including depreciation are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal cost, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

o) Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Notified AS 20 under the Companies (Accounting Standards) Rules, 2006 issued by The Institute of Chartered Accountants of India on 'Earnings Per Share'. Basic earnings per share is computed by dividing the net profit or loss for the period attributable to equity shareholders after deducting attributable taxes by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Both profit for the year and weighted average numbers of shares are adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

p) Provisions, Contingent Liabilities and Contingent Assets

As per Notified AS 29 under the Companies (Accounting Standards) Rules, 2006, Provisions, Contingent Liabilities and Contingent Assets, issued by the Institute of Chartered Accountants of India, the Company recognizes provisions (without discounting to its present value) only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation as and when a reliable estimate of the amount of the obligation can be made.

No provision is recognized for –

Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

Any present obligation that arises from past events but is not recognized because –

- It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as Contingent Liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

q) Miscellaneous Expenditure

Expenditure on issue of shares / foreign currency convertible bonds (FCCBs) / Global Depository Receipts (GDRs) / shares under Qualified Institutional Placements (QIP) and premium on redemption of FCCBs are adjusted against Securities Premium account.

r) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present earnings before interest, tax, depreciation, exceptional items and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit / (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance cost and tax expense.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
3. Share capital

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs.in lacs
Authorized share (No.)		
170,100,000 (31 st March, 2013: 170,100,000) Equity Shares of Rs. 5/- each	8,505.00	8,505.00
Issued, subscribed and fully paid-up share (No.)		
148,564,989 (31 st March, 2013: 148,564,989) Equity Shares of Rs. 5/- each fully paid up	7,428.25	7,428.25
Total issued, subscribed and fully paid-up share capital	7,428.25	7,428.25

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

	31-Mar-14		31-Mar-13	
	No.	Rs. In lacs	No.	Rs. In lacs
At the beginning of the year	148,564,989	7,428.25	142,924,871	7,146.24
Add:				
- Issued pursuant to conversion of FCCBs	-	-	5,640,118	282.01
Outstanding at the end of the year	148,564,989	7,428.25	148,564,989	7,428.25

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) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	31-Mar-14		31-Mar-13	
	No.	% holding	No.	% holding
Dr. Kailash S. Choudhari	25,842,700	17.39%	25,842,700	17.39%
Religare Finvest Limited	20,851,807	14.04%	14,816,807	9.97%
Sunidhi Capital Private Limited	9,005,250	6.06%	-	0.00%
Davinder Kumar Jain	-	0.00%	15,356,251	10.34%
The Bank of New York, Mellon	9,065,850	6.10%	9,065,850	6.10%
Seema Choudhari	7,809,341	5.26%	7,809,341	5.26%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
4. Reserves and surplus

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Capital reserve	15.00	15.00
Securities premium account		
Balance as per the last financial statements	33,830.69	32,981.29
Add / (Less) :		
- Issue expenses on issue of FCCBs (USD 3,792 Million)	(69.15)	-
- Premium On Redemption of FCCBs	(2,355.59)	-
- Issue of 5,640,118 equity shares upon conversion of FCCBs	-	849.40
Closing Balance	31,405.95	33,830.69
Surplus / (deficit) in the statement of profit and loss		
Balance as per last financial statements	(5,366.36)	(7,960.09)
Profit for the year	2,601.55	2,593.73
Proposed Dividend	(371.41)	-
Tax on Dividend	(63.12)	-
Net Deficit in the statement of profit and loss	(3,199.34)	(5,366.36)
Total reserves and surplus	28,221.61	28,479.33

5. Long-term borrowings

	Non-current portion		Current maturities	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Term Loans				
Secured Loans				
External Commercial Borrowings	5,133.95	-	1,140.88	-
10.472 Mn USD (31 st March, 2013 : Nil)				
Term Loan from Bank	333.33	-	166.67	-
Term Loan from Others	51.96	-	25.47	-
Unsecured Loans				
Foreign Currency Convertible Bonds (FCCBs)	-	-		
3.792 Mn USD (31 st March, 2013: Nil) 0% FCCBs due on Feb-2019 of \$ 1,000 each (unsecured)	2,272.17	-	-	-
	7,791.41	-	1,333.02	-
The above amount includes				
Secured borrowings	5,519.24	-	1,333.02	-
Unsecured borrowings	2,272.17	-	-	-
Amount disclosed under the head "other current liabilities" (note 8)	-	-	(1,333.02)	-
	7,791.41	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

1. External Commercial Borrowings are secured by way of first pari- passu charge on the fixed assets of the Company and personal guarantee of Dr. Kailash S. Choudhari.
2. Term Loan from Bank are secured by way of exclusive charge on Plant and Machinery installed under the project and further secured by personal guarantee of Dr. Kailash S. Choudhari.
3. Term Loan from others are secured by way of exclusive charge on Fixed assets installed under the subject project.
4. Issue of Foreign Currency Convertible Bonds (FCCBs) convertible into ordinary shares, the particulars, terms of issue and the status of conversion as at 31st March, 2014 are given below :-

Issue	0% FCCBs (due February 2019)
Issued on	10 th February, 2014
Issue Amount	USD 3.792 Million
Face Value	USD 1000
Fixed Exchange Rate for conversion	USD 1= Rs. 62.32
Redeemable on	10 th February, 2019
Redemption Percentage of the principal amount	120%
FCCBs converted	Nil
Shares issued on conversion of FCCBs	Nil
FCCBs outstanding as on 31 st March, 2014	USD 3.792 Million
Shares that could be issued on conversion of outstanding FCCBs	14,100,086 shares

6. Provisions

	Long-term		Short-term	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Provision for Gratuity and Compensated Absences	197.49	183.44	5.53	5.37
Provision for Income Tax (net of Prepaid Taxes)	-	-	402.47	32.04
Proposed Dividend	-	-	371.41	-
Provision for Tax on Dividend	-	-	63.12	-
	197.49	183.44	842.53	37.41

7. Short-term borrowings

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Secured Loans		
-Working Capital Facilities	1,511.03	147.38
-Buyers Credit from Banks	488.58	290.16
Unsecured Loans		
Deposits (unsecured)		
0% loan from Chairman repayable on demand	-	47.75
15% Inter Corporate Deposit from related parties repayable on demand	-	34.00
15% Inter Corporate Deposit from others repayable on demand	200.00	230.00
9% Security Deposits	-	9.92
0% Security Deposits	392.19	415.70
	2,591.80	1,174.91

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
The above amount includes

Secured borrowings	1,999.61	437.54
Unsecured borrowings	592.19	737.37
1. Working capital facilities from banks are secured by way of first pari-passu charge on Current Assets both present and future and second pari-passu charge on the fixed assets of the Company. These facilities are further secured by way of first pari-passu charge on the immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari. The cash credit is repayable on demand. The interest payable on cash credit ranges between 14.00% to 14.50% and on packing credit 6.15%.		
2. Non fund based limits are secured by first pari-passu charge on immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari.		

8. Other current liabilities

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Trade payables (including acceptances)	3,740.53	3,811.04
Other liabilities		
Current maturities of long term debt (Refer Note No 5)	1,333.02	-
Foreign currency convertible bonds	-	7,603.40
Interest accrued but not due on borrowings	120.03	12.19
Advance from Customers	93.40	168.14
Unearned revenue	6.06	6.08
Unclaimed Dividend #		
Dividend 2005-06	-	3.05
Dividend 2006-07	1.01	1.01
Retention Money & Security Deposit	2.30	1.80
Other current liabilities	1,240.82	1,397.16
	2,796.64	9,192.83
	6,537.17	13,003.87

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

9. Tangible assets

	Freehold Land	Lease hold Land	Factory Buildings	Plant and equipment	Telecom Networking	Testing Instruments	Air Conditioners	Furniture and fixtures	Office Equipments	Data Processing System	Electric Fittings	Vehicles	Fork Lift	Total
(Rs. in lacs)														
Cost Cost or valuation														
At 1st April, 2012	1.84	310.46	1,263.42	14,274.30	3,151.02	939.45	292.10	170.08	73.90	195.44	548.66	11.64	20.52	21,252.83
Additions	-	67.96	-	232.69	15.10	47.24	3.29	0.31	1.83	5.94	7.11	-	21.90	403.37
Disposals / Adjustments	-	(255.72)	(174.76)	(853.13)	-	(80.51)	(12.99)	(9.36)	(4.84)	(14.57)	(71.87)	-	-	(1,477.75)
At 31st March, 2013	1.84	122.70	1,088.66	13,653.86	3,166.12	906.18	282.40	161.03	70.89	186.81	483.90	11.64	42.42	20,178.45
Additions	-	-	-	218.85	-	3.67	1.00	51.38	1.42	3.12	-	-	-	279.44
Disposals / Adjustments	-	-	-	(79.15)	-	-	4.07	(34.26)	(1.13)	(17.71)	-	-	(5.96)	(134.14)
At 31st March, 2014	1.84	122.70	1,088.66	13,793.56	3,166.12	909.85	287.47	178.15	71.18	172.22	483.90	11.64	36.46	20,323.75
Depreciation														
At 1st April, 2012	-	40.56	605.36	6,427.62	1,260.12	583.81	194.36	79.01	35.18	164.56	247.82	7.06	13.64	9,659.10
Charge for the year	-	2.67	38.03	1,188.26	149.67	37.44	9.14	19.10	5.17	13.24	16.99	1.10	1.09	1,481.90
Disposals / Adjustments	-	(25.78)	(70.87)	(455.75)	-	(69.25)	(2.89)	(12.38)	(4.13)	(19.76)	(46.71)	-	-	(707.52)
At 31st March, 2013	-	17.45	572.52	7,160.13	1,409.79	552.00	200.61	85.73	36.22	158.04	218.10	8.16	14.73	10,433.48
Charge for the year	-	1.25	36.36	1,025.23	150.39	38.34	10.67	16.74	3.66	6.71	23.98	1.10	2.09	1,316.52
Disposals / Adjustments	-	-	-	(62.65)	-	(0.56)	(3.04)	(8.38)	(0.39)	(15.03)	-	-	(5.06)	(95.11)
At 31st March, 2014	-	18.70	608.88	8,122.71	1,560.18	589.78	208.24	94.09	39.49	149.72	242.08	9.26	11.76	11,654.89
Net Block														
At 31st March, 2013	1.84	105.25	516.14	6,493.73	1,756.33	354.18	81.79	75.30	34.67	28.77	265.80	3.48	27.69	9,744.97
At 31st March, 2014	1.84	104.00	479.78	5,670.85	1,605.94	320.07	79.23	84.06	31.69	22.50	241.82	2.38	24.70	8,668.86

10. Intangible assets

	(Rs. in lacs)
Gross Block	
At 1st April, 2012	2,218.14
Additions	21.02
At 31st March, 2013	2,239.16
Additions	-
Disposals / Adjustments	-
At 31st March, 2014	2,239.16
Amortization	
At 1st April, 2012	1,109.60
Charge for the year	181.31
At 31st March, 2013	1,290.91
Charge for the year	182.86
Disposals / Adjustments	-
At 31st March, 2014	1,473.77
Net Block	
At 31st March, 2013	948.25
At 31st March, 2014	765.39

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
11. Non-current investments

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Trade investments (valued at cost unless stated otherwise)		
Investment in subsidiaries		
<i>Unquoted equity instruments</i>		
295 (31 st March, 2013: 1) equity share of Arab Emirates Dhiram (AED) 150,000/- each fully paid-up in AOL (FZE)	7,373.01	18.20
225,950,000 (31 st March, 2013: 225,950,000) Equity Shares of Rs. 5/- each in APAKSH Broadband Limited	11,297.50	11,297.50
	18,670.51	11,315.70
Non-trade investments (valued at cost unless stated otherwise)		
Investment in equity instruments (quoted)		
22,300 (31 st March, 2013: 22,300) equity shares of Rs.10/- each fully paid-up in CMI Limited	0.45	0.45
Government and trust securities (unquoted)		
National Saving Certificates (Deposited with Government Department as Security)	0.87	0.87
Kisan Vikas Patra	0.50	0.50
	1.82	1.82
	18,672.33	11,317.52
Aggregate amount of quoted investments (Market value: Rs 3.04 lacs (31.03.2013: Rs 1.58 lacs)	0.45	0.45
Aggregate amount of unquoted investments	18,671.88	11,317.07

12. Loans and advances (Unsecured, considered Good unless stated otherwise)

	Non-current		Current	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Capital advances	-	6.98	-	-
Security deposit	80.18	83.21	44.32	30.37
Loan and advances to related parties	-	-	8,501.07	13,758.89
Advances recoverable in cash or kind	-	-	2,175.62	3,286.73
Other loans and advances				
Income Tax Refund Due	-	-	57.64	43.46
MAT Credit Entitlement	-	-	756.02	235.51
Prepaid expenses	-	-	222.29	174.06
Balances with statutory / government authorities	-	-	1,289.10	1,153.35
	-	-	2,325.05	1,606.38
Total	80.18	90.19	13,046.06	18,682.37

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
13. Trade receivables and other assets
13.1 Trade receivables

	Non-current		Current	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date they are due for payment	-	-	1,867.35	1,854.69
Other receivables	-	47.41	4,918.19	4,298.46
	-	47.41	6,785.54	6,153.15

13.2. Other assets

	Non-current		Current	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Unsecured, considered good unless stated otherwise				
Non-current bank balances (note15)	1,455.73	1,206.32	-	-
Interest accrued on fixed deposits	-	-	36.94	84.67
Interest accrued on other deposits	-	-	39.02	-
	-	-	75.96	84.67
	1,455.73	1,206.32	75.96	84.67

14. Inventories (valued at lower of cost and net realizable value)

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
i) Finished Goods and Traded Goods	376.19	167.15
ii) Raw Material	1,030.87	742.16
iii) Semi Finished Goods	834.50	390.81
iv) Stores, Spares and others	214.70	207.75
	2,456.26	1,507.87

15. Cash and cash equivalents

	Non-current		Current	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Cash and cash equivalents				
Balances with banks:				
– On current accounts	-	-	47.79	184.50
– Deposits with original maturity of less than three months	-	-	-	-
– On unpaid dividend account	-	-	1.01	4.06
Cash on hand	-	-	5.38	4.50
	-	-	54.18	193.06

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Other bank balances				
– Deposits with original maturity for more than 12 months	0.10	0.10	-	-
– Margin money deposit	1,455.63	1,206.22	-	-
	1,455.73	1,206.32	-	-
Amount disclosed under non-current assets (note 13.2)	(1,455.73)	(1,206.32)	-	-
	-	-	54.18	193.06

Margin money deposits given as security

Margin money deposits with a carrying amount of Rs.1,455.63 lacs (31.03.2013: Rs.1,206.22 lacs) are pledged with Banks for various Facilities.

16. Revenue from operations

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Revenue from operations		
Sale of products		
– Finished goods	20,979.03	21,038.30
– Traded goods	301.32	593.14
Sale of services	813.35	1,099.35
Other operating revenue		
– Scrap sales	22.26	14.59
– Export Incentives	696.88	657.32
– Exchange Fluctuation	43.91	401.96
– Other operating revenue	25.59	120.87
Revenue from operations (gross)	22,882.34	23,925.53
Less: Excise duty #	875.94	625.04
Revenue from operations (net)	22,006.40	23,300.49

Excise duty on sales amounting to Rs. 875.94 lacs (31.03.2013 : Rs. 625.04 lacs) has been reduced from sales in statement of profit and loss and excise duty on increase / (decrease) in stock amounting to Rs. 25.65 lacs (31.03.2013 : Rs. 1.40 lacs) has been considered as (income) / expense in note 22 of financial statements.

Detail of products sold

	31-Mar-14 Rs. In lacs	31-Mar-13 Rs. In lacs
Finished goods sold		
Optical Fibre and Optical Fibre Cables	11,639.49	14,327.22
Fibre Reinforced Plastic Rod and Impregnated Glass Roving Reinforcement	9,339.54	6,711.08
	20,979.03	21,038.30
Traded goods sold		
Telecom and electronic items	301.32	593.14
	301.32	593.14
Detail of services rendered		
IPTV and VoIP	147.44	305.07
Network Erection, Installation and Commissioning	218.80	333.28
Others	447.11	461.00
	813.35	1,099.35

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
17. Other income

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Interest income		
-on deposits	170.13	119.73
-on advances to Related parties	521.63	491.10
-on other advances	47.24	4.53
Other non-operating income	3.06	104.98
	742.06	720.34

18. Cost of raw material and components consumed

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Inventory at the beginning of the year	742.16	456.10
Add: Purchases	13,549.92	14,030.17
	14,292.08	14,486.27
Less: inventory at the end of the year	1,030.87	742.16
Cost of raw material and components consumed	13,261.21	13,744.11

Details of raw material and components consumed

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Glass Fibre and Glass Performs	3,755.21	6,139.02
Resin such as (PVC, HDPE, Nylon, MB, LSZH, PBT, Nucler, UV resin and Polyester)	4,577.70	2,944.05
Others	4,928.30	4,661.04
	13,261.21	13,744.11

19. Details of purchase of traded goods

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Telecom and electronic items	213.60	395.82
	213.60	395.82

20. (Increase)/ decrease in inventories

	(Increase)/ decrease Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Inventories at the end of the year	31-Mar-14		
Finished / Traded goods	(209.04)	376.19	167.15
Semi Finished goods	(443.69)	834.50	390.81
	(652.73)	1,210.69	557.96
Inventories at the beginning of the year	31-Mar-13		
Finished / Traded goods	(28.75)	167.15	138.40
Semi Finished goods	26.41	390.81	417.22
	(2.34)	557.96	555.62

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014
21. Employee benefits expense

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Salaries, wages and bonus	1,202.40	1,126.26
Contribution to provident and other funds	86.72	88.86
Gratuity	30.56	9.79
Staff welfare expenses	84.20	61.08
Directors' Remuneration	115.59	100.04
	1,519.47	1,386.03

22. Other expenses

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Consumption of stores and spares	358.71	250.31
Sub-contracting expenses	508.14	644.60
Subscription Charges	76.39	205.79
Packing Material Consumed	1,058.97	814.95
Increase / (Decrease) in Excise Duty Provision on Stock	25.65	1.40
Project Execution Expenses	3.91	133.97
Power and Fuel	555.89	576.18
Travelling and Conveyance	239.92	195.28
Postage and Telephone	34.30	46.74
Insurance	50.50	42.85
Rent	99.13	134.91
Rates and taxes	4.97	95.08
Professional and Legal Expenses	304.76	180.71
Repair and Maintenance		
- Plant and Machinery	56.82	35.82
- Buildings	51.98	33.23
- Others	71.95	77.70
Marketing and Service Charges	220.00	304.05
Freight and Cartage (Outward)	267.66	243.34
Auditors' Remuneration	28.30	23.51
Bad Debts	-	176.75
Other Expenses	307.33	294.39
	4,325.28	4,511.56
Less : Transfer to Capital Asset / Capital Work in Progress	18.60	25.65
	4,306.68	4,485.91

Detail of payment to Auditor

	31-Mar-14 Rs. In lacs	31-Mar-13 Rs. In lacs
As Auditor:		
-Audit fee	20.00	18.00
-Tax audit fee	4.00	1.00
In other capacity:		
-Taxation matters	2.11	-
-Other services (certification fees)	1.20	3.70
-Reimbursement of expenses	0.99	0.81
	28.30	23.51

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
23. Depreciation and amortization expense

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Depreciation of tangible assets	1,316.52	1,481.90
Amortization of intangible assets	182.86	181.31
	1,499.38	1,663.21

24. Finance cost

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Interest on Cash Credit	139.05	82.06
Interest	268.44	103.92
Bank Charges	298.41	187.40
	705.90	373.38

25. Contingent Liabilities:

- a) Claims not acknowledged as debts (Rs. in lacs)
- | S.No. | Particulars | 31-Mar-14 | 31-Mar-13 |
|-------|----------------------|-----------|-----------|
| 1 | Sales Tax Matters | 185.77 | 328.87 |
| 2 | Service Tax | 304.76 | 318.08 |
| 3 | Excise / Custom Duty | 552.18 | 559.93 |
| 4 | Stamp Duty | 28.50 | 28.50 |
| 5 | Others | 78.91 | 78.91 |
- b) Corporate Guarantee given by erstwhile Aksh Broadband Limited aggregating to Rs. 582.03 lacs (31.03.2013 : Rs. 582.03 lacs) in favor of Cisco Systems Capital India Private Limited for loan taken by APAKSH Broadband Limited, subsidiary of erstwhile Aksh Broadband Limited.
- c) Corporate Guarantee given by the Company aggregating to USD 3.38 Mn equivalent to Rs. 2,025.30 lacs (31.03.2013 : Rs. Nil) in favor of Bank of Baroda, Dubai for loan taken by AOL (FZE).
- d) Bank Guarantees, letters of credit (Net of margin) issued by banks and outstanding as on the reporting date is Rs. 2,163.96 lacs (31.03.2013 : Rs. 1070.89 lacs)
- e) The Company had imported Plant and Machinery in previous years under EPCG scheme. An export obligation ('EO') amounting to Rs.10,699.43 lacs was placed on the Company which was to be fulfilled in a period of 8 years starting from August 2001. Subsequently, the said EO was refixed by DGFT vide its letter dated Jan 2011 up to August 2011 in terms of the Chapter VI of EXIM Policy and Procedure (Vol-1) 1997-2002. The Company has fulfilled the entire EO. The application for redemption of EPCG license was filed on March 2013 and final redemption is awaited.
- f) Estimated amounts of contracts remaining to be executed on Capital Account (net of advances) is Rs.18.03 lacs (31.03.2013 : Rs. 106.79 lacs)

26. Employee Benefits:

The disclosures as per the Notified AS 15 (Revised), under the Companies (Accounting Standards) Rules, 2006 on "Employee Benefits", are as follows:

- a) The Company has classified various benefits provided to employees as under :
Defined Contribution Plans and amount recognized in the Statement of Profit and Loss.

	(Rs. in lacs)	
Particulars	31-Mar-14	31-Mar-13
Employer's Contribution to Provident Fund	81.67	82.52
Employer's Contribution to ESI	5.03	6.28
	86.70	88.80

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

b) Defined Benefit Plans:

Gratuity and Compensated Absences – actuarial valuation done in accordance with the Accounting Standard -15 (Revised), details of the same are given :

i) **Summary of results**
Change in present value of obligation

(Rs. in lacs)

S. No.	Particulars	Year Ended 31 st March, 2014		Year Ended 31 st March, 2013	
		Gratuity	Compensated Absences	Gratuity	Compensated Absences
a)	Present value of obligation as at the beginning of the year	132.71	56.09	106.13	48.79
b)	Acquisition adjustment	-	-	-	-
c)	Interest cost	10.62	4.49	8.49	3.90
d)	Past service cost	-	-	-	-
e)	Current service cost	18.70	10.10	18.90	11.79
f)	Curtailment cost / (Credit)	-	-	-	-
g)	Settlement cost / (Credit)	-	-	-	-
h)	Benefits paid	(19.59)	(11.62)	(4.39)	(11.93)
i)	Actuarial (gain) / loss on obligation	5.72	(4.20)	3.58	3.54
j)	Present value of obligation as at the end of year	148.16	54.86	132.71	56.09

Change in the fair value of plan assets

Change in the fair value of plan assets		Gratuity	Compensated Absences	Gratuity	Compensated Absences
a)	Fair value of plan assets at the beginning of the year	48.64	-	43.49	-
b)	Acquisition adjustment	-	-	-	-
c)	Expected return on plan assets	4.26	-	4.11	-
d)	Employer Contributions	3.54	-	1.19	-
e)	Benefits paid	-	-	(0.15)	-
f)	Actuarial gain / (loss) on plan assets	0.21	-	-	-
g)	Fair value of plan assets at the end of the year	56.65	-	48.64	-
Net liability recognized in balance sheet		148.16	54.86	132.71	56.09

Expense recognized in the statement of profit and loss

		Gratuity	Compensated Absences	Gratuity	Compensated Absences
a)	Current service cost	18.70	10.10	18.90	11.79
b)	Past service cost	-	-	-	-
c)	Interest cost	10.62	4.49	8.49	3.90
d)	Expected return on plan assets	(4.26)	-	(4.11)	-
e)	Curtailment cost / (Credit)	-	-	-	-
f)	Settlement cost / (credit)	-	-	-	-
g)	Net actuarial (gain) / loss recognized in the period	5.50	(4.20)	3.58	3.54
h)	Expenses recognized in the statement of profit and loss	30.56	10.39	26.86	19.23

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
ii) Actuarial Assumptions

S.No.	Particulars	Gratuity (Funded)	Compensated Absences	Gratuity (Funded)	Compensated Absences
a)	Discounting Rate	8.50%	8.50%	8.00%	8.00%
b)	Future salary Increase	6.00%	6.00%	5.50%	5.50%
c)	Expected Rate of return on plan assets	8.75%	0.00%	9.15%	0.00%

27 Loans and Advances in the nature of Loans given to subsidiaries :

(Rs. in lacs)			
Name of the Company	31-Mar-14	31-Mar-13	Max. Balance during the year
AOL (FZE)	8,501.07	13,758.89	14,174.60

28 Related Party Disclosures

Related party disclosures as required under Accounting Standard - 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as given below as on 31st March, 2014:

- Subsidiary Companies :
 - APAKSH Broadband Limited
 - AOL (FZE)
 - AOL PROJECTS JLT (Fellow Subsidiary)
- Individuals exercising significant influence and their relatives:
 - Dr. Kailash S. Choudhari (Chairman)
 - Mr. P. F. Sundesha (Related up to 20th September, 2013)
 - Mr. Shailesh Popat Lal (Relative of Mr. P. F. Sundesha) (Related up to 20th September, 2013)
- Key Management personnel and their relatives:
 - Mr. Chetan Choudhari (Managing Director)
- Enterprises over which personnel referred in (b) and (c) aforementioned exercise significant influence:
 - Fulchand Finance Private Limited (Relates to Mr. P. F. Sundesha) (Related up to 20th September, 2013)

Related Party Transactions

(Rs. in lacs)					
S.No.	Nature of Transaction	Subsidiaries	Key Management Personnel	Others	Total
1	Re-imbursement of expenses	9.62	-	-	9.62
		15.33	-	-	15.33
2	Interest received on Loan	521.63	-	-	521.63
		491.10	-	-	491.10
3	Remuneration Paid	-	112.40	-	112.40
		-	95.54	-	95.54
4	Interest Expenses	-	-	5.50	5.50
		-	-	37.10	37.10
5	Repayment of Loan	-	-	81.75	81.75
		-	-	477.00	477.00
6	Sitting Fees	-	-	0.60	0.60
		-	-	0.95	0.95
7	Rent Paid	-	-	16.52	16.52
		-	-	29.40	29.40
8	Conversion of Loan and advances into Investment	7,354.81	-	-	7,354.81
		-	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Balance due to / (from) as at 31st March, 2014				
1	Trade Receivables	(1,565.21)	-	(1,565.21)
		(1,754.83)	-	(1,754.83)
2	Loan and advances	(8,501.07)	-	(8,501.07)
		(13,758.89)	-	(13,758.89)
3	Trade and other Payables	-	-	-
		-	-	-
			84.26	84.26

Note :- Figures in italic represents Previous Year

- 29. The Company has taken assets on cancellable operating lease, the future minimum lease payments in respect of which are as follows :-**

Particulars	(Rs. in lacs)	
	Minimum Lease Payments	
	31-Mar-14	31-Mar-13
Not later than 1 year	8.86	-
Later than 1 year and not later than 5 years	34.69	-
Later than 5 years	-	-

The Lease agreements provide for an option to the Company to renew the lease period. There are no exceptional / restrictive covenants in the lease agreements.

Lease rental expense in respect of operating leases is Rs.0.74 lacs (31.03.2013 : Rs. Nil)

Contingent rent recognised in the Statement of Profit and Loss is Rs. Nil (31.03.2013 : Rs. Nil)

- 30** Exceptional items represents net foreign exchange gain on translation of foreign exchange assets and liabilities other than operational of Rs.717.10 lacs (31.03.2013: Rs.345.98 lacs), profit / (loss) on sale of fixed assets of (Rs. 20.76) lacs (31.03.2013: Rs. 915.14 lacs), liabilities written back of Rs.10.26 lacs (31.03.2013: Rs. 28.10 lacs), advances written off of Rs.Nil (31.03.2013: Rs.670.20 lacs).

31 Basic and diluted earnings per share

S.No	Particulars	31-Mar-14	31-Mar-13
a.	Net Profit for the year (Rs. in lacs)	2,601.55	2,593.73
b.	Weighted Average No of Equity Shares used in computing Basic-Earning per Share (Nos.)	148,564,989	146,518,185
c.	Impact of diluted instruments on Net Profit for the year (Rs. in lacs)	-	-
d.	Net Profit used for the computation of diluted earning per share (Rs. in lacs)	2,601.55	2,593.73
e.	Weighted average number of equity shares from dilutive instruments (Nos.)	14,100,086	-
f.	Weighted Average No of Equity Shares used in computing Diluted Earning per Share (Nos.)	162,665,075	146,518,185
g.	Nominal Value of Equity Shares (Rs.)	5.00	5.00
h.	Basic-Earning Per Shares (Rs.)	1.75	1.77
i.	Diluted -Earning Per Share (Rs.)	1.60	1.77

- 32** The Company has an investment of Rs. 11,297.50 lacs in the equity shares and has outstanding dues of Rs. 1,565.21 lacs (31.03.2013: Rs. 1,754.83 lacs), (net of advances) from APAKSH Broadband Limited (APAKSH), subsidiary acquired as a result of the amalgamation of erstwhile Aksh Broadband Limited with the Company. APAKSH's operations are presently suspended due to pending litigation by one of the shareholder of APAKSH. The Management of the Company is in the process of discussions on the revival of the project and pending that no provision has been considered necessary in respect of the outstanding dues and investment at this stage.

33 Derivative Instruments

Forward contracts outstanding as at the reporting date:-

(Amount in lacs)

Particulars	Currency	31-Mar-14	31-Mar-13
Forward contracts to sell	USD	34.85	46.05
	EURO	1.25	0.75

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below :

Amount receivable in foreign currency on account of the following:- (Amount in lacs)

S.No	Particulars	Currency	31-Mar-14	31-Mar-13
1	Export of goods	USD	36.31	49.58
		EURO	4.01	1.94
		GBP	0.02	-
		RINGGIT	1.26	5.71
2	Advance to Supplier	USD	6.11	8.47
		EURO	0.01	0.13
		JPY	-	4.47
3	Advance to Other	USD	119.07	239.26
4	Interest receivable on advances	USD	22.83	14.12

Amount payable in foreign currency on account of the following:-

S.No	Particulars	Currency	31-Mar-14	31-Mar-13
1	Import of goods and services	USD	18.96	20.90
		EURO	11.54	11.44
		JPY	17.57	-
		GBP	0.18	0.26
2	Advance from customers	USD	0.61	0.88
3	Buyer's Credit	USD	8.15	5.34
4	Packing Credit Facility	EURO	0.41	1.70
5	External Commercial Borrowing	USD	104.72	-
6	Foreign currency convertible bonds	USD	37.92	140.00

- 34** There are no Micro and Small Enterprises, to whom the Company owes, which are outstanding for more than 45 days as at 31st March, 2014. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

35 Segmental Reporting for the year ended 31st March, 2014

Based on the guiding principles given in Accounting Standard AS-17, "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company's business segments are Manufacturing, Services and Trading of goods. The information about business segments are given below:

(Rs. in lacs)								
Particulars	Manufacturing		Services		Trading		Total	
	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013
1 Segment Revenue								
External Turnover	20,879.48	21,584.32	825.60	1,123.03	301.32	593.14	22,006.40	23,300.49
Inter Segment Turnover	20.39	31.18	-	-	-	0.35	-	-
Total Revenue	20,899.87	21,615.50	825.60	1,123.03	301.32	593.49	22,006.40	23,300.49
2 Segment Results before Interest and Taxes	3,904.15	3,648.81	(1,204.55)	(1,742.46)	85.97	185.93	2,785.57	2,092.28
Less : Finance Cost							705.90	373.38
Add : Interest Income							739.00	615.36
Add : Exceptional Items							706.60	619.02
Add / (Less): Unallocated (Expenses) / Income							(923.72)	(359.55)
Profit before Tax							2,601.55	2,593.73
3 Other Information								
Segment Assets	12,970.33	11,051.65	13,468.33	14,180.96	-	-	26,438.66	25,232.61
Unallocated Assets							27,171.60	25,074.60
Total Assets	12,970.33	11,051.65	13,468.33	14,180.96	-	-	53,610.26	50,307.21
Segment Liabilities	7,023.40	4,697.22	10,937.00	9,702.41	-	-	17,960.40	14,399.63
Share Capital and reserves							35,649.86	35,907.58
Total Liabilities	7,023.40	4,697.22	10,937.00	9,702.41	-	-	53,610.26	50,307.21
Capital Expenditure	232.63	265.85	46.81	158.54	-	-	279.44	424.39
Depreciation and Amortization	371.36	521.00	1,128.02	1,142.21	-	-	1,499.38	1,663.21

Note :- Total Revenue is after elimination of inter segment turnover of Rs. 20.39 lacs (31.03.2013 : Rs. 31.53 lacs)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

	March 31, 2014		March 31, 2013	
	Rs. in lacs	%	Rs. in lacs	%
36 Value and percentage of Imported / Indigenous Raw - Material Consumed				
Imported	6,067.57	46%	7,431.54	54%
Indigenous	7,193.64	54%	6,312.57	46%
	13,261.21	100%	13,744.11	100%
37 Spare Parts and components Consumed				
Imported	139.50	39%	194.15	78%
Indigenous	219.21	61%	56.16	22%
	358.71	100%	250.31	100%
38 Value of Imports on CIF Basis				
Raw Material	6,676.33		7,542.30	
Consumable	139.69		141.77	
Accessories	-		111.86	
Capital Goods	948.84		87.02	
Others	72.38		107.40	
39 Earning in foreign Exchange on FOB Basis				
Export of Goods and Services	12,764.97		15,962.83	
Interest	521.63		491.10	
40 Expenditure in foreign currency				
Travelling	34.51		30.12	
Commission on Sales	117.29		78.73	
Interest and Bank Charges	13.47		9.39	
FCCBs Issue Expense	69.15		-	
Other Expenses	40.41		31.38	
41 Previous year's figures have been reworked, regrouped, rearranged and reclassified to conform to those of current year's figures wherever necessary.				
The accompanying notes (1-41) are an integral part of the financial statements.				

As per our report of even date

For P. C. Bindal & Co.
Firm Registration No : 003824N
Chartered Accountants

CA K. C. Gupta
Partner
Membership No.: 088638

Place: New Delhi
Date : 26th May, 2014

For and on behalf of the Board of Directors

Dr. KAILASH S. CHOUDHARI
Chairman
DIN No. 00023824

CHETAN CHOUDHARI
Managing Director
DIN No. 00872366

B.R. RAKHECHA
Director
DIN No. 00026729

SATYENDRA GUPTA
Chief Financial Officer

GAURAV MEHTA
Company Secretary

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Relating to Subsidiary Companies in accordance with General Circular No. : 02/2011 dated 8th February, 2011 from the Ministry of Corporate Affairs

(Rs. in lacs)

Name of Subsidiary	APAKSH Broadband Limited	AOL (FZE)	AOL PROJECTS JLT
1 Country of Incorporation	India	UAE	UAE
2 Reporting Currency	INR	AED	AED
3 Exchange Rate as at 31 st March, 2014 (Rs.)	-	16.34	16.34
4 Capital	13,522.50	7,228.68	49.01
5 Reserves	-	(467.81)	1,063.30
6 Total Assets	15,701.61	17,253.52	1,139.59
7 Total Liabilities	15,701.61	17,253.52	1,139.59
8 Investments (except in case of investment in subsidiaries)	-	-	-
9 Turnover / Total Income	-	1,835.25	32.63
10 Profit / (loss) before Taxation	-	(373.45)	(65.23)
11 Provision for Taxation	-	-	-
12 Profit / (loss) after Taxation	-	(373.45)	(65.23)
13 Proposed Dividend	-	-	-

Statement pursuant to Section 212 of the Companies Act, 1956

Relating to Subsidiary Companies

Name of Subsidiary	APAKSH Broadband Limited	AOL (FZE)	AOL PROJECTS JLT
1 The Financial Year of the subsidiaries Company ended on	31-Mar-14	31-Mar-14	31-Mar-14
2 Share of Subsidiary Company held on that date and extent of holding			
a) Equity Share of Rs. 5/- each	225,950,000	-	-
b) Equity Share of AED 150,000/- each	-	295	-
c) Equity Share of AED 1,000/- each	-	-	300
Extent of holding	99.92%	100.00%	100.00%
3 The net aggregate amount of Subsidiary's profit / (Loss) so far as it is concerned with the members of Aksh Optifibre Limited			
i) Not dealt with the holding Company's accounts (Rs. in lacs)			
a) For Subsidiary's financial year	-	(373.45)	(65.23)
b) For subsidiary's previous financial year since it became subsidiary	-	100.96	955.74
ii) Dealt with the holding Company's accounts (Rs. in lacs)			
a) For Subsidiary's financial year	-	-	-
b) For subsidiary's previous financial year since it became subsidiary	-	-	-
4 Material changes, if any, between the end of the Financial Year of the Subsidiary Company and holding Company	-	-	-

Consolidated Financial Statements With Auditors' Report**INDEPENDENT AUDITORS' REPORT**

To The Board of Directors of

AKSH OPTIFIBRE LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying financial statements of **AKSH OPTIFIBRE LIMITED** ("the Company") and its subsidiaries (collectively referred to as "Aksh Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated Cash Flows of the group in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2014;
- b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date and
- c) in the case of the Consolidated Cash Flow Statement, of the cash flow of the Group for the year ended on that date.

Other Matters

We have not conducted audit of foreign subsidiary, whose financial statements reflect total assets (net) of Rs. 18,299.84 lacs as at 31st March, 2014, total revenue of Rs. 1,867.89 lacs and net cash inflow amounting to Rs. 9,096.92 lacs for the year then ended. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management, and our opinion, is based solely on the report of other auditor. Our opinion is not qualified in respect of this matter.

For P. C. Bindal & Co.

Firm Registration No:- 003824N

Chartered Accountants

(CA. K. C. Gupta)

Partner

Membership No. 088638

Place of Signature: New Delhi

Dated:- 26th May, 2014

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2014

	Notes	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Equity and liabilities			
Shareholders' funds			
Share capital	3	9,642.78	9,642.78
Reserves and surplus	4	27,889.42	28,707.27
		37,532.20	38,350.05
Minority Interest		10.47	10.47
Non-current liabilities			
Long-term borrowings	5	8,756.40	-
Trade payables	6	57.77	57.77
Long-term provisions	7	377.47	183.44
		9,191.64	241.21
Current liabilities			
Short-term borrowings	8	3,139.73	1,722.85
Trade payables	9	4,227.24	4,982.84
Other current liabilities	9	3,143.06	9,324.79
Short-term provisions	7	842.53	160.19
		11,352.56	16,190.67
TOTAL		58,086.87	54,792.40
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10	9,040.43	9,762.07
Intangible assets	11	765.38	948.24
Capital work-in-progress		16,084.65	14,853.97
Non-current investments	12	1.82	1.82
Long-term loans and advances	13	1,501.84	90.19
Trade receivables	14.1	-	47.41
Other non-current assets	14.2	1,455.73	1,206.32
		28,849.85	26,910.02
Current assets			
Inventories	15	2,489.19	2,461.49
Trade receivables	14.1	9,146.99	8,271.63
Cash and cash equivalents	16	77.46	204.10
Short-term loans and advances	13	17,447.42	16,860.49
Other current assets	14.2	75.96	84.67
		29,237.02	27,882.38
TOTAL		58,086.87	54,792.40

Summary of significant accounting policies

2.1

The accompanying notes (1-37) are an integral part of the consolidated financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For P. C. Bindal & Co.

Firm Registration No : 003824N

Chartered Accountants

Dr. KAILASH S. CHOUDHARI

Chairman

DIN No. 00023824

CA K. C. Gupta

Partner

Membership No.: 088638

CHETAN CHOUDHARI

Managing Director

DIN No. 00872366

B.R. RAKHECHA

Director

DIN No. 00026729

Place: New Delhi

Date : 26th May, 2014

SATYENDRA GUPTA

Chief Financial Officer

GAURAV MEHTA

Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2014

	Notes	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Income			
Revenue from operations (gross)	17	24,750.22	26,302.34
Less: excise duty		875.94	625.04
Revenue from operations (net)		23,874.28	25,677.30
Other income	18	220.42	229.24
Total revenue (I)		24,094.70	25,906.54
Expenses			
Cost of raw material and components consumed	19	13,261.21	13,744.11
Purchase of traded goods	20	493.10	519.38
(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods	21	267.96	1,338.70
Employee benefits expense	22	1,956.71	1,764.39
Other expense	23	4,443.82	4,541.32
Total expense (II)		20,422.80	21,907.90
Earnings before interest, tax, depreciation, exceptional items and amortization (EBITDA) (I) – (II)		3,671.90	3,998.64
Depreciation and amortization expense	24	1,502.40	1,663.21
Finance cost	25	709.48	376.25
Profit before exceptional items and tax		1,460.02	1,959.18
Exceptional Items	30	706.60	619.03
Profit before tax		2,166.62	2,578.21
Tax expenses			
Income Tax		520.51	64.54
MAT Credit Entitlement		520.51	64.54
Total tax expense		-	-
Profit for the year		2,166.62	2,578.21
Earnings per equity share [nominal value of share Rs. 5/- (31st March, 2013: Rs. 5/-)]			
Basic		1.46	1.76
Diluted		1.33	1.76
Summary of significant accounting policies	2.1		
The accompanying notes (1-37) are an integral part of the consolidated financial statements.			

As per our report of even date

For P. C. Bindal & Co.
Firm Registration No : 003824N
Chartered Accountants

CA K. C. Gupta
Partner
Membership No.: 088638

Place: New Delhi
Date : 26th May, 2014

For and on behalf of the Board of Directors

Dr. KAILASH S. CHOUDHARI
Chairman
DIN No. 00023824

CHETAN CHOUDHARI
Managing Director
DIN No. 00872366

SATYENDRA GUPTA
Chief Financial Officer

B.R. RAKHECHA
Director
DIN No. 00026729

GAURAV MEHTA
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
A. Cash flow from operating activities		
Profit before tax	2,166.62	2,578.21
Profit before tax	2,166.62	2,578.21
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation / amortization on continuing operation	1,502.40	1,663.21
Loss / (profit) on sale of fixed assets	20.76	(915.14)
Foreign Currency Translation Reserve	(125.20)	(82.31)
Finance cost	709.48	376.25
Interest (income)	(217.37)	(124.26)
Operating profit before working capital changes	4,056.69	3,495.96
Movements in working capital :		
Increase / (decrease) in trade and other payables	2,062.96	(345.87)
Decrease / (increase) in trade receivables	(827.96)	(2,025.11)
Decrease / (increase) in inventories	(27.70)	1,032.50
Decrease / (increase) in other receivables	(3,280.29)	(2,790.63)
Cash generated from / (used in) operations	1,983.70	(633.15)
Direct taxes paid (net of refunds)	520.51	64.54
Net cash flow from / (used in) operating activities (A)	2,504.21	(568.61)
B. Cash flows from investing activities		
Purchase of fixed assets, including CWIP	(1,867.61)	(356.51)
Proceeds from sale of fixed assets	18.26	1,685.33
Interest received	217.37	124.26
Net cash flow from / (used in) investing activities (B)	(1,631.98)	1,453.08
C. Cash flows from financing activities		
Proceeds from issuance of equity share capital	-	1,131.41
Expense on issue of FCCBs	(69.15)	-
Repayment of Long-term borrowings	(1,202.60)	-
Proceeds / (Repayment) of Short-term borrowings	1,416.89	(1,522.30)
Proposed Dividend	(371.41)	-
Tax on Dividend	(63.12)	-
Finance cost	(709.48)	(376.25)
Net cash flow from / (used in) in financing activities (C)	(998.87)	(767.14)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(126.64)	117.33
Cash and cash equivalents at the beginning of the year	204.10	86.77
Cash and cash equivalents at the end of the year	77.46	204.10
Components of cash and cash equivalents		
Cash on hand	9.37	11.02
With banks- on current account	67.08	189.02
Deposits with original maturity of less than three months	-	-
Unpaid dividend	1.01	4.06
Total cash and cash equivalents (note 16)	77.46	204.10
Summary of significant accounting policies	2.1	
The accompanying notes (1-37) are an integral part of the consolidated financial statements.		

As per our report of even date

For and on behalf of the Board of Directors

For P. C. Bindal & Co.
Firm Registration No : 003824N
Chartered Accountants

Dr. KAILASH S. CHOUDHARI
Chairman
DIN No. 00023824

CA K. C. Gupta
Partner
Membership No.: 088638

CHETAN CHOUDHARI
Managing Director
DIN No. 00872366

B.R. RAKHECHA
Director
DIN No. 00026729

Place: New Delhi
Date : 26th May, 2014

SATYENDRA GUPTA
Chief Financial Officer

GAURAV MEHTA
Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
1. CORPORATE INFORMATION

Aksh Optifibre Limited is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed at The Bombay Stock Exchange Limited, The National Stock Exchange Limited. in India and GDRs are listed at Luxembourg Stock Exchange. The Company is engaged in the manufacturing and selling of Optical Fibre, Optical Fibre Cable, Fibre Reinforced Plastic Rods and Impregnated Glass Roving Reinforcement, The Company caters to both domestic and international markets. The Company also provides the Internet Protocol Television (IPTV) services in association with BSNL in 20 cities of North India. The Company is the pioneer in the FTTH (Fibre to the Home) space and has further consolidated its place by starting FTTH services in Delhi, Jaipur, Ajmer and Faridabad.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The significant accounting policies adopted by Aksh Optifibre Limited (the Company) and its subsidiaries (hereinafter referred to as the "Group") in respect of these Consolidated Financial Statements, are set out below.

2.1 SIGNIFICANT ACCOUNTING POLICIES
a) Basis Of Preparation

These consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs and the relevant provisions of the 1956 Act / 2013 Companies Act, as applicable 1956 to reflect the financial position and the results of operations of the Group. These consolidated financial statements are prepared under the historical cost convention on the accrual basis of accounting and in accordance with the reporting requirements of Accounting Standard - 21 'Consolidated Financial Statements' issued by the ICAI.

b) Principles of Consolidation

These accounts represent consolidated accounts of the Group and its majority owned subsidiaries as follows:

Entity	Country of Incorporation	Shareholding as at March 31, 2014
APAKSH Broadband Limited (APAKSH)	India	99.92%
AOL (FZE)	UAE	100%
AOL PROJECTS JLT subsidiary of AOL (FZE)	UAE	100%

c) Use of Estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting year. Difference between the actual result and estimates are recognized in the year in which the results are known / materialized.

d) Fixed Assets

- Fixed Assets are stated at cost of acquisition less accumulated depreciation and impairment. Cost includes any borrowing cost directly attributable to the acquisition / construction of fixed assets and bringing the assets to its working condition for its intended use.
- Exchange difference arising on account of liabilities incurred for acquisition or construction of Fixed Assets is adjusted in the carrying amount of related Fixed Assets.

e) Capital Work-in-Progress

Advances paid towards the acquisition of fixed assets, cost of assets not ready for use before the year-end and expenditure during construction period that is directly or indirectly related to construction, including borrowing cost are included under Capital Work-in-Progress.

f) Depreciation

- Depreciation on Fixed Assets is provided on straight-line method at the rates specified in Schedule XIV of the Companies Act, 1956 and based on the estimated useful life of assets. Depreciation is charged on pro-rata basis for assets purchased / sold during the year. Individual assets costing up to Rs. 5,000/- are depreciated in full in the year of purchase.
Depreciation on equipments installed at customer premises is being provided at 20% on useful life estimated by the management.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

License fee is amortised over the licensed period.

- ii) Cost of leasehold land is amortized over lease period on a straight-line basis.
- iii) Cost of software is amortised over its useful life on a straight-line basis.
- iv) Extra shift depreciation is charged on the basis of actual extra shifts worked as required by Schedule XIV to the Companies Act, 1956.

g) Impairment of Assets

- i) The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted at their present value at the weighted average cost of capital.
- ii) After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.
- iii) A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

h) Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Long Term investments are stated at cost. Provision for diminution in the value of long- term investments is made only if such diminution is other than temporary. Current Investments are carried at the lower of cost and fair value and provisions are made to recognize the decline in the carrying value.

i) Inventories

- i) 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.
- ii) 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 FIFO 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.
- iii) The comparison of cost and realizable value is made on an item-by-item basis.
- iv) Net realizable value of work-in- process is determined on the basis of selling prices of related finished products.
- v) 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 cost of related finished goods will exceed their net realizable value.

j) Foreign Currency Transactions

- i) Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of transaction.
- ii) Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.
- iii) Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.
- iv) The premium or discount arising at the inception of forward exchange contracts is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which exchange rate changes. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognized as income or expense for the year. None of the forward exchange contracts are taken for trading or speculation purpose.

k) Borrowing Cost

Borrowing cost 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 cost are expensed in the period they occur. Borrowing costs consist of interest and other cost that Company incurs in connection with the borrowing of funds.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
l) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be readily measured.

Sales of Goods and Services

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer (usually at the point of dispatch to customers). Sales include excise duty, sale of scrap and net of sale tax and quantity discount.

Income from services is recognized on the completion of services. Period based services are accounted for proportionately over the period of service.

Income from Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Other Incomes

Other Incomes are accrued as earned except where the receipt of income is uncertain.

m) Retirement and other Employee Benefits

- i) Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due. The Company has no other obligation other than the contribution payable.
- ii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method calculated at the end of each financial year. The liability with regard to gratuity in respect of any employee not covered under group gratuity scheme is provided on the basis of amount payable to such employees as if they were to retire on the last day of financial year.
- iii) Compensated Absences liability is provided for based on actuarial valuation done as per Projected Unit Credit Method calculated at the end of each financial year.
- iv) Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

n) Export Incentives

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

o) Taxes on Income

Income taxes are computed using the tax effect accounting method where taxes are accrued in the same period, as the related revenue and expenses to which they relate. The differences that result between profit offered for income tax and the profit before tax as per financial statements are identified and deferred tax assets or deferred tax liabilities are recorded for timing differences, namely differences that originate in one accounting period and are capable of reversal in future. Deferred tax assets and liabilities are measured using tax rates and tax laws enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognized only if there is reasonable certainty that they will be realized. However, where the Company has unabsorbed depreciation or carried forward losses under taxation laws, a much stricter test, viz, virtual certainty of realization, is applied for recognition of deferred tax assets. Deferred tax assets are reviewed for the continuing appropriateness of their respective carrying values at each balance sheet date and written down or written up to reflect the amount that is reasonably/ virtually certain (as the case may be) of realisation.

Minimum Alternative Tax (MAT) credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

p) Operating Leases

Assets given on operating leases are included in fixed assets. Lease income is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Cost, including depreciation are recognised as an expense in the statement of Profit and Loss. Initial direct costs such as legal cost, brokerage cost, etc. are recognised immediately in the Statement of Profit and Loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
q) Earnings Per Share

The Group reports basic and diluted earnings per share in accordance with Notified AS 20 under the Companies (Accounting Standards) Rules, 2006 issued by The Institute of Chartered Accountants of India on 'Earnings Per Share'. Basic earnings per share is computed by dividing the net profit or loss for the period attributable to equity shareholders after deducting attributable taxes by the weighted average number of equity shares outstanding during the period. Diluted earnings per share are computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Both profit for the year and weighted average numbers of shares are adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

r) Provisions, Contingent Liabilities and Contingent Assets

As per Notified AS 29 under the Companies (Accounting Standards) Rules, 2006, Provisions, Contingent Liabilities and Contingent Assets, issued by the Institute of Chartered Accountants of India, the Company recognizes provisions (without discounting to its present value) only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation as and when a reliable estimate of the amount of the obligation can be made.

No provision is recognized for –

Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

Any present obligation that arises from past events but is not recognized because –

- It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- A reliable estimate of the amount of obligation cannot be made.

Such obligations are disclosed as Contingent Liabilities. These are assessed continually and only that part of the obligation for which an outflow of resources embodying economic benefits is probable, is provided for, except in the extremely rare circumstances where no reliable estimate can be made.

s) Project Development Expenditure

Expenses incurred relating to project prior to commencement of commercial production / start of the project is classified as Project Development Expenditure net of income earned during the project development stage.

t) Miscellaneous Expenditure

Expenditure on issue of shares / foreign currency convertible bonds (FCCBs) / Global Depository Receipts (GDRs) / shares under Qualified Institutional Placements (QIP) and premium on redemption of FCCBs are adjusted against Securities Premium account.

u) Translation of Foreign Subsidiary

In case of foreign subsidiary, the revenue and expense transactions at the year end reflected in the Statement of Profit and Loss have been translated at the average exchange rates for the period to which the financial statements relate.

The assets and liabilities, both monetary and non-monetary, have been translated at the closing exchange rate prevailing on the date of the Balance Sheet.

Exchange difference arising on the Company's net investment in foreign subsidiary are accumulated in a foreign currency translation reserve until the disposal of such investment, at which time they are recognized as income and expense.

v) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has elected to present earnings before interest, tax, depreciation, exceptional items and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit / (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance cost and tax expense.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
3. Share capital

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs.in lacs
Authorized share (No.)		
170,100,000 (31 st March, 2013: 170,100,000) Equity Shares of Rs. 5/- each	8,505.00	8,505.00
Issued, subscribed and fully paid-up share (No.)		
148,564,989 (31 st March, 2013: 148,564,989) Equity Shares of Rs. 5/- each fully paid up	7,428.25	7,428.25
Forfeited Shares in case of APAKSH Broadband Limited	2,214.53	2,214.53
Total issued, subscribed and fully paid-up share capital	9,642.78	9,642.78

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

	31-Mar-14		31-Mar-13	
	No.	Rs. In lacs	No.	Rs. In lacs
At the beginning of the year	148,564,989	7,428.25	142,924,871	7,146.24
Add:				
- Issued pursuant to conversion of FCCBs	-	-	5,640,118	282.01
Outstanding at the end of the year	148,564,989	7,428.25	148,564,989	7,428.25

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) Details of shareholders (as per register of shareholders) holding more than 5% shares in the Company

Name of the shareholder	31-Mar-14		31-Mar-13	
	No.	% holding	No.	% holding
Dr. Kailash S. Choudhari	25,842,700	17.39%	25,842,700	17.39%
Religare Finvest Limited	20,851,807	14.04%	14,816,807	9.97%
Sunidhi Capital Private Limited	9,005,250	6.06%	-	0.00%
Davinder Kumar Jain	-	0.00%	15,356,251	10.34%
The Bank of New York, Mellon	9,065,850	6.10%	9,065,850	6.10%
Seema Choudhari	7,809,341	5.26%	7,809,341	5.26%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
4. Reserves and surplus

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Capital reserve	15.00	15.00
Securities premium account		
Balance as per the last financial statements	33,830.69	32,981.29
Add :		
- Issue expenses on issue of FCCBs (USD 3,792 Million)	(69.15)	-
- Premium on Redemption on FCCBs	(2,355.59)	-
- Issue of 5,640,118 equity shares upon conversion of FCCBs	-	849.40
Closing Balance	31,405.95	33,830.69
Foreign Currency Translation Reserve		
Balance as per the last financial statements	(18.57)	63.74
Add: Created on translation and incorporation of non integral foreign subsidiaries	(125.20)	(82.31)
Closing Balance	(143.77)	(18.57)
Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	(5,119.85)	(7,698.06)
Profit for the year	2,166.62	2,578.21
Proposed Dividend	(371.41)	-
Tax on Dividend	(63.12)	-
Net Deficit in the statement of profit and loss	(3,387.76)	(5,119.85)
Total reserves and surplus	27,889.42	28,707.27

5. Long-term borrowings

	Non-current portion		Current maturities	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Secured Loans				
Term Loans				
External Commercial Borrowings	5,133.95	-	1,140.88	-
10.472 Mn USD (31 st March, 2013 : Nil)				
Term Loan from Bank	1,298.32	-	472.34	-
Term Loan from Others	51.96	-	25.47	-
Unsecured Loans				
Foreign Currency Convertible Bonds (FCCBs)				
3.792 Mn USD ((31 st March, 2013: Nil) 0% FCCBs due on Feb-2019 of \$ 1,000 each (unsecured)	2,272.17	-	-	-
	8,756.40	-	1,638.69	-
The above amount includes				
Secured borrowings	6,484.23	-	1,638.69	-
Unsecured borrowings	2,272.17	-	-	-
Amount disclosed under the head "other current liabilities" (note 9)	-	-	(1,638.69)	-
Net amount	8,756.40	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

- External Commercial Borrowings are secured by way of first pari- passu charge on fixed assets of the Company and personal guarantee of Dr. Kailash S. Choudhari.
- Term Loan from Bank are secured by way of exclusive charge on Plant and Machinery installed under the project and further secured by personal guarantee of Dr. Kailash S. Choudhari.
- In case of AOL (FZE), Term loan from Bank of Baroda are secured by way of charge on fixed assets of AOL (FZE), personal guarantee of Dr. Kailash S. Choudhari and Corporate guarantee of the Company.
- Term Loan from others are secured by way of exclusive charge on Fixed aseets installed under the subject Project.
- Issue of Foreign Currency Convertible Bonds (FCCBs) convertible into ordinary shares, the particulars, terms of issue and the status of conversion as at 31st March, 2014 are given below :-

Issue	0% FCCBs (due February 2019)
Issued on	10 th February, 2014
Issue Amount	USD 3.792 Million
Face Value	USD 1000
Fixed Exchange Rate for conversion	USD 1=Rs. 62.32
Redeemable on	10 th February, 2019
Redemption Percentage of the principal amount	120%
FCCBs converted	Nil
Shares issued on conversion of FCCBs	Nil
FCCBs outstanding as on 31 st March, 2014	USD 3.792 Million
Shares that could be issued on conversion of outstanding FCCBs	14,100,086 shares

6. Other long-term liabilities

	31-Mar-14	31-Mar-13
	Rs. in lacs	Rs. in lacs
Trade payables (including acceptances)	57.77	57.77
	57.77	57.77

7. Provisions

	Long-term		Short-term	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
Provision for Gratuity and Compensated Absences	377.47	183.44	5.53	128.15
Provision for Income Tax (net of Prepaid Taxes)	-	-	402.47	32.04
Proposed Dividend	-	-	371.41	-
Provision for Tax on Dividend	-	-	63.12	-
	377.47	183.44	842.53	160.19

8. Short-term borrowings

	31-Mar-14	31-Mar-13
	Rs. in lacs	Rs. in lacs
Secured Loans		
Working Capital Facilities from Banks		
-Working Capital Facilities	1,511.03	147.38
-Buyers Credit from Banks	488.58	290.16
Other Loans		
-Cisco Systems Capital India Private Limited	497.93	497.93

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
Unsecured Loans
Deposits (unsecured)

0% loan from Chairman repayable on demand	-	47.75
0% Inter Corporate Deposit from related parties repayable on demand	50.00	50.00
15% Inter Corporate Deposit from related parties repayable on demand	-	34.00
15% Inter Corporate Deposit from others repayable on demand	200.00	230.00
9% Security Deposits	-	9.92
0% Security Deposits	392.19	415.71

3,139.73	1,722.85
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The above amount includes :

Secured borrowings	2,497.54	935.47
Unsecured borrowings	642.19	787.38

- Working Capital Facilities from banks are secured by way of first pari-passu charge on Current Assets both present and future and second pari-passu charge on the fixed assets of the Company. These facilities are further secured by way of first pari-passu charge on the immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari. The cash credit is repayable on demand. The interest payable on cash credit ranges between 14.00% to 14.50% and on packing credit 6.15%.
- Non fund based limits are secured by first pari-passu charge on immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari.
- Loan from Cisco Systems Capital India Private Limited is secured by way of first charge on Fixed Assets of APAKSH Broadband Limited.

9. Other current liabilities

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Trade payables (including acceptances)	4,227.24	4,982.84
Other liabilities		
Current maturities of long term debt (Refer Note No 5)	1,638.69	-
Foreign currency convertible bonds	-	7,603.40
Interest accrued but not due on borrowings	125.71	17.87
Advance from Customers	93.40	168.14
Unearned revenue	6.06	6.08
Unclaimed Dividend #		
Dividend 2005-06	0.00	3.05
Dividend 2006-07	1.01	1.01
Other current liabilities	1,278.19	1,525.24
	3,143.06	9,324.79
	7,370.30	14,307.63

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

10. Tangible assets

	Freehold Land	Lease hold Land	Factory Buildings	Plant and equipment	Telecom Networking	Testing Instruments	Air Conditioners	Furniture and fixtures	Office Equipments	Data Processing System	Electric Fittings	Vehicles	Fork Lift	Total
(Rs. in lacs)														
Cost or valuation														
At 1st April, 2012	1.84	310.46	1,263.42	14,285.39	3,151.02	939.45	292.10	181.64	92.71	244.28	532.05	22.72	20.52	21,337.60
Additions	-	67.96	-	232.69	15.10	47.24	3.29	0.31	1.83	5.94	7.11	-	21.90	403.37
Disposals / Adjustments	-	(255.72)	(174.76)	(853.13)	-	(80.51)	(12.99)	(9.36)	(4.84)	(14.57)	(71.87)	-	-	(1,477.75)
At 31st March, 2013	1.84	122.70	1,088.66	13,664.95	3,166.12	906.18	282.40	172.59	89.70	235.65	467.29	22.72	42.42	20,263.22
Additions	-	-	359.41	218.85	-	3.67	1.00	51.38	1.42	3.61	-	-	-	639.34
Disposals / Adjustments	-	-	-	(79.15)	-	-	4.07	(34.26)	(1.13)	(17.71)	-	-	(5.96)	(134.14)
At 31st March, 2014	1.84	122.70	1,448.07	13,804.65	3,166.12	909.85	287.47	189.71	89.99	221.55	467.29	22.72	36.46	20,768.42
Depreciation														
At 1st April, 2012	-	40.56	605.36	6,427.63	1,260.12	583.81	194.36	83.97	39.82	213.40	247.81	13.91	13.65	9,724.40
Charge for the year	-	2.67	38.03	1,188.26	149.67	37.44	9.14	19.10	5.17	13.24	16.99	1.10	1.09	1,481.90
Preoperative Expense Adjustment	-	-	-	-	-	-	-	0.73	0.63	-	-	1.05	-	2.41
Disposals / Adjustments	-	(25.78)	(70.87)	(455.79)	-	(69.25)	(2.89)	(12.38)	(4.13)	(19.76)	(46.71)	-	-	(707.56)
At 31st March, 2013	-	17.45	572.52	7,160.10	1,409.79	552.00	200.61	91.42	41.49	206.88	218.09	16.06	14.74	10,501.15
Charge for the year	-	1.25	39.38	1,025.23	150.39	38.34	10.67	16.74	3.66	6.71	23.98	1.10	2.09	1,319.54
Preoperative Expense Adjustment	-	-	-	-	-	-	-	0.73	0.63	-	-	1.05	-	2.41
Disposals / Adjustments	-	-	-	(62.65)	-	(0.56)	(3.04)	(8.38)	(0.39)	(15.03)	-	-	(5.06)	(95.11)
At 31st March, 2014	-	18.70	611.90	8,122.68	1,560.18	589.78	208.24	100.51	45.39	198.56	242.07	18.21	11.77	11,727.99
Net Block														
At 31st March, 2013	1.84	105.25	516.14	6,504.85	1,756.33	354.18	81.79	81.17	48.21	28.77	249.20	6.66	27.88	9,762.07
At 31st March, 2014	1.84	104.00	836.17	5,681.97	1,605.94	320.07	79.23	89.20	44.60	22.99	225.22	4.51	24.69	9,040.43

11. Intangible assets

	(Rs. in lacs)
Gross Block	
At 1st April, 2012	2,282.34
Additions	21.02
At 31st March, 2013	2,303.36
Additions	-
At 31st March, 2014	2,303.36
Amortization	
At 1st April, 2012	1,173.81
Preoperative Expense Adjustment	-
Charge for the year	181.31
At 31st March, 2013	1,355.12
Preoperative Expense Adjustment	-
Charge for the year	182.86
At 31st March, 2014	1,537.98
Net Block	
At 31st March, 2013	948.24
At 31st March, 2014	765.38

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
12. Non-current investments

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Trade investments (valued at cost unless stated otherwise)		
Non-trade investments (valued at cost unless stated otherwise)		
Investment in equity instruments (quoted)		
22,300 (31 st March, 2013: 22,300) equity shares of Rs. 5/- each fully paid-up in CMI Limited	0.45	0.45
Government and trust securities (unquoted)		
National Saving Certificates (Deposited with Government Department as Security)	0.87	0.87
Kisan Vikas Patra	0.50	0.50
	1.82	1.82
Aggregate amount of quoted investments (Market value: Rs 3.04 lacs (31.03.2013: Rs. 1.58 lacs))	0.45	0.45
Aggregate amount of unquoted investments	1.37	1.37

13. Loans and advances (Unsecured, considered Good unless stated otherwise)

	Non-current		Current	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Capital advances	1,421.66	6.98	-	-
Security deposit	80.18	83.21	67.96	52.96
Advances recoverable in cash or kind	-	-	14,992.49	14,944.34
Other loans and advances				
Income Tax Refund	-	-	61.42	47.24
MAT Credit Entitlement	-	-	756.02	235.51
Prepaid expenses	-	-	228.70	176.71
Balances with statutory / government authorities	-	-	1,340.83	1,403.73
	-	-	2,386.97	1,863.19
Total	1,501.84	90.19	17,447.42	16,860.49

14. Trade receivables and other assets
14.1. Trade receivables

	Non-current		Current	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date they are due for payment	-	-	4,228.80	2,033.93
Other receivables	-	47.41	4,918.19	6,237.70
	-	47.41	9,146.99	8,271.63

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
14.2. Other assets

	Non-current		Current	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Unsecured, considered good unless stated otherwise				
Non-current bank balances (note16)	1,455.73	1,206.32	-	-
Interest accrued on fixed deposits	-	-	36.94	84.67
Interest accrued on other deposits	-	-	39.02	-
	-	-	75.96	84.67
	1,455.73	1,206.32	75.96	84.67

15. Inventories (valued at lower of cost and net realizable value)

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
i) Finished Goods and Traded Goods	409.12	1,120.77
ii) Raw Material	1,030.87	742.16
iii) Semi Finished Goods	834.50	390.81
iv) Stores, Spares and others	214.70	207.75
	2,489.19	2,461.49

16. Cash and cash equivalents

	Non-current		Current	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Cash and cash equivalents				
Balances with banks:				
– On current accounts	-		67.08	189.02
– Deposits with original maturity of less than three months	-		-	-
– On unpaid dividend account	-		1.01	4.06
Cash on hand	-		9.37	11.02
	-	-	77.46	204.10
Other bank balances				
– Deposits with original maturity for more than 12 months	0.10	0.10		
– Margin money deposit	1,455.63	1,206.22	-	-
	1,455.73	1,206.32	-	-
Amount disclosed under non-current assets (note 14.2)	(1,455.73)	(1,206.32)	-	-
	-	-	77.46	204.10

Margin money deposits given as security

Margin money deposits with a carrying amount of Rs. 1,455.63 lacs (31.03. 2013: Rs. 1,206.22 lacs) are pledged with Banks for various Facilities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
17. Revenue from operations

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Revenue from operations		
Sale of products		
- Finished goods	20,979.03	21,038.30
- Traded goods	2,100.51	2,542.22
Sale of services	882.05	1,527.08
Other operating revenue		
-Scrap sales	22.26	14.59
-Export Incentives	696.87	657.32
-Exchange Fluctuation	43.91	401.96
-Other operating revenue	25.59	120.87
Revenue from operations (gross)	24,750.22	26,302.34
Less: Excise duty #	875.94	625.04
Revenue from operations (net)	23,874.28	25,677.30

Excise duty on sales amounting to Rs. 875.94 lacs (31.03.2013 : Rs. 625.04 lacs) has been reduced from sales in statement of profit and loss and excise duty on increase / (decrease) in stock amounting to Rs. 25.65 lacs (31.03.2013 : Rs. 1.40 lacs) has been considered as (income) / expense in note 23 of financial statements.

Detail of products sold

	31-Mar-14 Rs. In lacs	31-Mar-13 Rs. In lacs
Finished goods sold		
Optical Fibre and Optical Fibre Cables	11,639.49	14,327.22
Fibre Reinforced Plastic Rod and Impregnated Glass Roving Reinforcement	9,339.54	6,711.08
	20,979.03	21,038.30
Traded goods sold		
Telecom and electronic items	2,100.51	2,542.22
	2,100.51	2,542.22
Detail of services rendered		
IPTV and VoIP	147.44	305.07
Network Erection, Installation and Commissioning	218.80	333.28
Consultancy Income	68.70	427.73
Others	447.11	461.00
	882.05	1,527.08

18. Other income

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Interest income		
-on deposits	170.13	119.73
-on other advances	47.24	4.53
Other non-operating income	3.05	104.98
	220.42	229.24

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
19. Cost of raw material and components consumed

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Inventory at the beginning of the year	742.16	456.10
Add: Purchases	13,549.92	14,030.17
	14,292.08	14,486.27
Less: inventory at the end of the year	1,030.87	742.16
Cost of raw material and components consumed	13,261.21	13,744.11

Details of raw material and components consumed

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Glass Fibre and Glass Preforms	3,755.21	6,139.02
Resin such as (PVC, HDPE, Nylon, MB, LSZH, PBT, Nucrel, UV resin and Polyster)	4,577.70	2,944.05
Others	4,928.30	4,661.04
	13,261.21	13,744.11

20. Details of purchase of traded goods

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Telecom and electronic items	493.10	519.38
	493.10	519.38

21. (Increase) / decrease in inventories

	(Increase) / decrease Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Inventories at the end of the year	31-Mar-14		
Finished / Traded goods	711.65	409.12	1,120.77
Semi Finished goods	(443.69)	834.50	390.81
	267.96	1,243.62	1,511.58
Inventories at the beginning of the year	31-Mar-13		
Finished / Traded goods	1,312.29	1,120.77	2,433.06
Semi Finished goods	26.41	390.81	417.22
	1,338.70	1,511.58	2,850.28

22. Employee benefits expense

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Salaries, wages and bonus	1,593.86	1,431.87
Contribution to provident and other funds	86.72	88.86
Gratuity	75.14	81.51
Staff welfare expenses	85.40	62.11
Directors' Remuneration	115.59	100.04
	1,956.71	1,764.39

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
23. Other expenses

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Consumption of stores and spares	358.71	250.31
Sub-contracting expenses	508.14	644.60
Subscription Charges	76.39	205.79
Packing Material Consumed	1,058.97	814.95
Increase / (Decrease) in Excise Duty Provision on Stock	25.65	1.40
Project Execution Expenses	3.91	133.97
Power and Fuel	555.89	576.18
Travelling and Conveyance	274.11	220.10
Postage and Telephone	34.77	47.28
Insurance	50.85	43.06
Rent	108.21	138.43
Rates and taxes	4.97	95.08
Professional and Legal Expenses	368.16	199.87
Repair and Maintenance		
- Plant and Machinery	56.82	35.82
- Buildings	51.98	33.23
- Others	71.95	77.70
Marketing and Service Charges	220.00	304.05
Freight and Cartage (Outward)	267.66	243.34
Auditors' Remuneration	31.51	26.40
Bad Debts	-	176.75
Other Expenses	333.77	298.66
	4,462.42	4,566.97
Less : Transfer to Capital Asset / Capital Work in Progress	18.60	25.65
	4,443.82	4,541.32

Detail of payment to Auditor

	31-Mar-14 Rs. In lacs	31-Mar-13 Rs. In lacs
As Auditor:		
-Audit fee	23.21	20.89
-Tax audit fee	4.00	1.00
In other capacity:		
-Taxation matters	2.11	-
-Other services (certification fees)	1.20	3.70
-Reimbursement of expenses	0.99	0.81
	31.51	26.40

24. Depreciation and amortization expense

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Depreciation of tangible assets	1,319.54	1,481.90
Amortization of intangible assets	182.86	181.31
	1,502.40	1,663.21

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
25. Finance cost

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Interest on Cash Credit	139.05	82.06
Interest	268.44	103.92
Bank Charges	301.99	190.27
	709.48	376.25

26 Contingent Liabilities:

- a) Claims not acknowledged as debts (Rs. in lacs)

S. No	Particulars	31-Mar-14	31-Mar-13
1	VAT/Sales Tax Matters	549.96	693.06
2	Service Tax	304.76	318.08
3	Excise / Custom Duty	552.18	559.93
4	Stamp Duty	28.50	28.50
5	Others	78.91	78.91

- b) Corporate Guarantee given by erstwhile Aksh Broadband Limited aggregating to Rs. 582.03 lacs (31.03.2013 : Rs. 582.03 lacs) in favour of Cisco Systems Capital India Private Limited for loan taken by APAKSH Broadband Limited, subsidiary of erstwhile Aksh Broadband Limited.
- c) Corporate Guarantee given by the Company aggregating to USD 3.38 Mn equivalent to Rs. 2,025.30 lacs (31.03.2013 : Rs. Nil) in favour of Bank of Baroda, Dubai for loan taken by AOL (FZE).
- d) Bank Guarantees, letters of credit (Net of margin) issued by banks and outstanding as on the reporting date is Rs. 2,163.96 lacs (31.03.2013 : Rs. 1070.89 lacs)
- e) The Company had imported plant and machinery in previous years under EPCG scheme. An export obligation ('EO') amounting to Rs.10,699 lacs was placed on the Company which was to be fulfilled in a period of 8 years starting from August 2001. Subsequently, the said EO was refixed by DGFT vide its letter dated Jan 2011 upto August 2011 in terms of the Chapter VI of EXIM Policy and Procedure (Vol-1) 1997-2002. The Company has fulfilled the entire EO. The application for redemption of EPCG license was filed on March 2013 and final redemption is awaited.
- f) Estimated amounts of contracts remaining to be executed on Capital Account (net of advances) is Rs. 31,075.73 lacs (31.03.2013 : Rs. 30,370.17 lacs)

- 27** With a view to have a global presence in telecom, the Company has incorporated a wholly owned subsidiary in Dubai, viz. "AOL (FZE)" for expansion of Companies businesses. The subsidiary Company has signed an agreement with Africa One, a Company which has been mandated to provide majority stake in Company, holding GSM licenses with spectrum in African continent for Broadband, IPTV and FTTH projects. In Compliance of the terms of the agreement, the subsidiary Company has advanced towards part consideration an amount aggregating Rs 10,782.68 lacs (equivalent to AED 660.06 lacs) (31.03.2013 : Rs 9,755.64 (equivalent to AED 660.06 lacs)

28 Related Party Disclosures

Related party disclosures as required under Accounting Standard - 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as given below as on 31st March, 2014:

- a) Individuals exercising significant influence and their relatives:
- Dr. Kailash S. Choudhari (Chairman)
 - Mr.P. F. Sundesha (Related upto 20th September, 2013)
 - Mr.Shailash Popat Lal (Relative of Mr. P. F. Sundesha) (Related upto 20th September, 2013)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

b) Key Management personnel:

- Mr. Chetan Choudhari (Managing Director)

c) Enterprises over which personnel referred in (a) and (b) aforementioned exercise significant influence:

- Fulchand Finance Private Limited (Relates to Mr. P .F . Sundesha) (Related upto 20th September, 2013)

Related Party Transactions

				(Rs. in lacs)
S.No.	Nature of Transaction	Key Management Personnel	Others	Total
1	Remuneration Paid	112.40	422.86	535.26
		<i>95.54</i>	<i>369.20</i>	<i>464.74</i>
2	Interest Expenses	-	5.50	5.50
		-	<i>37.10</i>	<i>37.10</i>
3	Repayment of loan	-	81.75	81.75
		-	<i>477.00</i>	<i>477.00</i>
4	Sitting Fees	-	0.60	0.60
		-	<i>0.95</i>	<i>0.95</i>
5	Rent Paid	-	16.52	16.52
		-	<i>29.40</i>	<i>29.40</i>
Balance due to/(from) as at 31st March, 2014				
	Trade and other Payables	-	10.70	10.70
		-	<i>123.59</i>	<i>123.59</i>

Note :- Figures in italic represents Previous Year

29. The Company has taken assets on cancellable operating lease, the future minimum lease payments in respect of which are as follows :-

Particulars	(Rs. in lacs)	
	Minimum Lease Payments 31-Mar-14	31-Mar-13
Not later than 1 year	8.86	-
Later than 1 year and not later than 5 years	34.69	-
Later than 5 years	-	-

The Lease agreements provide for an option to the Company to renew the lease period. There are no exceptional/restrictive covenants in the lease agreements.

Lease rental expense in respect of operating leases is Rs.0.74 lacs (31.03.2013 : Rs. Nil)

Contingent rent recognised in the Statement of Profit and Loss is Rs. Nil (31.03.2013 : Rs. Nil)

30 Exceptional items represents net foreign exchange gain on translation of foreign exchange assets and liabilities other than operational of Rs. 717.10 lacs (31.03.2013: Rs. 345.98 lacs), profit / (loss) on sale of fixed assets of Rs. (20.76) lacs (31.03.2013: Rs. 915.14 lacs), liabilities written back of Rs.10.26 lacs (31.03.2013: Rs. 28.10 lacs), advances written off of Rs.Nil (31.03.2013: Rs. 670.20 lacs).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
31 Segmental Reporting

Based on the guiding principles given in Accounting Standard AS-17, "Segment Reporting" issued by the Institute of Chartered Accountants of India, the Company's business segments are Manufacturing, Services and Trading of goods. The information about business segments are given below:

Particulars	(Rs. in lacs)							
	Manufacturing		Services		Trading		Total	
	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013
1 Segment Revenue								
External Turnover	20,879.48	21,584.32	894.29	1,550.76	2,100.51	2,542.22	23,874.28	25,677.30
Inter Segment Turnover	20.39	31.18	-	-	-	0.35	-	-
Total Revenue	20,899.87	21,615.50	894.29	1,550.76	2,100.51	2,542.57	23,874.28	25,677.30
2 Segment Results before Interest and Taxes	3,904.15	3,648.82	(1,232.82)	(1,364.28)	204.55	286.18	2,875.88	2,570.72
Less : Finance Cost							709.48	376.25
Add : Interest Income							217.37	124.26
Add : Exceptional Items							706.60	619.03
Add/(Less): Unallocated (Expenses)/Income							(923.75)	(359.55)
Profit before Tax							2,166.62	2,578.21
3 Other Information								
Segment Assets	14,748.38	11,051.65	27,286.23	27,926.28	4,599.53	5,388.82	46,634.14	44,366.75
Unallocated Assets	-	-	-	-	-	-	11,452.73	10,425.65
Total Assets	14,748.38	11,051.65	27,286.23	27,926.28	4,599.53	5,388.82	58,086.87	54,792.40
Segment Liabilities	8,294.06	4,697.21	11,577.27	10,376.63	672.87	1,358.04	20,544.20	16,431.88
Share Capital and reserves	-	-	-	-	-	-	37,542.67	38,360.52
Total Liabilities	8,294.06	4,697.21	11,577.27	10,376.63	672.87	1,358.04	58,086.87	54,792.40
Capital Expenditure	592.54	265.85	46.80	158.54	-	-	639.34	424.39
Depreciation and Amortization	374.38	521.00	1,128.02	1,142.21	-	-	1,502.40	1,663.21

Note :- Total Revenue is after elimination of inter segment turnover of Rs. 20.39 lacs (31.03.2013 : Rs. 31.53 lacs)

32 Basic and diluted earnings per share

S. No.	Particulars	31-Mar-14	31-Mar-13
a.	Net Profit for the year (Rs. in lacs)	2,166.62	2,578.21
b.	Weighted Average No of Equity Shares used in computing Basic-Earning per Share (Nos.)	148,564,989	146,499,744
c.	Impact of diluted instruments on Net Profit for the year (Rs. in lacs)	-	-
d.	Net Profit used for the computation of diluted earning per share (Rs. in lacs)	2,166.62	2,578.21
e.	Weighted average number of equity shares from dilutive instruments (Nos.)	14,100,086	-
f.	Weighted Average No of Equity Shares used in computing Diluted Earning per Share (Nos.)	162,665,075	146,499,744
g.	Nominal Value of Equity Shares (Rs.)	5.00	5.00
h.	Basic-Earning Per Shares (Rs.)	1.46	1.76
i.	Diluted -Earning Per Share (Rs.)	1.33	1.76

33 There are no Micro and Small Enterprises, to whom the Group owes any sum, which are outstanding for more than 45 days as at 31st March, 2014. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information received from vendors.

34 APAKSH is setting up a Broadband Project in the state of Andhra Pradesh. No Statement of Profit and Loss has been prepared in respect of the said project since the Company has not commenced revenue operations. The expenditure incurred during the period are classified as "Project Development Expenses" pending capitalization and will be apportioned to the assets on the completion of the project.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

- 35** In the case of APAKSH, Bank Guarantee of Rs. 150.00 lacs (31.03.2013 Rs. 150.00 lacs) was invoked by Andhra Pradesh Technology Services Limited due to failure of implementation of the project, shown in advance recoverable as Company is contesting. In the case of APAKSH, no provision has been made in respect of various expenses viz. rent, commission, bandwidth expenses as these are not quantifiable due to non availability of information and for interest of Rs. 187.27 lacs (31.03.2013 Rs. 164.57 lacs) on secured loan taken from Cisco Systems Capital India Private Limited.
- 36** In case of APAKSH, The operations are suspended due to litigation filed by one of the shareholder APAKSH which finally dismissed by the Hon'ble Supreme Court vide it's order dated 7th May, 2010. The management of the Company is in discussion on the revival of the project.
- 37** Previous year's figures have been reworked, regrouped, rearranged and reclassified to conform to those of current year's figures wherever necessary.

The accompanying notes (1-37) are an integral part of the consolidated financial statements.

As per our report of even date

For and on behalf of the Board of Directors

For P. C. Bindal & Co.
Firm Registration No : 003824N
Chartered Accountants

Dr. KAILASH S. CHOUDHARI
Chairman
DIN No. 00023824

CA K. C. Gupta
Partner
Membership No.: 088638

CHETAN CHOUDHARI
Managing Director
DIN No. 00872366

B.R. RAKHECHA
Director
DIN No. 00026729

Place: New Delhi
Date : 26th May, 2014

SATYENDRA GUPTA
Chief Financial Officer

GAURAV MEHTA
Company Secretary



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF APAKSH BROADBAND LIMITED

Report on the Financial Statements

We have audited the accompanying Financial Statements of APAKSH BROADBAND LIMITED ("the Company") for the period (six months) ended September 30th, 2016 ("the Statement"), being submitted by the Company and comprises the Balance Sheet as at that date, Cash Flow Statement for that period ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the interim financial statements which has been prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements for the requirement of merger, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 30th September, 2016; and
- b) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

Place : New Delhi

Date: 14-JAN-2017

For P.C. Bindal & Co.
Chartered Accountants
Firm Registration No. 003824 N



CA. K.C. GUPTA

Partner

Membership No: 088638

APAKSH BROADBAND LIMITED
BALANCE SHEET AS AT 30 SEPTEMBER 2016

	Notes	30 September 2016 Amount in Rs.	31 March 2016 Amount in Rs.
Equity and liabilities			
Shareholders' funds			
Share capital	3	1,352,250,000	1,352,250,000
		1,352,250,000	1,352,250,000
Non-current liabilities			
Trade payables	4		
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		154,244,764	153,909,957
		154,244,764	153,909,957
Current liabilities			
Short-term borrowings	5	54,792,559	54,792,559
Other Short-term liabilities	5.1	834,774	667,480
		55,627,333	55,460,039
TOTAL		1,562,122,097	1,561,619,996
Assets			
Non-current assets			
Fixed assets			
Property, Plant and Equipment	6	910,788	982,081
Intangible assets	7	-	-
Capital work-in-progress	7.1	1,462,191,325	1,462,191,325
Project Development Expenditure	7.2	98,881,029	98,259,987
		1,561,983,142	1,561,433,393
Current assets			
Cash and bank balances	8	79,621	90,925
Short-term loans and advances	9	59,334	95,678
		138,955	186,603
TOTAL		1,562,122,097	1,561,619,996

Summary of significant accounting policies 2.1
The accompanying notes (1-20) are an integral part of the financial statements.

As per our report of even date attached
For P.C. Bindal & Co

Chartered Accountants
Firm registration number: 003824N

CA. K.C. Gupta
Partner
Membership No. 088638

Place : New Delhi
Dated: 14-JAN-2017

For and on behalf of the Board of Directors

Dr. Kailash S. Choudhari
Director
DIN 00023824

Chetan Choudhari
Managing Director
DIN 00872366



APAKSH BROADBAND LIMITED**CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2016**

	30 September 2016 Amount in Rs.	31 March 2016 Amount in Rs.
A) Cash flow from operating activities	-	-
Net cash flow from/ (used in) operating activities (A)	-	-
B) Cash flows from investing activities		
Adjustment for change in current assets & Pre-operative Expenditure	(513,405)	242,330
Adjustment for change in current liabilities	167,294	-
Adjustment for change in Non current liabilities	334,807	-
Net cash flow from/ (used in) investing activities (B)	- 11,304	242,330
C) Cash flows from financing activities	-	-
Net cash flow from/ (used in) in financing activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A + B + C)	- 11,304	242,330
Cash and cash equivalents at the beginning of the period	90,925	90,925
Cash and cash equivalents at the end of the period	79,621	333,255
Components of cash and cash equivalents		
With banks- on current account	79,621	90,925
- on deposit account	-	-
Total cash and cash equivalents (note 8)	79,621	90,925
Summary of significant accounting policies	2.1	
The accompanying notes (1-20) are an integral part of the financial statements.		

As per our report of even date attached

For P.C. Bindal & Co

Chartered Accountants

Firm registration number: 003824N

CA. K.C. Gupta

Partner

Membership No. 088638

Place : New Delhi

Dated: 14-JAN-2017

For and on behalf of the Board of Directors

*Kailash S. Choudhari**Chetan Choudhari***Dr. Kailash S. Choudhari**

Director

DIN 00023824

Chetan Choudhari

Managing Director

DIN 00872366



APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2016**

1	CORPORATE INFORMATION APAksh Broadband Limited (the company) is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company is a subsidiary of Aksh Optifibre Limited (AOL).								
2	BASIS OF PREPARATION The financial statements have been prepared to comply in all material respects with the notified Accounting Standards by Companies Accounting Standard (as amended) Rules 2006 and the relevant requirements of the Companies Act, 2013. The financial statements have been prepared under historical cost convention on an accrual basis of accounting except in case of assets for which impairment is carried out. The accounting policies have been consistently applied by the Company.								
2.1	SIGNIFICANT ACCOUNTING POLICIES								
	a) Fixed Assets Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost includes any borrowing costs directly attributable to the acquisition/ construction of fixed assets and bringing the assets to its working condition for its intended use.								
	b) Capital Work-in-Progress costs of assets not ready for use before the year-end and expenditure during construction period that is directly or indirectly related to construction, including borrowing costs are included under Capital Work-in-Progress.								
	c) Depreciation Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.: <table border="1"> <thead> <tr> <th>Particulars</th><th>Useful life in years</th></tr> </thead> <tbody> <tr> <td>Office equipment</td><td>20</td></tr> <tr> <td>Furniture and fixtures</td><td>15</td></tr> <tr> <td>Data Processing System</td><td>5</td></tr> </tbody> </table> Intangible assets are amortized over their estimated useful life on straight line method.	Particulars	Useful life in years	Office equipment	20	Furniture and fixtures	15	Data Processing System	5
Particulars	Useful life in years								
Office equipment	20								
Furniture and fixtures	15								
Data Processing System	5								
	d) Project Development Expenditure Expenses incurred relating to project prior to commencement of commercial production / start of the project is classified as Project Development Expenditure net of income earned during the project development stage.								
	e) Revenue Recognition Expenses incurred relating to project prior to commencement of commercial production / start of the project is classified as Project Development Expenditure net of income earned during the project development stage.								
	f) Foreign Currency transactions Transactions in foreign currency are recorded at the exchange rates prevailing at the dates of the transactions. In case of liabilities incurred for the acquisition of fixed assets, the loss or gain on restatement of liabilities (at the rates prevailing at the year end) is included in the carrying amount of the related fixed assets. In the case of other foreign currency denominated monetary assets and liabilities, the loss or gain arising as above is charged or credited to profit and loss account of the year of restatement / settlement.								
	g) Gratuity and other retirement benefits are added to Project Development Expenditure through a provision for accruing liability based on assumption that such benefits are payable to the eligible employees at the time of retirement.								



APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2016****3. Share capital**

	30 September 2016 Amount in Rs.	31 March 2016 Amount in Rs.
Authorized shares (No.)		
350,000,000 (31 March 2016:350,000,000)	1,750,000,000	1,750,000,000
Equity Shares of Rs. 5/- each		
Issued and subscribed (No.)		
300,000,000(31 March 2016:300,000,000) equity shares of Rs. 5/- each	1,500,000,000	1,500,000,000
Total issued and subscribed share capital	1,500,000,000	1,500,000,000
Paid-up shares (No.)		
226,125,000(31 March 2016: 226,125,000) equity shares of Rs. 5/- each fully paid up .	1,130,625,000	1,130,625,000
Forfeited Shares- 73,875,000 equity shares forfeited, paid up Rs. 3/- each (31 March 2016: - 73,875,000 equity shares forfeited , paid up Rs 3/- each)	221,625,000	221,625,000
Total Paid-up share capital	1,352,250,000	1,352,250,000

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

	30 September 2016		31 March 2016	
	No.	Amount in Rs.	No.	Amount in Rs.
At the beginning of the year*	300,000,000	1,352,250,000	300,000,000	1,352,250,000
Issued during the year	-	-	-	-
Outstanding at the end of the year*	300,000,000	1,352,250,000	300,000,000	1,352,250,000

* including Forfeited Shares

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the 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.

(c) Shares held by holding/ ultimate holding Company and/ or their subsidiaries/ associates

Out of equity shares issued by the Company, shares held by its holding Company, ultimate holding Company and their subsidiaries/ associates are as below:

Name of the shareholder	30 September 2016 Amount in Rs.	31 March 2016 Amount in Rs.
Aksh Optifibre Limited, the holding Company		
225,950,000 (31 March 2016: 225,950,000)	1,129,750,000	1,129,750,000
equity shares of Rs. 5/- each fully paid		

(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 30 September 2016		As at 31 March 2016	
	Amount in Rs.	% holding in the class	Amount in Rs.	% holding in the class
Equity shares of Rs. 5/- each fully paid Aksh Optifibre Limited, holding Company	1,129,750,000	99.92	1,129,750,000	99.92

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

4. Non current liabilities

	30 September 2016 Amount in Rs.	31 March 2016 Amount in Rs.
Trade payables (including acceptances) (refer Note 15 for details of dues to micro and small enterprises)	154,244,764	153,909,957
	154,244,764	153,909,957



APAKSH BROADBAND LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2016
6. Property, Plant and Equipment

(Amount in Rs.)

	Office equipment	Data processing	Furniture and fixtures	Vehicles	Total
Cost or valuation					
At 1 April 2015	1,329,193	4,883,771	1,156,584	1,108,627	8,478,175
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2016	1,329,193	4,883,771	1,156,584	1,108,627	8,478,175
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 30 September 2016	1,329,193	4,883,771	1,156,584	1,108,627	8,478,175
Depreciation					
At 1 April 2015	653,498	4,883,771	716,405	1,000,090	7,253,764
Charge for the year	63,310	-	73,412	105,608	242,330
Disposals	-	-	-	-	-
At 31 March 2016	716,808	4,883,771	789,817	1,105,698	7,496,094
Charge for the period	31,656	-	36,708	2,929	71,293
Disposals	-	-	-	-	-
At 30 September 2016	748,464	4,883,771	826,525	1,108,627	7,567,387
Net Block					
At 31 March 2016	612,385	-	366,767	2,929	982,081
At 30 September 2016	580,729	-	330,059	-	910,788

7. Intangible assets

	Computer software	Total
Gross block		
At 1 April 2015	6,420,562	6,420,562
Additions	-	-
Internal development	-	-
At 31 March 2016	6,420,562	6,420,562
Additions	-	-
At 30 September 2016	6,420,562	6,420,562
Amortization		
At 1 April 2015	6,420,562	6,420,562
Charge for the year	-	-
At 31 March 2016	6,420,562	6,420,562
Charge for the period	-	-
At 30 September 2016	6,420,562	6,420,562
Net block		
At 31 March 2016	-	-
At 30 September 2016	-	-



APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2016****7.1. Capital Work in progress**

	30 September 2016 Amount in Rs.	31 March 2016 Amount in Rs.
Accessories- Aerial & Underground	32,346,923	32,346,923
Cable TV Equipment	31,845,719	31,845,719
Duct, Cables & Others	1,074,747,242	1,074,747,242
50 KVA Diesel Generator	520,000	520,000
Other Equipment	36,194,218	36,194,218
Cables Laying	94,650,474	94,650,474
Survey & Other Works	131,724,619	131,724,619
Switches	60,162,130	60,162,130
	1,462,191,325	1,462,191,325

7.2. Project Development Expenditure

	30 September 2016 Amount in Rs.	31 March 2016 Amount in Rs.
Preliminary Expenses	26,800	26,800
Advertising Expenses	1,228,246	1,228,246
Appraisal Charges	3,080,431	3,080,431
Audit Fees	1,371,088	1,306,090
Bandwidth Expenses	21,431,912	21,431,912
Books & Periodicals	20,934	20,934
Business Promotion Charges	533,032	533,032
Certification Fees	25,000	25,000
Commission	361,419	361,419
Consultation Charges	1,919,055	1,919,055
Consumables (Comp & Elect)	91,796	91,796
Courier & Xerox Charges	16,900	16,900
Depreciation On Fixed Assets	13,987,948	13,916,655
Donations	70,000	70,000
Electricity Charges	1,057,494	1,057,494
Filing Fee	8,937,234	8,937,234
Financial Charges	1,247,206	1,244,101
Fuel Expenses	247,798	247,798
Insurance	4,257,245	4,219,571
Legal & Professional Charges	2,641,426	2,641,426
Misc. Expenses	30,617	30,167
Misc Balance W/off Assets	25,863,007	25,863,007
Network Maintenance Charges	102,145	102,145
Office Maintenance	1,245,176	1,245,176
Printing & Stationary	197,562	196,762
Rates & Taxes	309,882	309,882
Rent	8,047,315	7,811,159
Sitting Fee	200,000	200,000
Staff Salary & Other Exp.	15,351,991	15,213,738
Telephone Charges	1,103,386	1,103,386
Travelling Expenses	2,754,819	2,686,506
Vehicle Maintenance	20,010	20,010
	117,778,874	117,157,832
Less Miscellaneous Income	18,897,845	18,897,845
Less Foreign Exchange Diff.	217,746	217,746
Less Insurance Claim Received	900,000	900,000
Less Int. On Fixed Deposits	3,875,424	3,875,424
Less Miscellaneous Income	244,481	244,481
Less Trial Sales	13,660,194	13,660,194
	98,881,029	103,497,638
	98,881,029	98,259,987



APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2016****8. Cash and bank balances**

	Current	
	30 September 2016 Amount in Rs.	31 March 2016 Amount in Rs.
Cash and cash equivalents		
<i>Balances with banks:</i>		
– On current accounts	79,621	90,925
	79,621	90,925

9. Loans and advances

	Current	
	30 September 2016 Amount in Rs.	31 March 2016 Amount in Rs.
Security deposit		
Secured, considered good	-	-
Unsecured, considered good	27,936	26,606
	27,936	26,606
Advances recoverable in cash or kind		
Secured considered good	-	-
Unsecured considered good	-	-
	-	-
Other loans and advances		
Income-Tax Refund Due	-	-
Prepaid Expenses	31,398	69,072
Balances with statutory / government authorities	-	-
	31,398	69,072
	59,334	95,678



APAKSH BROADBAND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2016

10 Contingent Liabilities:

- a) Rs. 3,50,00,000 were demanded by M/s. Andhra Pradesh Technology Services Ltd towards liquidated damages, not acknowledged as debt.
- b) Rs 23,75,000 claimed by M/s Broadband Net Inc towards supply of equipments, which were not approved and returned to the supplier. Case is under sub judice.

- 11 The Company is setting up a Broadband Project in the state of Andhra Pradesh. No Statement of Profit and Loss has been prepared since the Company has not commenced revenue operations. The expenditure incurred during the period are classified as "Project Development Expenses" pending capitalization and will be apportioned to the assets on the completion of the Project.

12 Related Party Disclosures

Related party disclosures as required under Notified Accounting Standard (as amended) - 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as given below as on 30 September, 2016:

- a) Holding Company :
- Aksh Optifibre Limited
- b) Key Management Personnel & their relatives
- Dr. Kailash S. Choudhari
- Mr. Chetan Choudhari

Related Party Transactions

		Current Year	Previous Year
a)	Holding Company		
	Aksh Optifibre Limited		
	Reimbursement of Expenses	334,007	725,446
	Outstanding balance due to / (from)	154,243,964	153,909,957

- 13 **Expenditure/ Income in Foreign Currency**
Rs.NIL (Previous Year Rs. NIL)

14 Segment Reporting

The company's activities during the year revolve around setting up of the Broadband Project. Considering the nature of company's business and operations, there are no separate reportable segments in accordance with the requirements of Accounting Standards 17-Segment Reporting notified in the companies (Accounting standards) rules 2006.

- 15 There are no Micro and Small Enterprises, to whom the Company owes, which are outstanding for more than 45 days as at 31st March, 2016. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

16 Amount Paid / payable to auditors

Particulars	Current Year	Previous Year
Audit Fees	64,998	112,360

- 17 The Company operations are suspended due to litigation filed by one of the shareholder which finally dismissed by the Hon'ble Supreme Court vide it's order dated 7th May 2010. Considering creation of spreading OFC network by all the orders in the country, the Management of the Company is in discussions on the revival of the project .

- 18 The board of director has approved the merger of Company with its holding Aksh optifibre limited subject to necessary statutory approvals and process to be finalised in due course with requisite agencies.

- 19 The company does not have any deferred tax assets or deferred tax liabilities.

- 20 Previous year's figures have been reworked, regrouped, rearranged and reclassified to conform to those of current year's figures wherever necessary.

As per our report of even date attached

For P.C. Bindal & Co
Chartered Accountants
Firm registration number: 003824N
New Delhi

CA. K.C. Gupta
Partner
Membership No. 088638

Place : New Delhi

Dated: 14-JAN-2017

For and on behalf of the board of directors

Kailash S. Choudhari
Chetan Choudhari

Dr. Kailash S. Choudhari Chetan Choudhari
Director Managing Director
DIN 00023824 DIN 00872366





INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF APAKSH BROADBAND LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of APAKSH BROADBAND LIMITED ("the company"), which comprises the Balance Sheet as at 31st March 2016, Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2016; and
- b) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The Balance Sheet, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31st March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - 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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 10 to the financial statements
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

Place : New Delhi

Date: 28 MAY 2016

For P.C. Bindal & Co.
Chartered Accountants
Firm Registration No. 0088638
New Delhi
CA. P.C. Bindal & Co.
Partner
Membership No: 088638

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of APAKSH BROADBAND LIMITED ("the Company") for the year ended March 31, 2016:

- i. (a) *The company has not produced any proper records showing full particulars including quantitative details and situation of fixed assets.
The impact & quantum of this on the company's assets cannot be quantified.*
(b) *The Company has not produced any documents confirming that fixed assets have been physically verified by the management during the year.
The impact & quantum of this on company's assets cannot be quantified.*
(c) Since the company does not have any immovable properties during the financial year, hence this clause of the order is not applicable.
- ii. The Company does not have any Inventory, Accordingly this clause of companies (Auditor's Report) Order 2016 is not applicable to the company for the current year.
- iii. According to the Information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 Companies Act 2013. Accordingly, Clauses (a), (b) and (c) of sub Para iii of paragraph 3 of the order are not applicable.
- iv. According to the information & Explanation given to us, the company has not given any loans and guarantees, to parties covered under section 185 and 186 of the Companies Act, 2013. Accordingly the provisions of clause 3 (vi) of the Order are not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public to which the directives issued by Reserve Bank of India and provisions of sections 73 to 76 of the Companies Act, 2013, including rules framed there under, apply. Further, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other tribunal.
- vi. To the best of our knowledge and as explained to us, the Central Government has not prescribed maintenance of cost records under clause of sub section (1) of section 148 of the Companies Act, 2013 for the company.
- vii. (a) According to the records of the company the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, Cess and other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, Service Tax, sales tax, custom duty, excise duty and Cess were in arrears, as at 31-Mar-2016 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute

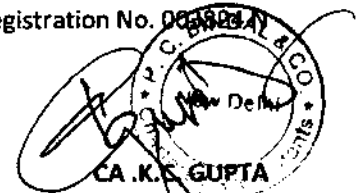


- viii. Based on our audit procedures and on the basis of the information and explanations given to us, company did not have any borrowing from any financial institutions or banks or government or debenture holders during the year.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and the term loans have been applied for the purposes for which they were raised.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. According to the books of accounts and records of the company, No Managerial remuneration has been paid or provided.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- xiii. Based on our audit procedure and according to the information and explanation given to us, all transaction with the related parties are in compliance with section 177 & section 188 of Companies Act-2013 and details of the same is disclosed in the financial statement as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- xv. According to the information and explanation given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place : New Delhi

Date: 28 MAY 2016

For P.C. Bindal & Co.
Chartered Accountants
Firm Registration No. 001923A



CA K.K. GUPTA
Partner
Membership No: 088638

"Annexure B" to the Independent Auditor's Report

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 APAKSH BROADBAND LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

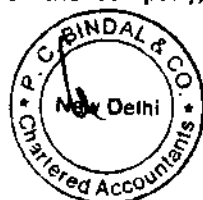
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on 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, both applicable to an audit of Internal Financial Controls and, 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 auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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.

Qualified Opinion

According to the information and explanations given to us and based on our audit, a material weakness has been identified that the company did not have an appropriate inter control system regarding quantitative details, situation of fixed assets and physical verification system of fixed assets. The impact & quantum of this on company's assets cannot be quantified.

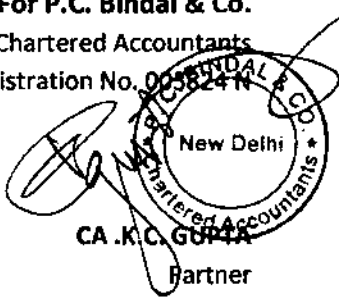
A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2016, 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.

Place : New Delhi

Date: 28 MAY 2016

For P.C. Bindal & Co.
Chartered Accountants
Firm Registration No. 005824 N
New Delhi
CA .K.C. GUPTA
Partner
Membership No: 088638



APAKSH BROADBAND LIMITED
BALANCE SHEET AS AT 31 MARCH 2016

	Notes	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Equity and liabilities			
Shareholders' funds			
Share capital	3	1,352,250,000	1,352,250,000
		1,352,250,000	1,352,250,000
Non-current liabilities			
Trade payables	4		
Total outstanding dues of micro enterprises and small enterprises			
Total outstanding dues of creditors other than micro enterprises and small enterprises		153,909,957	154,320,149
		153,909,957	154,320,149
Current liabilities			
Short-term borrowings	5	54,792,559	54,792,559
Other Short-term liabilities	5.1	667,480	9,843,098
		55,460,039	64,635,657
TOTAL		1,561,619,996	1,571,205,806
Assets			
Non-current assets			
Fixed assets			
Property, Plant and Equipment	6	982,081	1,224,411
Intangible assets	7	-	-
Capital work-in-progress	7.1	1,462,191,325	1,462,191,325
Project Development Expenditure	7.2	98,259,987	71,135,159
		1,561,433,393	1,534,550,895
Current assets			
Cash and bank balances	8	90,925	50,687
Short-term loans and advances	9	95,678	36,604,224
		186,603	36,654,911
TOTAL		1,561,619,996	1,571,205,806

Summary of significant accounting policies 2.1
The accompanying notes (1-20) are an integral part of the financial statements.

As per our report of even date attached
For P.C. Bindal & Co

Chartered Accountants
Firm registration number: 008824N

CA. K.C. Gupta
Partner
Membership No. 088638

Place : New Delhi
Dated: 28th May 2016

For and on behalf of the Board of Directors

Kailash S. Choudhari
Dr. Kailash S. Choudhari
Director
DIN 00023824

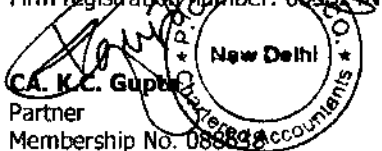
Chetan Choudhari
Chetan Choudhari
Managing Director
DIN 00872366



APAKSH BROADBAND LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016**

	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
A) Cash flow from operating activities	-	-
Net cash flow from/ (used in) operating activities (A)	-	-
B) Cash flows from investing activities		
Adjustment for change in current assets & Pre-operative Expenditure	9,626,048	(1,013,532)
Adjustment for change in current liabilities	(9,175,618)	(88,216)
Adjustment for change in Non current liabilities	(410,192)	1,133,399
Net cash flow from/ (used in) investing activities (B)	40,238	31,651
C) Cash flows from financing activities	-	-
Net cash flow from/ (used in) in financing activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A + B + C)	40,238	31,651
Cash and cash equivalents at the beginning of the year	50,687	19,036
Cash and cash equivalents at the end of the year	90,925	50,687
Components of cash and cash equivalents		
With banks- on current account	90,925	50,687
- on deposit account	-	-
Total cash and cash equivalents (note 8)	90,925	50,687
Summary of significant accounting policies	2.1	
The accompanying notes (1-20) are an integral part of the financial statements.		

As per our report of even date attached

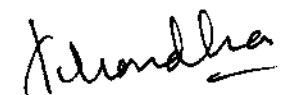
For P.C. Bindal & CoChartered Accountants
Firm registration number: 005324N


CA. K.C. Gupta
Partner
Membership No. 005324N

Place : New Delhi

Dated: 28th May 2016

For and on behalf of the Board of Directors


Dr. Kailash S. Choudhari
 Director
 DIN 00023824


Chetan Choudhari
 Managing Director
 DIN 00872366


APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016**

1	CORPORATE INFORMATION APAKsh Broadband Limited (the company) is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company is a subsidiary of Aksh Optifibre Limited (AOL).								
2	BASIS OF PREPARATION The financial statements have been prepared to comply in all material respects with the notified Accounting Standards by Companies Accounting Standard (as amended) Rules 2006 and the relevant requirements of the Companies Act, 2013. The financial statements have been prepared under historical cost convention on an accrual basis of accounting except in case of assets for which impairment is carried out. The accounting policies have been consistently applied by the Company.								
2.1	SIGNIFICANT ACCOUNTING POLICIES								
a)	Fixed Assets Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost includes any borrowing costs directly attributable to the acquisition/ construction of fixed assets and bringing the assets to its working condition for its intended use.								
b)	Capital Work-in-Progress costs of assets not ready for use before the year-end and expenditure during construction period that is directly or indirectly related to construction, including borrowing costs are included under Capital Work-in-Progress.								
c)	Depreciation Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.: <table border="1"> <thead> <tr> <th>Particulars</th><th>Useful life in years</th></tr> </thead> <tbody> <tr> <td>Office equipment</td><td>20</td></tr> <tr> <td>Furniture and fixtures</td><td>15</td></tr> <tr> <td>Data Processing System</td><td>5</td></tr> </tbody> </table> Intangible assets are amortized over their estimated useful life on straight line method.	Particulars	Useful life in years	Office equipment	20	Furniture and fixtures	15	Data Processing System	5
Particulars	Useful life in years								
Office equipment	20								
Furniture and fixtures	15								
Data Processing System	5								
d)	Project Development Expenditure Expenses incurred relating to project prior to commencement of commercial production / start of the project is classified as Project Development Expenditure net of income earned during the project development stage.								
e)	Revenue Recognition Expenses incurred relating to project prior to commencement of commercial production / start of the project is classified as Project Development Expenditure net of income earned during the project development stage.								
f)	Foreign Currency transactions Transactions in foreign currency are recorded at the exchange rates prevailing at the dates of the transactions. In case of liabilities incurred for the acquisition of fixed assets, the loss or gain on restatement of liabilities (at the rates prevailing at the year end) is included in the carrying amount of the related fixed assets. In the case of other foreign currency denominated monetary assets and liabilities, the loss or gain arising as above is charged or credited to profit and loss account of the year of restatement / settlement.								
g)	Gratuity and other retirement benefits are added to Project Development Expenditure through a provision for accruing liability based on assumption that such benefits are payable to the eligible employees at the time of retirement.								



APAKSH BROADBAND LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016
3. Share capital

	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Authorized shares (No.)		
350,000,000 (31 March 2015: 350,000,000)	1,750,000,000	1,750,000,000
Equity Shares of Rs. 5/- each		
Issued and subscribed (No.)		
300,000,000 (31 March 2015: 300,000,000) equity shares of Rs. 5/- each	1,500,000,000	1,500,000,000
Total issued and subscribed share capital	1,500,000,000	1,500,000,000
Paid-up shares (No.)		
226,125,000 (31 March 2015: 226,125,000) equity shares of Rs. 5/- each fully paid up	1,130,625,000	1,130,625,000
Forfeited Shares- 73,875,000 equity shares forfeited, paid up Rs. 3/- each (31 March 2015: - 73,875,000 equity shares forfeited, paid up Rs. 3/- each)	221,625,000	221,625,000
Total Paid-up share capital	1,352,250,000	1,352,250,000

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

Equity shares

	31 March 2016		31 March 2015	
	No.	Amount in Rs.	No.	Amount in Rs.
At the beginning of the year*	300,000,000	1,352,250,000	300,000,000	1,352,250,000
Issued during the year	-	-	-	-
Outstanding at the end of the year*	300,000,000	1,352,250,000	300,000,000	1,352,250,000

* including Forfeited Shares

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the 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.

(c) Shares held by holding/ ultimate holding Company and/ or their subsidiaries/ associates

Out of equity shares issued by the Company, shares held by its holding Company, ultimate holding Company and their subsidiaries/ associates are as below:

Name of the shareholder	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Aksh Optifibre Limited, the holding Company	1,129,750,000	1,129,750,000
225,950,000 (31 March 2015: 225,950,000) equity shares of Rs. 5/- each fully paid		

(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 March 2016		As at 31 March 2015	
	Amount in Rs.	% holding in the class	Amount in Rs.	% holding in the class
Equity shares of Rs. 5/- each fully paid Aksh Optifibre Limited, holding Company	1,129,750,000	99.92	1,129,750,000	99.92

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

4. Non current liabilities

	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Trade payables (including acceptances) (refer Note 15 for details of dues to micro and small enterprises)	153,909,957	154,320,149
	153,909,957	154,320,149



APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016****5. Short-term borrowings**

	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Secured From:-		
-Banks		
-Others	49,792,559	49,792,559
Unsecured From:-		
-Banks		
-Others	5,000,000	5,000,000
	54,792,559	54,792,559

Secured against first and exclusive charge on Plant and Machinery of the Company covered under loan agreement. Further, this loan secured by Corporate Guarantee of Aksh Optifibre Limited and personal guarantee of Dr Kailash S. Choudhari.

5.1. Short-term liabilities

	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Other Current liabilities		
Expense Payable	667,480	9,843,098
	667,480	9,843,098



APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016****6. Property, Plant and Equipment****(Amount in Rs.)**

	Office equipment	Data processing	Furniture and fixtures	Vehicles	Total
Cost or valuation					
At 1 April 2014	1,329,193	4,883,771	1,156,584	1,108,627	8,478,175
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2015	1,329,193	4,883,771	1,156,584	1,108,627	8,478,175
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2016	1,329,193	4,883,771	1,156,584	1,108,627	8,478,175
Depreciation					
At 1 April 2014	590,361	4,883,771	643,193	894,770	7,012,095
Charge for the year	63,137	-	73,212	105,320	241,669
Disposals	-	-	-	-	-
At 31 March 2015	653,498	4,883,771	716,405	1,000,090	7,253,764
Charge for the year	63,310	-	73,412	105,608	242,330
Disposals	-	-	-	-	-
At 31 March 2016	716,808	4,883,771	789,817	1,105,698	7,496,094
Net Block					
At 31 March 2015	675,695	-	440,179	108,537	1,224,411
At 31 March 2016	612,385	-	366,767	2,929	982,081

7. Intangible assets

	Computer software	Total
Gross block		
At 1 April 2014	6,420,562	6,420,562
Additions	-	-
Internal development	-	-
At 31 March 2015	6,420,562	6,420,562
Additions	-	-
At 31 March 2016	6,420,562	6,420,562
Amortization		
At 1 April 2014	6,420,562	6,420,562
Charge for the year	-	-
At 31 March 2015	6,420,562	6,420,562
Charge for the year	-	-
At 31 March 2016	6,420,562	6,420,562
Net block		
At 31 March 2015	-	-
At 31 March 2016	-	-

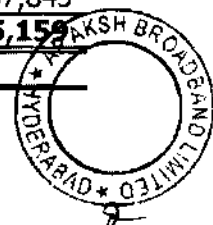
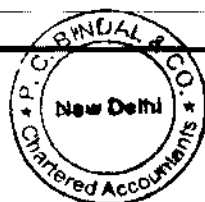


APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016****7.1. Capital Work in progress**

	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Accessories- Aerial & Underground	32,346,923	32,346,923
Cable TV Equipment	31,845,719	31,845,719
Duct, Cables & Others	1,074,747,242	1,074,747,242
50 KVA Diesel Generator	520,000	520,000
Other Equipment	36,194,218	36,194,218
Cables Laying	94,650,474	94,650,474
Survey & Other Works	131,724,619	131,724,619
Switches	60,162,130	60,162,130
	1,462,191,325	1,462,191,325

7.2. Project Development Expenditure

	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Preliminary Expenses	26,800	26,800
Advertising Expenses	1,228,246	1,228,246
Appraisal Charges	3,080,431	3,080,431
Audit Fees	1,306,090	1,193,730
Bandwidth Expenses	21,431,912	21,431,912
Books & Periodicals	20,934	20,934
Business Promotion Charges	533,032	533,032
Certification Fees	25,000	25,000
Commission	361,419	361,419
Consultation Charges	1,919,055	1,919,055
Consumables (Comp & Elect)	91,796	91,796
Courier & Xerox Charges	16,900	16,900
Depreciation On Fixed Assets	13,916,655	13,674,325
Donations	70,000	70,000
Electricity Charges	1,057,494	1,057,494
Filing Fee	8,937,234	8,923,177
Financial Charges	1,244,101	1,242,275
Fuel Expenses	247,798	247,798
Insurance	4,219,571	4,004,633
Legal & Professional Charges	2,641,426	2,625,176
Misc. Expenses	30,167	30,167
Misc Balance W/off Assets	25,863,007	-
Network Maintenance Charges	102,145	102,145
Office Maintenance	1,245,176	1,245,176
Printing & Stationary	196,762	196,262
Rates & Taxes	309,882	181,833
Rent	7,811,159	7,362,935
Sitting Fee	200,000	200,000
Staff Salary & Other Exp.	15,213,738	15,213,738
Telephone Charges	1,103,386	1,103,386
Travelling Expenses	2,686,506	2,603,219
Vehicle Maintenance	20,010	20,010
	117,157,832	90,033,004
Less Miscellaneous Income	18,897,845	18,897,845
	98,259,987	71,135,159



APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016****8. Cash and bank balances**

	Current	
	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Cash and cash equivalents		
<i>Balances with banks:</i>		
- On current accounts	90,925	50,687
	90,925	50,687

9. Loans and advances

	Current	
	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Security deposit		
Secured, considered good	-	-
Unsecured, considered good	26,606	2,047,202
	26,606	2,047,202
Advances recoverable in cash or kind		
Secured considered good	-	-
Unsecured considered good	-	28,668,875
	-	28,668,875
Other loans and advances		
Income-Tax Refund Due	-	378,096
Prepaid Expenses	69,072	208,659
Balances with statutory / government authorities	-	5,301,392
	69,072	5,888,147
	95,678	36,604,224



APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016****10 Contingent Liabilities:**

- a) Rs. 3,50,00,000 were demanded by M/s. Andhra Pradesh Technology Services Ltd towards liquidated damages, not acknowledged as debt.
- b) Sales Tax demands Rs Nil (P.Y. Rs.25,815,217) and Rs Nil (P.Y. Rs.6,051,473/-) for the year 2005-06 and 2006-07 has been decided in favour of the Company.
- c) Rs 23,75,000 claimed by M/s Broadband Net Inc towards supply of equipments, which were not approved and returned to the supplier. Case is under sub judice.

- 11** The Company is setting up a Broadband Project in the state of Andhra Pradesh. No Statement of Profit and Loss has been prepared since the Company has not commenced revenue operations. The expenditure incurred during the period are classified as "Project Development Expenses" pending capitalization and will be apportioned to the assets on the completion of the Project.

12 Related Party Disclosures

Related party disclosures as required under Notified Accounting Standard (as amended) - 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as given below as on 31 March, 2016:

- a) Holding Company :
- Aksh Optifibre Limited
- b) Key Management Personnel & their relatives
- Dr. Kailash S. Choudhari
- Mr. Chetan Choudhari

Related Party Transactions

		Current Year	Previous Year
a)	Holding Company		
	Aksh Optifibre Limited		
	Reimbursement of Expenses	725,446	1,043,399
	Outstanding balance due to / (from)	153,909,957	157,654,511

- 13 Expenditure/ Income in Foreign Currency**
Rs. NIL (Previous Year Rs. NIL)

14 Segment Reporting

The company's activities during the year revolve around setting up of the Broadband Project. Considering the nature of company's business and operations, there are no separate reportable segments in accordance with the requirements of Accounting Standards 17-Segment Reporting notified in the companies (Accounting Standards) rules 2006.

- 15** There are no Micro and Small Enterprises, to whom the Group owes, which are outstanding for more than 45 days as at 31st March, 2016. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group.

16 Amount Paid / payable to auditors

Particulars	Current Year	Previous Year
Audit Fees	112,360	112,360

- 17** The Company operations are suspended due to litigation filed by one of the shareholder which finally dismissed by the Hon'ble Supreme Court vide it's order dated 7th May 2010. Considering creation of spreading OFC network by all the orders in the county, the Management of the Company is in discussions on the revival of the project.

- 18** The board of director has approved the merger of Company with its holding Aksh optifibre limited subject to necessary statutory approvals and process to be finalised in due course with requisite agencies.

- 19** The company does not have any deferred tax assets or deferred tax liabilities.

- 20** Previous year's figures have been reworked, regrouped, rearranged and reclassified to conform to those of current year's figures wherever necessary.

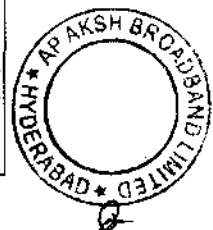
As per our report of even date attached

For P.C. Bindal
Chartered Accountants
Firm registration number: 003824N
New Delhi
CA K.C. Gupta
Partner
Membership No. 088768

For and on behalf of the board of directors

Dr. Kailash S. Choudhari Chetan Choudhari
Director Managing Director
DIN 00023824 DIN 00872366

Place : New Delhi
Dated: 28th May 2016





P.C. BINDAL & CO.
Chartered Accountants

101, Sita Ram Mansion, 718/21, Joshi Road,
Karol Bagh, New Delhi-110 005
☎ 23549822 / 23 Fax : 23623829
e-mail : info@pcbndia.in
pcbndalco@gmail.com

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF APAKSH BROADBAND LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of APAKSH BROADBAND LIMITED ("the company"), which comprises the Balance Sheet as at 31st March 2015, Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matter's which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.



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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015; and
- b) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

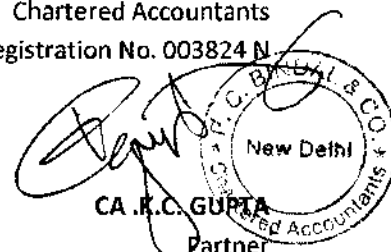
Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The Balance Sheet, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31st March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 10 to the financial statements
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.

Place : New Delhi

Date: 28 MAY 2015

For P.C. BINDAL & CO.
Chartered Accountants
Firm Registration No. 003824 N



Membership No: 088638

ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE

As stated in Para 1 'Report on Other Legal and Regulatory Requirements' in Our Auditors' report on even date, the following statement is based on the comment in the Auditors report on financial statement.

1. (a) *The company has not produced any proper records showing full particulars including quantitative details and situation of fixed assets.*

The impact & quantum of this on the company's assets cannot be qualified.

- (b) *The Company has not produced any documents confirming that fixed assets have been physically verified by the management during the year.*

The impact & quantum of this on company's assets cannot be quantified.

2. The Company does not have any Inventory, Accordingly clause ii (a) to ii (c) of companies (Auditor's Report) Order 2015 is not applicable to the company for the current year.
3. The company has not granted any loans secured or unsecured to company covered in the register maintained under Section 189 of Companies Act, 2013. Accordingly clause iii (a) and iii (b) of Companies (Auditor's Report) Order 2015 is not applicable to the company for the current year.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any major weakness in internal controls.
5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public to which the directives issued by Reserve Bank of India and provisions of sections 73 to 76 of the Companies Act, 2013, including rules framed there under, apply. Further, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other tribunal.
6. As per the information and explanations given to us, the Central Government has specified maintenance of cost records on the products of the company under sub-section (1) of Section 148 of the Companies Act, 2013 and the company has not yet made or maintained such accounts and records.
7. (a) According to the information and explanations given to us and according to the books and records produced before us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authority, as applicable to it except of the following arrears of outstanding statutory dues appearing as at year end for a period of more than six months from the date they became payable:-

Nature of Statutory Dues outstanding	Applicable recipient Authority	Arrears amount for period exceeding six months
TDS	Income Tax dept.	9,170,632/-



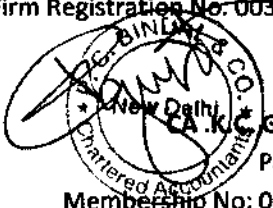
- (b) According to the information and explanations given to us, there are no dues of income tax or sales tax or wealth tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute except of the following amounts:-

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which Amount relates	Forum where dispute is pending
Sales Tax Act	Sales Tax Demand	25,815,217/-	2005-06	Hon'ble Supreme Court of India
Sales Tax Act	Sales Tax Demand	6,051,473/-	2006-07	Hon'ble Supreme Court of India

- (c) According to the information and explanations provided to us, there were no amounts which required to be transferred under investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under within the stipulated time.
8. Since the Company has not commenced revenue operation. So clause Viii of para 3 of Companies (Auditor's Report) order 2015 is not applicable to the company for the current year.
9. In our opinion and according to the information and explanations given to us, during the year under audit, the company did not have any borrowings from any financial institution, bank or debenture holders.
10. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions.
11. According to the information and explanations given to us, the company has not availed any term loan during the year under audit.
12. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Place : New Delhi

Date: 20 MAY 2015

For P.C. BINDAL & CO.
Chartered Accountants
Firm Registration No. 003824/N

CA. K.C. GUPTA
Partner
Membership No: 088638

APAKSH BROADBAND LIMITED
BALANCE SHEET AS AT MARCH 31, 2015

	Notes	31-Mar-15 Rs.	31-Mar-14 Rs.
Equity and liabilities			
Shareholders' funds			
Share capital	3	1,352,250,000	1,352,250,000
		1,352,250,000	1,352,250,000
Non-current liabilities			
Trade payables	4	154,320,149	153,186,750
		154,320,149	153,186,750
Current liabilities			
Short-term borrowings	5	54,792,559	54,792,559
Other Short-term liabilities	5.1	9,843,098	9,931,314
		64,635,657	64,723,873
TOTAL		1,571,205,806	1,570,160,623
Assets			
Non-current assets			
Fixed assets			
Tangible assets	6	1,224,411	1,466,080
Intangible assets	7	-	-
Capital work-in-progress	7.1	1,462,191,325	1,462,191,325
Project Development Expenditure	7.2	71,135,159	70,016,054
		1,534,550,895	1,533,673,459
Current assets			
Cash and cash equivalents	8	50,687	19,036
Short-term loans and advances	9	36,604,224	36,468,128
		36,654,911	36,487,164
TOTAL		1,571,205,806	1,570,160,623

Summary of significant accounting policies 2.1
The accompanying notes (1-22) are an integral part of the financial statements.

As per our report of even date attached
For P.C. Bindal & Co

Chartered Accountants
Firm registration number: 003824N
New Delhi
CA. K.C. Gupta
Partner
Membership No. 088638

Place : 20 MAY 2015
Dated:

For and on behalf of the Board of Directors

K. Mondhe
Director
PF

Chetan Choudhary
Director



APAKSH BROADBAND LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015

	31-Mar-15 Rs.	31-Mar-14 Rs.
A Cash flow from operating activities	-	-
Net cash flow from/ (used in) operating activities (A)	-	-
B Cash flows from investing activities		
Adjustment for change in current assets	(136,096)	19,953,997
Adjustment for change in current liabilities	(88,216)	(97,936)
Adjustment for change in Non current liabilities	1,133,399	(18,901,873)
Pre-operative Expenditure Pending allocation	(877,436)	(990,621)
Net cash flow from/ (used in) investing activities (B)	31,651	(36,433)
Cash flows from financing activities	-	-
Net cash flow from/ (used in) in financing activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A + B + C)	31,651	(36,433)
Cash and cash equivalents at the beginning of the year	19,036	55,469
Cash and cash equivalents at the end of the year	50,687	19,036
Components of cash and cash equivalents		
With banks- on current account	50,687	19,036
- on deposit account	-	-
Total cash and cash equivalents (note 8)	50,687	19,036

Summary of significant accounting policies 2.1
The accompanying notes (1-22) are an integral part of the financial statements.

As per our report of even date attached

For P.C. Bindal & Co.
Chartered Accountants
Firm registration Number: 003824N
New Delhi
CA. K.C. Gupta
Partner
Membership No. 088638

Place :
Dated: **20 MAY 2015**

For and on behalf of the Board of Directors

Chandhan
Director
CR

Chetan Chandra
Director
CC



APAKSH BROADBAND LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

1 CORPORATE INFORMATION

APAksh Broadband Limited (the company) is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company is a subsidiary of Aksh Optifibre Limited (AOL).

2 BASIS OF PREPARATION

The financial statements have been prepared to comply in all material respects with the notified Accounting Standards by Companies Accounting Standard (as amended) Rules 2006 and the relevant requirements of the Companies Act, 2013. The financial statements have been prepared under historical cost convention on an accrual basis of accounting except in case of assets for which impairment is carried out. The accounting policies have been consistently applied by the Company.

2.1 SIGNIFICANT ACCOUNTING POLICIES

a) Fixed Assets

Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost includes any borrowing costs directly attributable to the acquisition/ construction of fixed assets and bringing the assets to its working condition for its intended use.

b) Capital Work-in-Progress

costs of assets not ready for use before the year-end and expenditure during construction period that is directly or indirectly related to construction, including borrowing costs are included under Capital Work-in-Progress.

c) Depreciation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

Particulars	Useful life in years
Office equipment	20
Furniture and fixtures	15
Data Processing System	5

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

d) Project Development Expenditure

Expenses incurred relating to project prior to commencement of commercial production / start of the project is classified as Project Development Expenditure net of income earned during the project development stage.

e) Revenue Recognition

Expenses incurred relating to project prior to commencement of commercial production / start of the project is classified as Project Development Expenditure net of income earned during the project development stage.



APAKSH BROADBAND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

f) Foreign Currency transactions

Transactions in foreign currency are recorded at the exchange rates prevailing at the dates of the transactions. In case of liabilities incurred for the acquisition of fixed assets, the loss or gain on restatement of liabilities (at the rates prevailing at the year end) is included in the carrying amount of the related fixed assets. In the case of other foreign currency denominated monetary assets and liabilities, the loss or gain arising as above is charged or credited to profit and loss account of the year of restatement / settlement.

- g) Gratuity and other retirement benefits are added to Project Development Expenditure through a provision for accruing liability based on assumption that such benefits are payable to the eligible employees at the time of retirement.



APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015****3. Share capital**

	31-Mar-15 Rs.	31-Mar-14 Rs.
Authorized shares (No.)		
350,000,000 (31 March 2014: 350,000,000) Equity Shares of Rs. 5/- each	1,750,000,000	1,750,000,000
Issued and subscribed (No.)		
300,000,000 (31 March 2014: 300,000,000) equity shares of Rs. 5/- each	1,500,000,000	1,500,000,000
Total issued and subscribed share capital	1,500,000,000	1,500,000,000
Paid-up shares (No.)		
226,125,000 (31 March 2014: 226,125,000) equity shares of Rs. 5/- each fully paid up.	1,130,625,000	1,130,625,000
Forfeited Shares- 73,875,000 equity shares forfeited, paid up Rs. 3/- each (31 March 2014: - 73,875,000 equity shares forfeited, paid up Rs 3/- each)	221,625,000	221,625,000
Total paid-up share capital	1,352,250,000	1,352,250,000

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

	31-Mar-15		31-Mar-14	
	No.	Rs.	No.	Rs.
At the beginning of the year*	300,000,000	1,352,250,000	300,000,000	1,352,250,000
Issued during the year	-	-	-	-
Outstanding at the end of the year*	300,000,000	1,352,250,000	300,000,000	1,352,250,000

* including Forfeited Shares

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the 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.

(c) Shares held by holding/ ultimate holding Company and/ or their subsidiaries/ associates

Out of equity shares issued by the Company, shares held by its holding Company, ultimate holding Company and their subsidiaries/ associates are as below:

	31-Mar-15 Rs.	31-Mar-14 Rs.
All nos.		
Aksh Optifibre Limited, the holding Company		
225,950,000 (31 March 2014: 225,950,000) equity shares of Rs. 5/- each fully paid	1,129,750,000	1,129,750,000

(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31st March 2015		As at 31st March 2014	
	Rs.	% holding in the class	Rs.	% holding in the class
Equity shares of Rs. 5/- each fully paid	1,129,750,000	99.92	1,129,750,000	99.92
Aksh Optifibre Limited, holding				

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



9

APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015****4. Non current liabilities**

	31-Mar-15	31-Mar-14
	Rs.	Rs.
Trade payables (including acceptances) (refer Note 18 for details of dues to micro and small enterprises)	154,320,149	153,186,750
	<u>154,320,149</u>	<u>153,186,750</u>

5. Short-term borrowings

	31-Mar-15	31-Mar-14
	Rs.	Rs.
Secured From:-		
-Banks	-	-
-Others	49,792,559	49,792,559
Unsecured From:-		
-Banks	-	-
-Others	5,000,000	5,000,000
	<u>54,792,559</u>	<u>54,792,559</u>

Secured against first & exclusive charge on Plant and Machinery of the Company covered under loan agreement.

5.1. Short-term liabilities

	31-Mar-15	31-Mar-14
	Rs.	Rs.
Other liabilities		
TDS payable	9,180,632	9,180,632
Interest accrued and due on borrowings	567,480	567,480
Others	94,986	183,202
	<u>9,843,098</u>	<u>9,931,314</u>

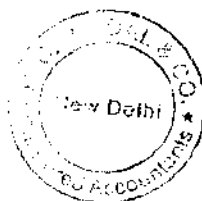


APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015****6. Tangible assets**

	Office equipment Rs.	Data processing Rs.	Furniture and fixtures Rs.	Vehicles Rs.	Total Rs.
Cost or valuation					
At 1 April 2013	1,329,193	4,883,771	1,156,584	1,108,627	8,478,175
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2014	1,329,193	4,883,771	1,156,584	1,108,627	8,478,175
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2015	1,329,193	4,883,771	1,156,584	1,108,627	8,478,175
Depreciation					
At 1 April 2013	527,224	4,883,771	569,981	789,450	6,770,426
Charge for the year	63,137	-	73,212	105,320	241,669
Disposals	-	-	-	-	-
At 31 March 2014	590,361	4,883,771	643,193	894,770	7,012,095
Charge for the year	63,137	-	73,212	105,320	241,669
Disposals	-	-	-	-	-
At 31 March 2015	653,498	4,883,771	716,405	1,000,090	7,253,764
Net Block					
At 31 March 2014	738,832	-	513,391	213,857	1,466,080
At 31 March 2015	675,695	-	440,179	108,537	1,224,411

7. Intangible assets

	Computer software Rs.	Total Rs.
Gross block		
At 1 April 2013	6,420,562	6,420,562
Additions	-	-
Internal development	-	-
At 31 March 2014	6,420,562	6,420,562
Additions	-	-
At 31 March 2015	6,420,562	6,420,562
Amortization		
At 1 April 2013	6,420,562	6,420,562
Charge for the year	-	-
At 31 March 2014	6,420,562	6,420,562
Charge for the year	-	-
At 31 March 2015	6,420,562	6,420,562
Net block		
At 31 March 2014	-	-
At 31 March 2015	-	-



2

APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015****7.1. Capital Work in progress**

	As at 31-Mar-15 Rs.	As at 31-Mar-14 Rs.
Accessories- aerial & underground	32,346,923	32,346,923
Cable TV equipment	31,845,719	31,845,719
Duct, cables & others	1,074,747,242	1,074,747,242
50 KVA diesel generator	520,000	520,000
Other equipment	36,194,218	36,194,218
Cables laying	94,650,474	94,650,474
Survey & other works	131,724,619	131,724,619
Switches	60,162,130	60,162,130
	1,462,191,325	1,462,191,325

7.2. Project Development Expenditure

	As at 31-Mar-15 Rs.	As at 31-Mar-14 Rs.
Preliminary expense	26,800	26,800
Advertising expense	1,228,246	1,228,246
Appraisal charges	3,080,431	3,080,431
Audit fees	1,193,730	1,081,370
Bandwidth expense	21,431,912	21,431,912
Books & periodicals	20,934	20,934
Business promotion charges	533,032	533,032
Certification fees	25,000	25,000
Commission	361,419	361,419
Consultation charges	1,919,055	1,919,055
Consumables (Comp & Elect)	91,796	91,796
Courier & xerox charges	16,900	16,900
Depreciation On fixed assets	13,674,325	13,432,656
Donations	70,000	70,000
Electricity charges	1,057,494	1,057,494
Filing fees	8,923,177	8,896,473
Financial charges	1,242,275	1,241,426
Fuel expense	247,798	247,798
Insurance	4,004,633	3,771,242
Legal & professional charges	2,625,176	2,625,176
Miscellaneous expense	30,167	30,167
Network maintenance charges	102,145	102,145
Office maintenance	1,245,176	1,245,176
Printing & stationery	196,262	195,762
Rates & taxes	66,283	66,283
Rent	7,362,935	6,941,585
Sitting fees	200,000	200,000
Staff salary & other exp.	15,213,738	15,213,738
Telephone charges	1,103,386	1,103,386
Travelling expense	2,603,219	2,520,937
Vehicle maintenance	20,010	20,010
Fringe benefit tax	115,550	115,550
	90,033,004	88,913,899
Less Foreign exchange rate difference	217,746	217,746
Less Insurance claim received	900,000	900,000
Less Interest on fixed deposits	3,875,424	3,875,424
Less Miscellaneous income	244,481	244,481
Less Trial sales	13,660,194	13,660,194
	71,135,159	70,016,054
	71,135,159	70,016,054



APAKSH BROADBAND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

8. Cash and cash equivalents

	Current 31-Mar-15 Rs.	31-Mar-14 Rs.
Cash and cash equivalents		
<i>Balances with banks:</i>		
– On current accounts	50,687	19,036
	50,687	19,036

9. Loans and advances

	Current 31-Mar-15 Rs.	31-Mar-14 Rs.
Security deposit		
Secured, considered good	-	-
Unsecured, considered good	2,047,202	2,044,952
Advances recoverable in cash or kind		
Secured considered good	-	-
Unsecured considered good	28,668,875	28,668,875
	28,668,875	28,668,875
Provision for doubtful advances	-	-
	28,668,875	28,668,875
Other loans and advances		
Income-Tax refund due	378,096	378,096
Prepaid expenses	208,659	202,862
Balances with statutory / government authorities	5,301,392	5,173,343
	5,888,147	5,754,301
	36,604,224	36,468,128



APAKSH BROADBAND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

10 Contingent Liabilities:

- a) Rs. 3,50,00,000 were demanded by M/s. Andhra Pradesh Technology Services Ltd towards liquidated damages, not acknowledged as debt.
- b) Sales Tax demands Rs 25,815,217 (P.Y. Rs.29,503,105) and Rs 6,051,473 (P.Y. Rs.6,915,969/-) for the year 2005-06 and 2006-07 is under consideration by Hon'ble Supreme Court of India.
- c) Rs 23,75,000 claimed by M/s Broadband Net Inc towards supply of equipments, which were not approved and returned to the supplier. Case is under sub judice.

- 11** The Company is setting up a Broadband Project in the state of Andhra Pradesh. No Statement of Profit and Loss has been prepared since the Company has not commenced revenue operations. The expenditure incurred during the period are classified as "Project Development Expenses" pending capitalization and will be apportioned to the assets on the completion of the Project.

12 Related Party Disclosures

Related party disclosures as required under Notified Accounting Standard (as amended) - 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as given below as on 31 March, 2015:

- a) Holding Company :
 - Aksh Optifibre Limited
- b) Key Management Personnel & their relatives
 - Dr. Kailash S. Choudhari
 - Mr. Chetan Choudhari

Related Party Transactions

		Current Year	Previous Year
a)	Holding Company		
	Aksh Optifibre Limited		
	Reimbursement of Expenses paid	1,043,399	5,544,275
	Outstanding balance due to / (from)	157,654,511	156,611,112

- 13** Estimated amount of Contracts remaining to be Executed on Capital Account and not provided for – Rs. 3,02,63,38,000 (Previous Year Rs. 3,02,63,38,000)

14 Expenditure/ Income in Foreign Currency

Rs.NIL (Previous Year Rs. NIL)
Income-Nil

- 15** Bank Guarantee of Rs 15,000,000 (Previous Year Rs 15,000,000) was invoked by M/s.Andhra Pradesh Technology Services Ltd due to failure of implementation of project, debited to advance account and matter is being contested.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2015

16 Segment Reporting

The company's activities during the year revolve around setting up of the Broadband Project. Considering the nature of company's business and operations, there are no separate reportable segments in accordance with the requirements of Accounting Standards 17-'Segment Reporting notified in the companies (Accounting standards) rules 2006.

17 Following provision of expenses were not accounted for in the books of account:-


- a) Interest payable of Rs. 20,996,760 (Previous Year- Rs. 18,726,840) on secured loan taken from Cisco Systems Capital India Private Limited was not provided in the books of accounts.
 - b) Various provisions of expense e.g. rent, commission, bandwidth expenses etc. are not accounted for in the books of account, due to non- availability of information.
- 18** There are no Micro and Small Enterprises, to whom the Group owes, which are outstanding for more than 45 days as at 31st March, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group.

19 Amount Paid / payable to auditors

Particulars	Current Year	Previous Year
Audit Fees	112,360	112,360

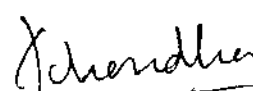
- 20** The Company operations are suspended due to litigation filed by one of the shareholder which finally dismissed by the Hon'ble Supreme Court vide it's order dated 7th May 2010. Considering creation of spreading OFC network by all the orders in the county, the Management of the Company is in discussions on the revival of the project.
- 21** The company does not have any deferred tax assets or deferred tax liabilities.
- 22** Previous year's figures have been reworked, regrouped, rearranged and reclassified to conform to those of current year's figures wherever necessary.

As per our report of even date attached

For P.C. Bindal & Co
Chartered Accountants
Firm registration number: 008824N
New Delhi

CA. K.C. Gupta
Partner
Membership No. 088638

Place : New Delhi
Dated : 28 MAY 2015

For and on behalf of the Board of Directors

 Chandan Choudhary

Director



Director







P.C. BINDAL & CO.
Chartered Accountants

101, Sita Ram Mansion, 718/21, Joshi Road,
Karol Bagh, New Delhi-110 005
☎ 23549822 / 23 Fax : 23623829
e-mail : info@pcbndia.in
pcbndalco@gmail.com

Independent Auditor's Report

To the Members of **APAKSH BROADBAND LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of **APAKSH BROADBAND LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. We have examined computer generated books of account submitted for audit maintained at Delhi office. No statement of Profit & Loss has been prepared since the Company is yet to commence its revenue operations and necessary details as per part II of schedule VI to the Companies Act, 1956 have been disclosed in Note 7.2 as "Project Development Expenditure"

Management's responsibility of financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the companies Act 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the ministry of corporate affairs in respect of Section 133 of the companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014; and
- b) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

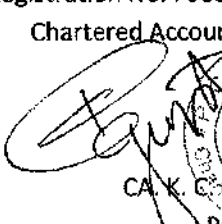
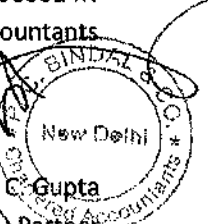
Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Place of Signature: New Delhi

Date: 26 MAY 2014

For P. C. Bindal & Co.
Firm Registration No. : 003824N
Chartered Accountants



CA. K. C. Gupta
Partner
M. No. 088638

ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) *The company has not produced any records before us showing full particulars including quantitative details and situation of fixed assets.*

The impact & quantum of this on the company's assets cannot be quantified.

- (b) *The company has not produced any documents confirming physical verification of fixed assets by the management during the year.*

The impact & quantum of this on the company's assets cannot be quantified.

- (c) *In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.*

2. (a) *The company does not have any inventory, accordingly clauses (ii) (a) to (ii) (c) of Para 4 of the Companies (Auditors' Report) Order 2003 is not applicable to the company for the current year.*
3. *The company has neither granted nor taken any loans, secured or unsecured during the year to / from the companies, firms or other parties covered in the register, maintained under section 301 of the Companies Act, 1956. Accordingly, the clauses 4 (iii) (a) to (g) of the order are not applicable.*
4. *In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of fixed assets. During the course of our audit, we have not observed any major weakness in internal controls.*
5. *In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered into the register in pursuance of Section 301 of the Act. Accordingly, clause 4(v) of the Companies (Auditors' Report) Order 2003 is not applicable to the company for the current year.*
6. *In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public to which provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.*
7. *In our opinion, the company has an internal audit system commensurate with the size and nature of its business. The directors are themselves implementing the system.*



8. According to the information and explanations given to us, the company has not commenced its commercial activities and hence maintenance of cost records is not applicable during the year.
9. (a) According to the information and explanations given to us and according to the books and records produced before us, the company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it except for TDS.
- (b) *According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues were in arrears, as at 31st March, 2014 for a period of more than six months from the date they become payable except Rs. 91, 70,632/- relating to tax deduction at source (TDS).*
- (c) According to the information and explanations given to us, and the records of the Company examined by us, no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of disputes.
10. In our opinion, the accumulated losses of the company are not more than fifty percent of its net worth. Since, the company has not started its revenue operations; hence no statement of profit & loss has been prepared. Resulting no cash loss has been incurred during the year as well as in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not taken any loan from financial institutions and banks;
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the company is not dealing or trading in shares, securities, debentures and other investments, Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the company.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.

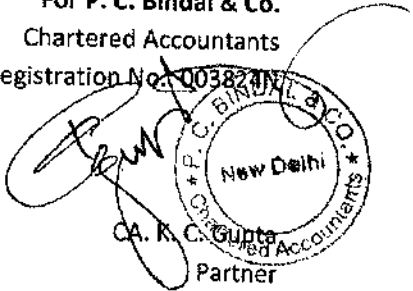



18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

Place of Signature: New Delhi

Date:

26 MAY 2014

For P. C. Bindal & Co.
Chartered Accountants
Firm Registration No. 003824N

CA. K. C. Gupta
Partner
M. No. 088638



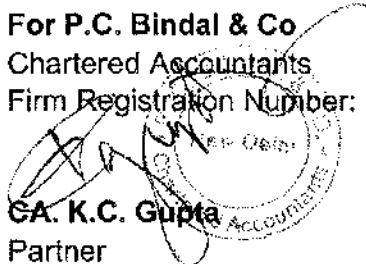
APAKSH BROADBAND LIMITED
BALANCE SHEET AS AT 31st MARCH, 2014

	Notes	31-Mar-14 Rs.	31-Mar-13 Rs.
Equity and liabilities			
Shareholders' funds			
Share capital	3	1,352,250,000	1,352,250,000
		1,352,250,000	1,352,250,000
Non-current liabilities			
Trade payables	4	153,186,750	172,088,623
		153,186,750	172,088,623
Current liabilities			
Short-term borrowings	5	54,792,559	54,792,559
Other Short-term liabilities	5.1	9,931,314	10,029,250
		64,723,873	64,821,809
TOTAL		1,570,160,623	1,589,160,432
Assets			
Non-current assets			
<u>Fixed assets</u>			
Tangible assets	6	1,466,080	1,707,749
Intangible assets	7	-	-
Capital work-in-progress	7.1	1,462,191,325	1,462,191,325
Project Development Expenditure	7.2	70,016,054	68,783,764
		1,533,673,459	1,532,682,838
Current assets			
Cash and bank balances	8	19,036	55,469
Short-term loans and advances	9	36,468,128	56,422,125
		36,487,164	56,477,594
TOTAL		1,570,160,623	1,589,160,432
Summary of significant accounting policies	2.1		

The accompanying notes (1-22) are an integral part of the financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors

For P.C. Bindal & Co
Chartered Accountants
Firm Registration Number: 003824N

CA. K.C. Gupta
Partner
Membership No. 088638


Director


Director



Place :

Dated: 26 MAY 2014

APAKSH BROADBAND LIMITED**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014**

	31-Mar-14 Rs.	31-Mar-13 Rs.
A Cash flow from operating activities	-	-
B Cash flows from investing activities		
Adjustment for change in current assets	19,953,997	(91,160)
Adjustment for change in current liabilities	(97,936)	(99,485)
Adjustment for change in Non current assets	-	-
Adjustment for change in Non current liabilities	(18,901,873)	1,503,082
Pre-operative Expenditure Pending allocation	(990,621)	(1,296,105)
Net cash flow from/ (used in) investing activities (B)	(36,433)	16,332
Cash flows from financing activities	-	-
Net cash flow from/ (used in) in financing activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A + B + C)	(36,433)	16,332
Cash and cash equivalents at the beginning of the year	55,469	39,137
Cash and cash equivalents at the end of the year	19,036	55,469
Components of cash and cash equivalents		
With banks- on current account	19,036	55,469
- on deposit account	-	-
Total cash and cash equivalents (note 8)	19,036	55,469
Summary of significant accounting policies	2.1	

The accompanying notes (1-22) are an integral part of the financial statements.

As per our report of even date attached

For and on behalf of the Board of Directors

For P.C. Bindal & Co

Chartered Accountants

Firm registration number: 003824N

(Signature)
New Delhi
CA. K.C. Gupta
Partner

Membership No. 088638

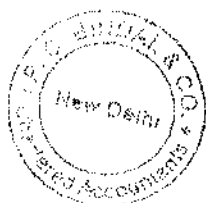
(Signature)
Director

(Signature)
Director

Place :
Dated : **26 MAY 2014**

APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014**

1	CORPORATE INFORMATION APAksh Broadband Limited (the Company) is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is a subsidiary of Aksh Optifibre Limited (AOL).
2	BASIS OF PREPARATION The financial statements have been prepared to comply in all material respects with the notified Accounting Standards by Companies Accounting Standard (as amended) Rules 2006 and the relevant requirements of the Companies Act, 1956. The financial statements have been prepared under historical cost convention on an accrual basis of accounting except in case of assets for which impairment is carried out. The accounting policies have been consistently applied by the Company.
2.1	SIGNIFICANT ACCOUNTING POLICIES
a)	Fixed Assets Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost includes any borrowing costs directly attributable to the acquisition / construction of fixed assets and bringing the assets to its working condition for its intended use.
b)	Capital Work-in-Progress Costs of assets not ready for use before the year-end and expenditure during construction period that is directly or indirectly related to construction, including borrowing costs are included under Capital Work-in-Progress.
c)	Depreciation Depreciation on Plant and Machinery and other Fixed Assets is provided as per straight-line method in accordance with the rates specified in Schedule XIV of the Companies Act, 1956.
d)	Project Development Expenditure Expenses incurred relating to project prior to commencement of commercial production / start of the project is classified as Project Development Expenditure net of income earned during the project development stage.
e)	Revenue Recognition Expenses incurred relating to project prior to commencement of commercial production / start of the project is classified as Project Development Expenditure net of income earned during the project development stage.
f)	Foreign Currency transactions Transactions in foreign currency are recorded at the exchange rates prevailing at the dates of the transactions. In case of liabilities incurred for the acquisition of fixed assets, the loss or gain on restatement of liabilities (at the rates prevailing at the year end) is included in the carrying amount of the related fixed assets. In the case of other foreign currency denominated monetary assets and liabilities, the loss or gain arising as above is charged or credited to profit and loss account of the year of restatement / settlement.
g)	Gratuity and other retirement benefits are added to Project Development Expenditure through a provision for accruing liability based on assumption that such benefits are payable to the eligible employees at the time of retirement.



APAKSH BROADBAND LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
3. Share capital

	31-Mar-14 Rs.	31-Mar-13 Rs.
Authorized shares (No.)		
350,000,000 (31st March, 2013: 350,000,000)	1,750,000,000	1,750,000,000
Equity Shares of Rs. 5/- each		
Issued and subscribed (No.)		
300,000,000 (31st March, 2013: 300,000,000)	1,500,000,000	1,500,000,000
equity shares of Rs. 5/- each fully paid up.		
Total issued and subscribed share capital	1,500,000,000	1,500,000,000
Paid-up shares (No.)		
226,125,000 (31st March, 2013: 226,125,000)	1,130,625,000	1,130,625,000
equity shares of Rs. 5/- each fully paid up.		
Forfeited Shares- 73,875,000 equity shares forfeited, paid up Rs. 3/- each (31st March, 2013: 73,875,000 equity shares forfeited, paid up Rs 3/- each)	221,625,000	221,625,000
Total Paid-up share capital	1,352,250,000	1,352,250,000

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

	31-Mar-14		31-Mar-13	
	No.	Rs.	No.	Rs.
At the beginning of the year*	300,000,000	1,352,250,000	300,000,000	1,352,250,000
Issued during the year	-	-	-	-
Outstanding at the end of the year*	300,000,000	1,352,250,000	300,000,000	1,352,250,000

* Including Forfeited Shares

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the 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.

(c) Shares held by holding / ultimate holding Company and / or their subsidiaries / associates

Out of equity shares issued by the Company, shares held by its holding Company, ultimate holding Company and their subsidiaries / associates are as below:

All nos.	31-Mar-14 Rs.	31-Mar-13 Rs.
Aksh Optifibre Limited, the holding Company	1,129,750,000	1,129,750,000
225,950,000 (31st March, 2013: 225,950,000)		
equity shares of Rs. 5/- each fully paid		

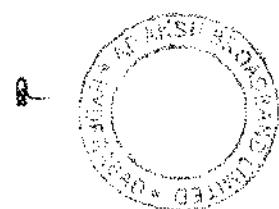
(d) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31st March, 2014		As at 31st March, 2013	
	Rs.	% holding in the class	Rs.	% holding in the class
Equity shares of Rs. 5/- each fully paid	1,129,750,000	99.92	1,129,750,000	99.92
Aksh Optifibre Limited, holding Company				

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

4. Non current liabilities

	31-Mar-14 Rs.	31-Mar-13 Rs.
Trade payables (including acceptances) (refer Note 18 for details of dues to micro and small enterprises)	153,186,750	172,088,623
	153,186,750	172,088,623



APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014****5. Short-term borrowings**

	31-Mar-14 Rs.	31-Mar-13 Rs.
Cisco Systems Capital India Private Limited*	49,792,559	49,792,559
Inter Corporate Deposit from related parties	5,000,000	5,000,000
repayable on demand		
	54,792,559	54,792,559
The above amount includes		
Secured borrowings	49,792,559	49,792,559
Unsecured borrowings	5,000,000	5,000,000

* Secured against first charge of fixed assets of the Company

5.1. Short-term liabilities

	31-Mar-14 Rs.	31-Mar-13 Rs.
Other liabilities		
TDS payable	9,180,632	9,182,902
Interest accrued and due on borrowings	567,480	567,480
Others	183,202	278,868
	9,931,314	10,029,250



APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014****6. Tangible assets**

	Office equipment Rs.	Data processing Rs.	Furniture and fixtures Rs.	Vehicles Rs.	Total Rs.
Cost or valuation					
At 1st April, 2012	1,329,193	4,883,771	1,156,584	1,108,627	8,478,175
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31st March, 2013	1,329,193	4,883,771	1,156,584	1,108,627	8,478,175
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31st March, 2014	1,329,193	4,883,771	1,156,584	1,108,627	8,478,175
Depreciation					
At 1st April, 2012	464,091	4,883,767	496,769	684,130	6,528,757
Charge for the year	63,133	4	73,212	105,320	241,669
Disposals	-	-	-	-	-
At 31st March, 2013	527,224	4,883,771	569,981	789,450	6,770,426
Charge for the year	63,137	-	73,212	105,320	241,669
Disposals	-	-	-	-	-
At 31st March, 2014	590,361	4,883,771	643,193	894,770	7,012,095
Net Block					
At 31st March, 2013	801,969	-	586,603	319,177	1,707,749
At 31st March, 2014	738,832	-	513,391	213,857	1,466,080

7. Intangible assets

	Computer software Rs.	Total Rs.
Gross block		
At 1st April, 2012	6,420,562	6,420,562
Additions	-	-
Internal development	-	-
At 31st March, 2013	6,420,562	6,420,562
Additions	-	-
At 31st March, 2014	6,420,562	6,420,562
Amortization		
At 1st April, 2012	6,420,562	6,420,562
Charge for the year	-	-
At 31st March, 2013	6,420,562	6,420,562
Charge for the year	-	-
At 31st March, 2014	6,420,562	6,420,562
Net Block		
At 31st March, 2013	-	-
At 31st March, 2014	-	-



APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014****7.1. Capital Work in progress**

PARTICULARS	As at 31-Mar-14 Rs.	As at 31-Mar-13 Rs.
Accessories- Aerial and Underground	32,346,923	32,346,923
Cable TV Equipment	31,845,719	31,845,719
Duct, Cables and Others	1,074,747,242	1,074,747,242
50 KVA Diesel Generator	520,000	520,000
Other Equipment	36,194,218	36,194,218
Cables Laying	94,650,474	94,650,474
Survey and Other Works	131,724,619	131,724,619
Switches	60,162,130	60,162,130
	1,462,191,325	1,462,191,325

7.2. Project Development Expenditure

PARTICULARS	As at 31-Mar-14 Rs.	As at 31-Mar-13 Rs.
Preliminary Expenses	26,800	26,800
Advertising Expenses	1,228,246	1,228,246
Appraisal Charges	3,080,431	3,080,431
Audit Fees	1,081,370	969,010
Bandwidth Expenses	21,431,912	21,431,912
Books and Periodicals	20,934	20,934
Business Promotion Charges	533,032	533,032
Certification Fees	25,000	25,000
Commission	361,419	361,419
Consultation Charges	1,919,055	1,919,055
Consumables (Comp and Elect)	91,796	91,796
Courier and Xerox Charges	16,900	16,900
Depreciation On Fixed Assets	13,432,656	13,190,987
Donations	70,000	70,000
Electricity Charges	1,057,494	1,057,494
Filing Fee	8,896,473	8,895,400
Financial Charges	1,241,426	1,238,779
Fuel Expenses	247,798	247,798
Insurance	3,771,242	3,475,074
Legal and Professional Charges	2,625,176	2,540,426
Misc. Expenses	30,167	30,161
Network Maintenance Charges	102,145	102,145
Office Maintenance	1,245,176	1,233,146
Printing and Stationary	195,762	195,262
Rates and Taxes	66,283	66,283
Rent	6,941,585	6,506,210
Sitting Fee	200,000	200,000
Staff Salary and Other Expenses	15,213,738	15,213,738
Telephone Charges	1,103,386	1,103,386
Travelling Expenses	2,520,937	2,460,593
Vehicle Maintenance	20,010	20,010
Fringe Benefit Tax	115,550	115,550
	88,913,899	87,666,977
Less Foreign Exchange Diff.	217,746	217,746
Less Insurance Claim Received	900,000	900,000
Less Interest On Fixed Deposits	3,875,424	3,875,424
Less Miscellaneous Income	244,481	229,849
Less Trial Sales	13,660,194	13,660,194
	70,016,054	68,783,764
	70,016,054	68,783,764



APAKSH BROADBAND LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
8. Cash and bank balances

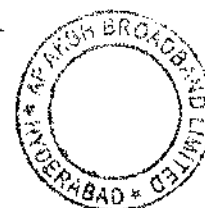
	Non-Current		Current	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
	Rs.	Rs.	Rs.	Rs.
Cash and cash equivalents				
<i>Balances with banks:</i>				
– On current accounts	-	-	19,036	55,469
	-	-	19,036	55,469
	-	-	19,036	55,469

9. Loans and advances

	Non-Current		Current	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
	Rs.	Rs.	Rs.	Rs.
Security deposit				
Secured, considered good	-	-	2,044,952	2,082,452
Unsecured, considered good	-	-	2,044,952	2,082,452
	-	-		
Advances recoverable in cash or kind				
Secured considered good	-	-	-	-
Unsecured considered good	-	-	28,668,875	28,668,875
	-	-	28,668,875	28,668,875
Provision for doubtful advances	-	-	-	-
	-	-	28,668,875	28,668,875
Other loans and advances				
Income-Tax Refund Due	-	-	378,096	378,096
Prepaid Expenses	-	-	202,862	255,595
Balances with statutory / government authorities	-	-	5,173,343	25,037,107
	-	-	5,754,301	25,670,798
Total	-	-	36,468,128	56,422,125



2



APAKSH BROADBAND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

10

Contingent Liabilities:

a)

Rs. 35,000,000 were demanded by Andhra Pradesh Technology Services Limited towards liquidated damages, not acknowledged as debt.

b)

Sales Tax demands Rs 29,503,105 and Rs 6,915,969 for the year 2005-06 and 2006-07 is under consideration by Appellate Deputy Commissioner, Punjagutta Division, Hyderabad.

c)

Rs 2,375,000 claimed by Broadband Net Inc towards supply of equipments, which were not approved and returned to the supplier. Case is under sub judice.

11

The Company is setting up a Broadband Project in the state of Andhra Pradesh. No Statement of Profit and Loss has been prepared since the Company has not commenced revenue operations. The expenditure incurred during the period are classified as "Project Development Expenses" pending capitalization and will be apportioned to the assets on the completion of the Project.

12

Related Party Disclosures

Related party disclosures as required under Notified Accounting Standard (as amended) - 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as given below as on 31st March, 2014:

a)

Holding Company :
- Aksh Optifibre Limited (Erstwhile Aksh Broadband Limited)

b)

Key Management Personnel and their relatives
- Mr. Chetan Choudhari
- Dr. Kailash S. Choudhari

Related Party Transactions

		Current Year	Previous Year
a)	Holding Company		
	Aksh Optifibre Limited		
	Reimbursement of Expenses paid	5,544,275	1,533,082
	Outstanding balance due to / (from)	156,521,112	175,482,985
b)	Key Management Personnel and their relatives	-	-

13

Estimated amount of Contracts remaining to be Executed on Capital Account and not provided for Rs. 3,026,338,000 (31.03.2013 Rs. 3,026,338,000)

14

Expenditure/ Income in Foreign Currency
Rs.Nil (Previous Year Rs. Nil)
Income-Nil

15

Bank Guarantee of Rs 15,000,000 (31.03.2013 Rs 15,000,000) was invoked by Andhra Pradesh Technology Services Limited due to failure of implementation of project, debited to advance account and matter is being contested.

16

Segment Reporting

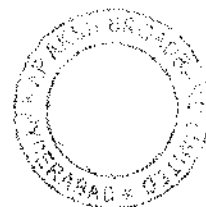
The Company's activities during the year revolve around setting up of the Broadband Project. Considering the nature of Company's business and operations, there are no separate reportable segments in accordance with the requirements of Accounting Standards 17-'Segment Reporting', notified in the Companies (Accounting standards) rules 2006.

17

Following provision of expenses were not accounted for in the books of account:-

a)

Interest payable of Rs. 18,726,840 (31.03.2013 Rs. 16,456,920) on secured loan taken from Cisco Systems Capital India Private Limited was not provided in the books of accounts.



b) Various provisions of expense e.g. rent, commission, bandwidth expenses etc. are not accounted for in the books of account, due to non-availability of information.

18 There are no Micro and Small Enterprises, to whom the Group owes, which are outstanding for more than 45 days as at 31st March, 2014. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Group.

19 Amount Paid / payable to auditors

Particulars	Current Year	Previous Year
Audit Fees	100,000	100,000

20 The Company operations are suspended due to litigation filed by one of the shareholder which finally dismissed by the Hon'ble Supreme Court vide it's order dated 7th May, 2010. The Management of the Company is in discussions on the revival of the project.

21 The Company does not have any deferred tax assets or deferred tax liabilities.

22 Previous year's figures have been reworked, regrouped, rearranged and reclassified to conform to those of current year's figures wherever necessary.

As per our report of even date attached

For and on behalf of the Board of Directors

For P.C. Bindal & Co.
Chartered Accountants
Firm Registration Number: 003824N

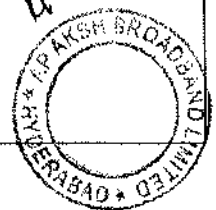
CA. K.C. Gupta
Partner
Membership No. 088638

Place : New Delhi

Dated : 26 MAY 2014

Chetan Chondharn
Director

Director



R



P.C. BINDAL & CO.
Chartered Accountants

101, Sita Ram Mansion, 718/21, Joshi Road,
Karol Bagh, New Delhi-110 005
☎ 23549822 / 23 Fax : 23623829
e-mail : pcbindalco@gmail.com

Auditor's Certificate

To,
The Board of Directors,
Aksh Optifibre Limited
F-1080, RICO Industrial
Area Phase III, Bhiwadi
Rajasthan-301019

We, the Statutory Auditors of Aksh Optifibre Limited, having CIN L24305RJ1986PLC016132 (hereinafter referred to as "Transferee Company"), have examined the proposed accounting treatment specified in clause 6 of the Draft Scheme of Amalgamation between APAKSH Broadband Limited ("Transferor Company", subsidiary of Aksh Optifibre Limited) having CIN U92111RJ2005PLC056369 with Aksh Optifibre Limited under Sections 391 to 394 of the Companies Act, 1956 and the corresponding provisions of section 230 to 236 of the Companies Act, 2013 with reference to its compliance with the applicable Accounting Standards notified under the Companies Act, 1956 Companies Act, 2013 and other Generally Accepted Accounting Principles.

The responsibility for the preparation of the Draft Scheme of Amalgamation and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. Our responsibility is only to examine and report whether the Draft Scheme of Amalgamation complies with the applicable Accounting Standards and other Generally Accepted Accounting Principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.

Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid Scheme of Amalgamation is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 1956/ Companies Act, 2013.

This Certificate is issued at the request of the Aksh Optifibre Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the National Stock Exchange of India Ltd. ("NSE") and the BSE Limited ("BSE"). This Certificate should not be used for any other purpose without our prior written consent.

For P. C. Bindal & Co.
Chartered Accountants
Firm Registration No.: 003824N
New Delhi
(K. C. Gupta)
Partner
M. No.: 088638

Place: 19 JAN 2017
Date:

AKSH OPTIFIBRE LIMITED

A - 25, 2nd Floor,
Mohan Co-operative Industrial Estate
Mathura Road, New Delhi-110044, INDIA
Tel. : +91-11-26991508, 26991509
Fax : +91-11-26991510
E-mail : aksh@akshoptifibre.com
Website : www.akshoptifibre.com
CIN NO. : L24305RJ1986PLC016132

Compliance report with the requirements specified in SEBI Circular CIR/CFD/CMD/16/2015 dated November 30, 2015

Sub: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Scheme of amalgamation of APaksh Broadband Limited (Transferor Company) with Aksh Optifibre Limited (Transferee Company) under Sections 391 to 394 of the Companies Act, 1956 and the corresponding provisions of the Companies Act, 2013.

In connection with the above application, we hereby confirm that we satisfy all the conditions as stipulated in the aforesaid SEBI circular, as given hereunder:

Sr. No.	Requirements as per SEBI Circular CIR/CFD/CMD/16/2015 dated November 30, 2015	Compliance Status (Yes/No)
1.	Listed companies shall choose one of the Stock Exchanges having nation-wide trading terminals as the Designated Stock Exchange for the purpose of coordinating with SEBI.	Complied with. NSE is chosen as the Designated Stock Exchange.
Compliance as per Para I (A) (3) of Annexure I to the Circular		
2	Documents to be submitted	
2.a	Draft Scheme of Amalgamation APaksh Broadband Limited with Aksh Optifibre Limited	Yes Annexure-2 of the main Scheme
2.b	Certified true copy of the Valuation Report dated January 12, 2017 from M/s. Chhajed & Chhajed Co, Independent Chartered Accountants	Yes Annexure-3 of the main Scheme
2.c	Report from the Audit Committee recommending the Draft Scheme	Yes Annexure-5 of the main Scheme
2.d	Certified true copy Fairness Opinion dated January 12, 2017 from M/s. Chartered Capital and Investment Ltd, Merchant Bankers, on the valuation report mentioned	Yes Annexure-4 of the main Scheme
2.e	Shareholding Pattern: A. Pre-Scheme shareholding pattern of APaksh Broadband Limited. B. Pre and Post Scheme shareholding pattern of Aksh Optifibre Limited as per the format provided under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015	Yes Annexure-6 of the main Scheme
2.f	Audited financials for the last 3 years i.e. 2013-14, 2014-15, 2015-16 of transferee and the transferor company. Audited financials of APAKSH Broadband Limited for the period ended 30 th September, 2016	Yes Annexure-7 of the main Scheme
2.g	Auditor's Certificate as per Para 1(A)(5) of Annexure-I of SEBI Circular CIR/CFD/CMD/16/2015 dated November 30,2015	Yes Annexure-14 of the main Scheme



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2.h	Complaints Report as per Annexure III of SEBI Circular CIR/CFD/CMD/16/2015 dated November 30,2015	Shall be submitted within 7 days of the expiry of 21 days from the date of filing of the Draft Scheme with the Stock Exchanges.
Compliance as per Para I (A) (1) of Annexure I to the Circular		
3.	The equity shares sought to be listed are proposed to be allotted by the unlisted issuer (transferee entity) to the holders of securities of a listed entity (transferor entity) pursuant to a scheme of reconstruction or amalgamation (Scheme) sanctioned by a High Court under section 391-394 of the Companies Act, 1956 or under Section 230-234 of the Companies Act, 2013;	Not Applicable The shares will be issued by the Listed Transferee Company to the shareholders of the Unlisted Transferor Company
4.	At least twenty five per cent of the post-scheme paid up share capital of the transferee entity shall comprise of shares allotted to the public shareholders in the transferor entity;	Yes. The entire shares are allotted pursuant to the Scheme would be to the promoters as well as public.
5.	The transferee entity will not issue/ reissue any shares, not covered under the Draft Scheme;	Yes. Shares will be issued as per Scheme.
6.	As on date of application, there are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in the transferee entity at any future date. If there are such instruments stipulated in the Draft Scheme, the percentage referred to in Para (b) above shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be exercised; and	Not Applicable. There is no outstanding instrument/ warrant.
7.	The shares of the transferee entity issued in lieu of the locked-in shares of the transferor entity will be subject to lock-in for the remaining period.	Not Applicable

For Aksh Optifibre Limited

Gaurav Mehta
Chief-Corporate Affairs & Company Secretary



AKSH OPTIFIBRE LIMITED

A - 25, 2nd Floor,
Mohan Co-operative Industrial Estate
Mathura Road, New Delhi-110044, INDIA
Tel. : +91-11-26991508, 26991509
Fax : +91-11-26991510
E-mail : aksh@akshoptifibre.com
Website : www.akshoptifibre.com
CIN NO. : L24305RJ1986PLC016132

Compliance report with the requirements specified in SEBI Circular CIR/CFD/CMD/16/2015 dated November 30, 2015

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2.f	Audited financials for the last 3 years i.e. 2013-14, 2014-15, 2015-16 of transferee and the transferor company. Audited financials of APAKSH Broadband Limited for the period ended 30 th September, 2016	Yes Annexure-7 of the main Scheme
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3.	The equity shares sought to be listed are proposed to be allotted by the unlisted issuer (transferee entity) to the holders of securities of a listed entity (transferor entity) pursuant to a scheme of reconstruction or amalgamation (Scheme) sanctioned by a High Court under section 391-394 of the Companies Act, 1956 or under Section 230-234 of the Companies Act, 2013;	Not Applicable The shares will be issued by the Listed Transferee Company to the shareholders of the Unlisted Transferor Company
4.	At least twenty five per cent of the post-scheme paid up share capital of the transferee entity shall comprise of shares allotted to the public shareholders in the transferor entity;	Yes. The entire shares are allotted pursuant to the Scheme would be to the promoters as well as public.
5.	The transferee entity will not issue/ reissue any shares, not covered under the Draft Scheme;	Yes. Shares will be issued as per Scheme.
6.	As on date of application, there are no outstanding warrants/ instruments/ agreements which give right to any person to take the equity shares in the transferee entity at any future date. If there are such instruments stipulated in the Draft Scheme, the percentage referred to in Para (b) above shall be computed after giving effect to the consequent increase of capital on account of compulsory conversions outstanding as well as on the assumption that the options outstanding, if any, to subscribe for additional capital will be exercised; and	Not Applicable. There is no outstanding instrument/ warrant.
7.	The shares of the transferee entity issued in lieu of the locked-in shares of the transferor entity will be subject to lock-in for the remaining period.	Not Applicable

For Aksh Optifibre Limited

Gaurav Mehta
Chief-Corporate Affairs & Company Secretary

