Live Smart

AKSH OPTIFIBRE LIMITED

ANNUAL REPORT 2021

Corporate Overview

- **Chairman**
  Dr. Kailash S. Choudhari

- **Vice Chairman**
  Mr. Satyendra Kumar Gupta

- **Directors**
  Mr. Rikhab Chand Mogha
  Ms. Anuja Bansal
  Mr. Harvinder Singh
  Mr. Sanjay Katyal
  Mr. Sunil Puri

- **Chief Financial Officer**
  Mr. Charan Deep Singh

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

- **Bankers**
  Union Bank of India
  Punjab National Bank
  HDFC Bank Limited

- **Auditors**
  M/s B G G & Associates
  Statutory Auditors

  M/s K G Goyal & Associates
  Cost Auditors

  M/s S.R. Goyal & Co.
  Internal Auditors

  M/s Felix Advisory Pvt. Ltd.
  Internal Auditors

  M/s Jayant Gupta & Associates
  Secretarial Auditors

- **Corporate Office**
  A-32, 2nd Floor, Mohan Co-Operative
  Industrial Estate, Mathura Road,
  New Delhi- 110044
  Ph.: 011-49991700

- **Registered Office:**
  F-1080, Phase III, Riico Industrial Area,
  Bhiwadi, Rajasthan India-301019
  Ph.: 01493-221333
  Website: www.akshoptifibre.com
  CIN: L24305RJ1986PLC016132

- **Registrar and share transfer agent**
  KFIN Technologies Private Limited
  Selenium, Tower-B, Plot No. 31-32
  Gachibowli, Financial District,
  Nanakramguda,
  Hyderabad - 500032

Plant Locations :

Optical Fibre & Optical Fibre Cable Manufacturing Division, Bhiwadi, Rajasthan, India.
F-1075-1081, RIICO Industrial Area, Phase-III,
Bhiwadi, Rajasthan. India – 301019

Ophthalmic Lens Production Division, Kahrani, Rajasthan India
A-56, Kahrani, Bhiwadi-301019, Rajasthan. India

FRP Manufacturing Division, Jafza, UAE.
Plot No. S10914, PO Box. 17267, Jebel Ali,
Free Trade Zone, UAE
(Manufacturing division of AOL FZE, wholly owned subsidiary of Company)

FRP Manufacturing Division, Jiangsu, China
Factory No. 01 , Machinery Industrial Park, The East of
Bajing Road, Danyang Economic Development Zone.
Jiangsu Province China.
(Manufacturing division of AOL Composites (Jiangsu) Co. Ltd, wholly owned subsidiary of AOL FZE, Dubai, UAE)

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

FRP Manufacturing Division, Silvassa, India.
Survey No.: 2/2/1, Village Karad, Madhuban Dam Road,
Silvassa-396230, U. T. of Dadra & Nagar Haveli. India
(Manufacturing division of Aksh Composites Pvt. Ltd. Wholly owned subsidiary of the company)

Optical Fibre Cable Manufacturing Division, Mauritius.
Industrial Zone Trianon -1721-10, Mauritius
(Manufacturing division of Aksh Technologies (Mauritius) Ltd, Wholly owned subsidiary of company)

Optical Fibre Manufacturing Division, Jafza UAE
Plot No. S-30121B, Jabel Ali, Free Zone, Dubai (UAE)
(Manufacturing division of AOL Technologies FZE, wholly owned subsidiary of Company) (yet to be operational)

Service Division

1Stop Aksh Division & Network Operating Centre
The Diamond, 4th Floor, Urbana Jewels, Opp. SEZ Road,
Muhana Terminal Market, Sanganer, Jaipur. India -302029

Management Discussion and Analysis

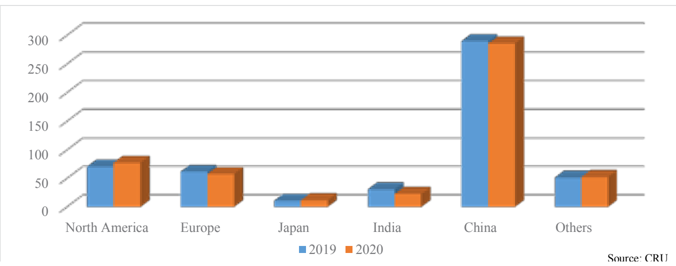
Industry Structure And Development

Global Perspective

The global optical fiber consumption stood stable at 510 million fiber kilometers in 2020, almost complementing the levels of the year 2019. Given the occurrence of new variants the impact of COVID-19 was seen across geographies.The industry also faced different challenges such as pressure on raw material prices and non-availability due to gaps between capacity and demand in the supply chain.

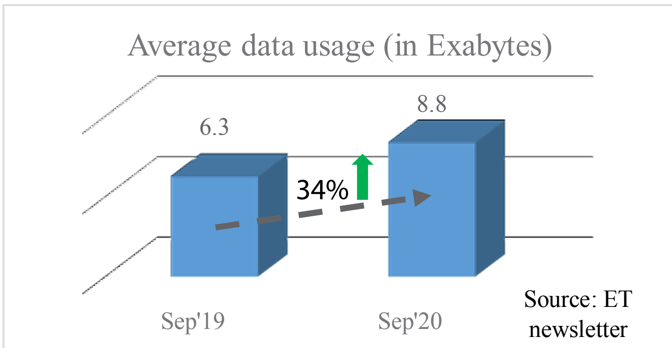
The North American segment has been one such segment which showed a positive year-on-year growth for consecutive years. The impact of COVID in this region was evident in the first quarter, however, mass vaccination programs and administration focus on FTTH, broadband and 5G rollout not only helped to revive the segment but also cover the gaps in Quarter 1. This increase in demand helped offset the reduction in the demand majorly in Europe, India and China. The Telecos in major European economies such as France, Germany, Italy, etc. has made huge investments the FTTH segments. The European Union recently concluded their anti-dumping investigation on China's fibre cables and announced anti-dumping duty of 43% on optical fiber cable import from China. Apart from that, the ban on Chinese equipment for 5G deployment was seen widely in various markets.

As evident from the graph, the demand in China significantly influences the demand globally. According to the CRU reports, a 24% growth was projected in FY2020-21 against the previous year. The market was very well placed to cater such huge demand. However, China Telecom re-issued the tender to 45M F-km from the plan of 75M F-km, which sent shock waves to the global supply and demand. This not only influenced the prices of fibre in China but also dampen the markets of Europe, India and Russia since the producers in China look forward to key export markets to change their position on excess inventory and excess capacity.

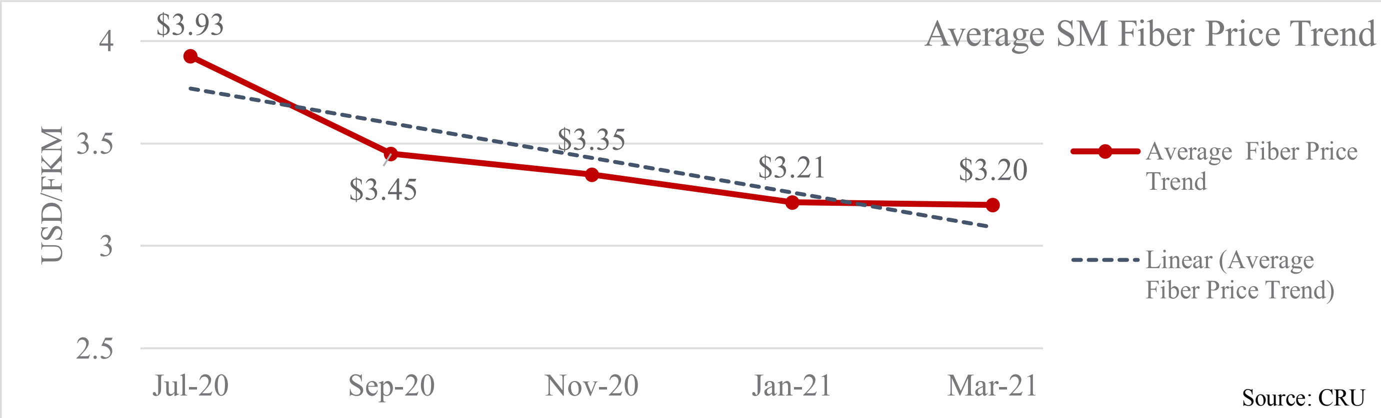


India's View

The demand for optical fibers in Indian segment contracted significantly during FY 20-21 against previous year. The year started with disruption in supply chain due to COVID-19 lockdown restriction which severely impacted the demand in Quarter 1. However, due to 'Work from Home' and 'E-education', the demand in the last mile segment shot up. As per the "The 5G Congress 2021", the average data usage shot up from 6.3 Exabyte in Sep'19 to 8.8 Exabyte in Sep'20. Adding on to it, Deloite's Consumer sentiment survey stated that 84% of the broadband users were willing to pay more for increased broadband speeds while only 34% of the users rely on mobile networks for home internet. Increased investments by Telcos, ISPs and other small players was witnessed in the industry. Average Revenue per User for the Telcos was also increasing on Quarter on Quarter basis which helped to infuse capital for building Telecom network thus helps OFC industry. However, during the last quarter, the absence of Interconnection Usage Charges (IUC), the ARPU got slashed by approx. 9%.



The 5G focus of the Telcos was a bit less during the latter half of the financial year, given the challenges. The key focus was to keep the 4G networks stable. There is still scope for monetization of 4G networks. Airtel and VIL still needs to migrate their existing customers from 2G & 3G networks to 4G networks.



For many industrialists, the year 2020 was a year to forget. Adding on it, prices of Optical fiber, Optical fiber cable and raw materials were under lot of pressure. COVID-19 had severely impacted the oil industry. They were forced to work at bare minimum capacities given the demand had vanished due to lockdown. However, as the economies re-opened, the demand grew but the supply was limited and therefore, prices shot up. On the raw materials front, key plastic materials prices increased by 30-40%. On the fiber front, China Mobile tenders was awarded at very low prices. The impact was huge on the contribution margin and ultimately, the bottom line got impacted.

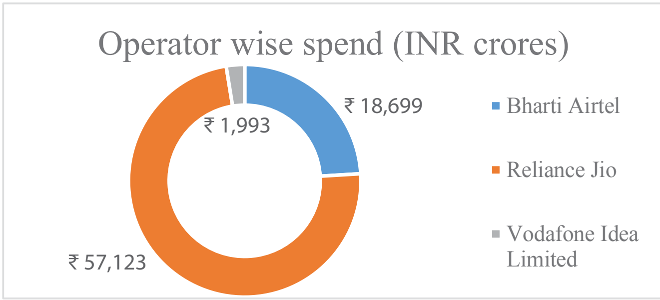
Market Developments

• 4G India

As the world is preparing and investing heavily on 5G infrastructure development, as is India, but the key focus in India still remains on 4G. Early in Q4 of FY 2020-21, BSNL announced tender inviting applicants to deploy 4G across 57,000 sites on turnkey basis. Later in March 2021, 4G auctions were held for bands ranging between 800MHz to 2300 MHz The strategy of Telcos during action clearly indicates the fact that stable and reliable networks are need of the hour.

• 5G

Most of the developed economies such as US, China, South Korea, etc. have already launched 5G services and were focusing on the expansion phase. However, the success of it is still a question. According to a ET report, 1 lakh 5G users migrated back to 4G due to poor network experience. Indian telecom segment got consolidated from 11 players to 4, before the global pandemic was declared. With the global sentiment against Chinese equipment's, it was hard to predict the timeline for 5G rollout on large scale. Even on the macro aspects, numerous challenges wait before 5G rollout.



• Bharat Net

The Prime Minister of India had announced his vision to connect each village in India with optical fiber cable in next 1000 days as a part of BharatNet project. However, the progress of this project is very slow and seems to be much behind target.

FTTH/FTTx

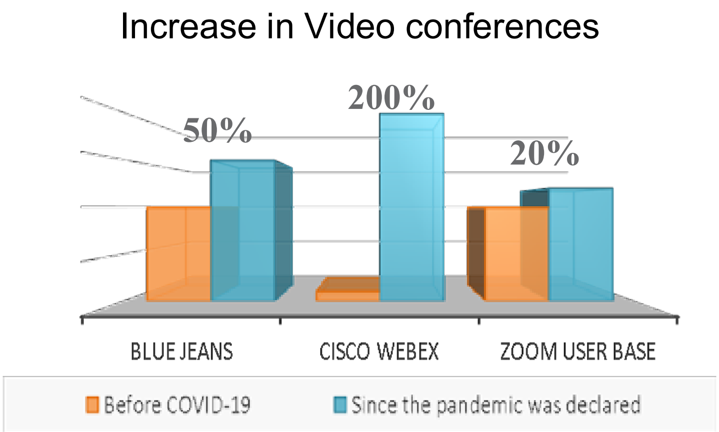
The segment saw a tremendous growth in demand post the 1st wave of COVID-19 across geographies. Mainly in Europe, multiple Telcos and ISPs are focusing on last mile connectivity. The Indian segment also witnessed a similar trend. The increasing demand for high speed internet led to smaller players increased their market share from 40% in April'20 to 43% in August'20, in wired broadband market.

5G Opportunities

- Capacity of machines, individuals and processes to generate blazing speeds
- Unleashing the power of IoT: Concurrency, where millions of devices are connected simultaneously.
- Unlocking Low Latency applications. e.g. performing remote surgeries, etc.

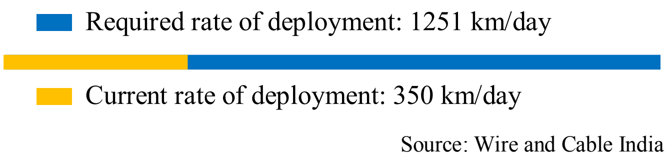
5G Challenges

- Lack of ecosystem on innovation to build use cases.
- Availability of abundant spectrum at the affordable cost
- Backhaul upgradation: Capacity to carry data from access sites to application sites.



• Tower Fiberization

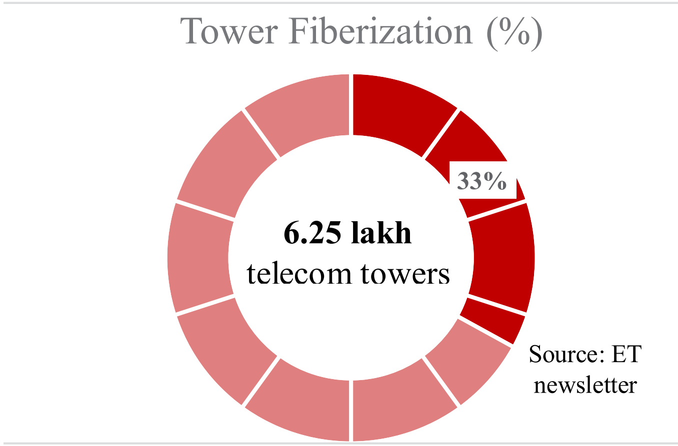
As said by many Industry experts, tower fiberization is the key to unlock the full potential of 5G. Traditional microwave could only provide speeds of 250 Mbps while to realize speeds of 1Gbps – 5Gbps, connecting towers with fiber is essential. E-band could be another source to provide high speeds as they can cater a lower range of 1Gbps-2Gbps. Tower fiberization in India should be at least 70% to deploy nation-wide 5G network.



• Next Gen Technologies

The next generation technologies such as Data Centers, Smart Cities, Internet of Things, Artificial Intelligence, Augment Reality/Virtual Reality, etc. forms the base for 5G use cases. These smart products would form an ecosystem which would eventually be the main focus area to cover the 5G costs.

The Indian segment has been a focus point this year for the Data center market. Numerous projects were announced which would make India a global data hub. Giants like Jio as well as DLF, Yotta infrastructure announced projects with huge investments to setup data center facility in India. The increase in companies adopting 'Work from Home' has resulted in exponential growth in cloud demand. As per a report, Indian data center market is set to grow at a CAGR of 25%-30% to reach $4.5 billion by FY2025.



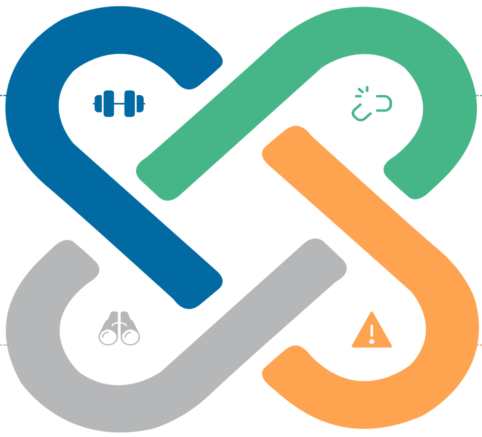
SWOT Analysis

STRENGTHS

- Globally recognized Optical Fibre cable
- Presence in key markets with customer-vendor base spread across geographies

WEAKNESSES

- Unforeseeable supply chain challenges
- Demand-Capacity gaps putting pressure on the raw material prices.



OPPORTUNITIES

- Increase in the demand in last mile segment
- Demand for fibre networks to cater full potential of 5G.

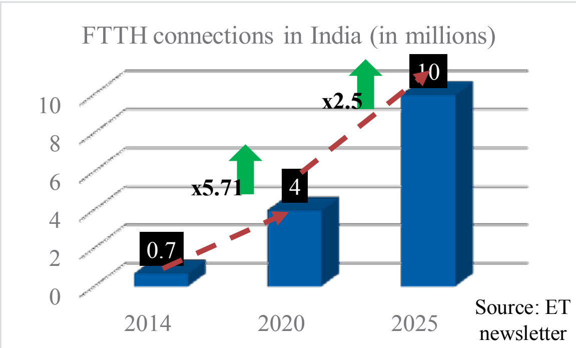
THREATS

- Availability of G657A2 preform & G652D fiber price selling at all-time low.
- Political & Economic tussle between major economies

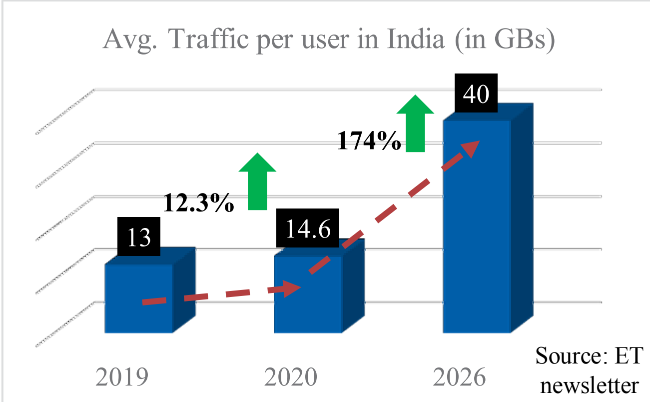
Future Outlook

While industries across telecom sector focused to bounce back and build a positive demand cycle as compared to 2019 & 2018, there was no real progress. The overall demand stood marginally below the levels of 2019. This was mainly due to economies shut down globally due to second wave of COVID-19 . The aim to deploy 5G networks was also postponed given the unpreparedness on the fiber networks, unavailability of use cases to cover the costs and unstable 4G networks. Hence, the projects, focus and efforts in the upcoming year would be on these aspects.

According to the various market intelligence report, the Optical fiber and cable industry is expected to grow at a CAGR of 15%-20% with base year as 2020 until 2027. Asia-Pacific accounts for approx. 57% of the consumer market of optical fiber cables which followed by Europe and North America. In terms of application, FTTx leads the way and is followed by Local Access Networks. China, which not only dominates the regional optical fiber cable market but also the global market, significantly affects the prices across globe. Increasing gap between demand and capacity of preform has shifted Chinese manufacturers focus to global market and thereby weakening the prices of a key raw material which is used to manufacture optical fiber.



Increasing demand in FTTx & telecom segment will be primarily responsible for such high growth rate. Strategic partnerships between public and private players can help deploy fiber at a much faster rate while also sharing the risk of carrying high valued infrastructure. Innovation in fiber and fiber cables is in focus to cater to new markets such as power and defense. Manufacturers of optical fiber are trying to build fiber with least possible diameters in order to increase the fiber density and increasing the data carrying capacity, hence helping the telecom companies to upgrade them backhaul networks at a much faster rate.The explosion of data traffic, from different segments such as end-consumer usage, increasing use of OTT platforms & video conferencing and businesses understanding the need of cloud, is pressuring the demand to shift to fiber networks from traditional microwave and copper networks.



The Indian segment's demand is set to reach the levels of 2018. Multiple factors will be responsible for such growth in demand:

- Prime Minister's vision to connect every Village by Optical Fibre cable in 1000 days
- Given the impact of 2nd wave of COVID-19 and reports of a third wave, consumers will look forward to have a broadband connection for seamless flow of data. Major ISPs are looking forward to consume large share of this data network build.
- The push for 5G rollout is renowned. As the 5G auctions are delayed, the industry has more time to strengthen their existing networks.
- India's vision to promote data localization and to become a global data hub is pushing the demand to higher levels in data center segments.
- Smart Cities mission, although had huge impact of COVID-19, may now resume.

FRP Business

The fiberglass reinforced plastic (FRP) material is a combination of two components: resin and glass fibers. FRP Rod is used as a central strengthening member or embedded in a sheath. It is a di-electric strengthening member used in fiber optic cable. FRP strengthening members are also widely used in various cables for last mile connectivity . The demand for FRP rod was mainly driven by emerging regions such as APAC, US and Middle East.

Growth Levers

Modernizing their manufacturing units and investing in next generation technologies i.e. automation, IoT, etc.

A resilient supply chain, skilled workforce and consistent innovation will be greatly helpful in seizing new opportunities.

Government support through schemes and incentives will attract investments to increase the competitiveness in the industry.

Improving R&D infrastructure, adhering to a systematic approach and focusing on long term growth is critical.

The FRP rod demand in India is directly proportional to the Optical fibre cable demand in India. Specifically, the increasing last mile cables i.e. FTTH cables is drivinhg the demand up in the coming future. The world's largest broadband project undertaken by the Government of India, BharatNet, aims to connect 2.5 lakhs gram panchayats with optical fibre. As of June 2021, the OFC cable for approx. 77,000 Gram panchayats is yet to be laid out. This would surely have a significant impact on the demand FRP rods.

The FRP rod is one of the key raw material in the Optical fibre cables. The demand for these rods are highly dependent on the Optical fibre cables. The last mile penetration in India is far below compared to China and US. These forms the base, which would drive the FRP rod, demand up in the coming future.

Services Business

The COVID-19 pandemic has forced the organizations and individuals to create an environment where everyone will have to avail most of the services online. The brick and mortar stores will be affected a lot by this shift but there are many services which presently are not available online. The other reason is the connectivity based on internet/basic telephone facilities and IT hardware, in rural areas, is still very low. According to the TRAI, the rural tele-density stood at 59.31%, at the end of January 2021, up from 58.85%, at the end of December 2020. The key drivers such as work from home & the need for high speed broadband will require the expansion of FTTH services. Smart city solution and OFC networking solutions shall increase day by day as every civic authority may require to build the services online, which helps them in monitoring the system

and data collected to add more value to the existing services. Video conferencing solutions and MPLS Connectivity shall increase day by day. As the demand of high-speed internet is increasing, the competition is getting tough in ISPs and TSPs space. The existing TSP are focusing to expand their OFC network to cater high speed broadband demand .

India got hit by the second wave of COVID-19 which led to another one and half months of lockdown across the country. Many companies are looking forward to keep the "Work-from-Home" scenario going on in order to prevent the spread of the deadly variants of the virus. Therefore, the demand in the last mile segment continues to grow which eventually means more OFC laying will in focus by various segments of the telecom industries.

Lens Business

According to the Technavio Research study, expected to grow at a CAGR of 4% until 2024 growing by a value of US $3.21 billion. Asia-Pacific is one the segments with a huge opportunity owing to number of small and medium scale lens manufacturers and the geography is expected to contribute to almost 43% of the entire demand. 90% of the ophthalmic lenses from China and given the government's focus on "Make in India" initiative, lot of customers would be looking forward to buy from an Indian manufacturer. Apart from this, the anti-China sentiments and the rise of Atmanirbhar Bharat, which asks individuals and organizations to be vocal for local and the 80% lesser lead-time of India compared to China along with better after sales services will drive the demand up for the lens manufactures. With these key drivers, there is a possibility that the prices of lens will increase by 5-10%, which would help increase, the margins of the manufacturer

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

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

- ❖ Company promotes activities related to leadership development at workplace to build internal talent and leadership pool for future organization requirement.
- ❖ This leadership development is carried out by incorporating various HR interventions at workplace which includes: -
    - Role based training need identification
    - Stringent Succession Planning for the Critical positions in the organization
    - Identification of employees for High Potential Development
    - Promotions of employees to next level in organization as a reward of exemplary performance in the organization
    - Strategic Talent Acquisition at different levels with levels of assessments to filter right candidate

❖ Training and Workshops at AKSH Optifibre is carried out keeping in mind the individual development requirement as well as organization requirement from the role. Thus, helps the individual to gain knowledge from varied platforms from External sources, Job enrichment, engagement as well as Team Building activities.

❖ We are organization which focus on engaging employees to create high Employee Value Preposition as we believe that an engaged employee is a productive employee.

❖ Employees engagement has taken a new direction during pandemic where the employees were not only working from home full time but also their productivity has increased, the work from home and frequent discussions at different level has encouraged our employees to work effectively, comfortably and in a tech savvy manner with confidence.

❖ We, with the help of our effective Goal setting process manage the work performance of the employees in a very defined and cascaded manner and to help our employees to keep pace with the changing growth requirement in industry.

PROCESSES

- Automated Processes
- Strategic Talent Acquisition
- Competitive HR Policies
- Effective Business Partnering

CULTURE

- Open Door Grievance Resolution Mechanism
- Highly Engaged Work Team
- Flat Organization No Designations only levels
- Transparency by means of Effective Policy Adherence

HR
HUMAN RESOURCES

ENGAGEMENT

- Employee Wellness
- Team Building activities
- WorkFlexibility
- Employee participation in Decision Making
- Employee Safety

TALENT

- External & Internal Training Programs for Talent Management and Development
- Talent Management through Job enrichment and Job engagement

REWARDS

- Highly Defined Performance Management
- Employee Recognition
- Competitive Payouts

INTERNAL CONTROL AND THEIR ADEQUACY

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

RISK MANAGEMENT FRAMEWORK

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

II Financial Performance

Source of funds

1. Share capital

The Company has only one class of shares – equity shares of par value Rs. 5/- each. Authorized share capital is Rs. 26,005 lakhs, divided into 5,201.00 lakhs equity shares of Rs.5/-each. There has been no change in the Issued, Subscribed and Paid up capital of the Company, which is Rs. 8,134.90 lakhs as at March 31, 2021.

2. Other Equity

Capital Reserve

The balance as at March 31, 2021 amounted to Rs. 2,223.35 Lakhs, is same as at March 31, 2020

Securities Premium

The balance as at March 31, 2021 amounted to Rs. 33,064.11 lakhs, same as at March 31, 2020

Retained Earnings

There is a net deficit of Rs. 16,724.62 lakhs in the Retained Earnings as at March 31, 2021, as compared to net deficit of Rs. 16,966.51 lakhs at March 31, 2020.

During the year ended March 31, 2021, the Company earned a net profit after tax of Rs 222.68 lakhs, as compared to the net loss of Rs. 24,773.32 lakhs during the year ended March 31, 2020.

Shareholder funds

The total shareholder funds increased to Rs. 26,697.74 Lakhs as at March 31, 2021 as compared to Rs. 26,455.85 lakhs as at March 31, 2020.

The book value per share increased to Rs. 16.41 as on March 31, 2021, as compared to Rs. 16.26 as at March 31, 2020.

Application of Funds

3. Property, Plant and Equipment

Addition to gross block

During the year ended March 31, 2021, an amount of Rs. 233.84 lakhs (including Rs. 20.25 Lakhs in Right of use Assets as per Ind AS 116) was added to gross block of fixed assets as compared Rs. 1,071.91 lakhs, during the previous year ended March 31, 2020.

Deductions to gross block

During the year ended March 31, 2021, there has been deduction from gross block aggregating Rs. 53.76 Lakhs

Capital work–in- progress

There has been reduction of Rs 170.99 Lakhs Capital work in progress primarily due to write off of the assets pertaining to AP Project, Hyderabad.

Capital expenditure commitments

The Company has a capital commitment (net of advances) of Rs. 138.52 lakhs as at March 31, 2021 as compared to Rs. 138.52 lakhs as at March 31, 2020.

4. Loans (current and non-current)

Loans includes security deposits amounted to Rs. 210.68 lakhs (PY Rs 259.15 Lakhs) , loan and advances to related party Rs. 2,801.23 lakhs (PY Rs 2,988.11 Lakhs) and loan and advances to others Rs. 450 lakhs (PY Rs 450 Lakhs) as at March 31, 2021.

5. Trade Receivables (current and non-current)

Trade receivables of Rs. 10,216.01 lakhs as at March 31, 2021 as compared to Rs. 12,404.22 lakhs as at March 31, 2020, which are considered good and realizable. Debtors are at 40.41% of gross revenues, representing 148 days of gross revenues for the year ended March 31, 2021, as compared to 48.62% of gross revenues, representing 178 days of the gross revenues for the previous year ended March 31, 2020.

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

Margin money deposits pledged with banks as security for various facilities, are having a carrying amount of Rs 118 lakhs as at March 31, 2021 as compared to Rs. 633.32 lakhs as at March 31, 2020. Interest accrued includes Rs. 23.35 lakhs on fixed deposits and Rs. 196.98 lakhs on other deposits as at March 31, 2021, as compared to Rs. 18.81 lakhs and Rs. 101.69 lakhs respectively as at March 31, 2020. Foreign exchange forward contract amounts to Rs. 0.59 lakhs as at March 31, 2021 as compared to Rs. 0.59 lakhs as at March 31, 2020.

7. Inventories

Inventories amounted to Rs. 3,638.84 Lakhs as at March 31, 2021 as compared to Rs. 4,171.27 lakhs as at March 31, 2020. Inventories are valued at lower of cost or net realizable value.

8. Cash and cash Equivalents

The bank balances in India and outside India include both rupee accounts and foreign currency accounts aggregating Rs. 234.61 lakhs as at March 31, 2021 as compared to Rs. 535.46 lakhs as at March 31, 2020.

The cash equivalents also include balance in unpaid dividend account amounted to Rs 7.42 lakhs as at March 31, 2021 as compared to Rs. 7.42 lakhs as at March 31, 2020.

Cash on hand amounted to Rs. 4.71 lakhs as at March 31, 2021 as compared to Rs. 5.17 lakhs at March 31, 2020.

Other bank balance amounted to Rs. 1,848.59 lakhs as at March 31, 2021 as compared to Rs. 1,372.04 lakhs at March 31, 2020.

Liabilities

9. Trade Payables (current and non-current)

Trade payables amounted to Rs. 7,390.81 Lakhs as at March 31, 2021, as compared to Rs. 8,518.76 Lakhs as at March 31, 2020.

10. Provisions (current and non-current)

Long term and short-term provisions for employee benefits amounted to Rs. 625.45 lakhs as at March 31, 2021, as compared to Rs. 636.70 lakhs as at March 31, 2020.

11. Short Term Borrowings

Short-term borrowings amounted to Rs. 8,446.81 lakhs (including secured borrowings of Rs. 8,181.27 lakhs) as at March 31, 2021, as compared to Rs. 8,514.22 lakhs (including secured borrowings of Rs. 6,832 lakhs) as at March 31, 2020.

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

Other financial liabilities amounted to Rs. 8,537.28 lakhs (including Rs. 4,365.26 lakhs relating to current maturities of long term debts) as at March 31, 2021, as compared to Rs. 6,450.57 lakhs (including Rs. 2,323.69 lakhs relating to current maturities of long term debts) as at March 31, 2020.

13. Other current liabilities

Other current liabilities amounted to Rs. 849.22 lakhs (including Rs 612.78 lakhs relating to advance from customers) as at March 31, 2021, as compared to Rs. 699.74 lakhs (including Rs 252.04 lakhs relating to advance from customers) as at March 31, 2020.

III Results of Operations

The Company reported a net profit after tax amounted to Rs. 222.68 lakhs during the year ended March 31, 2021, as compared to the loss of Rs. 24,773.32 lakhs during the previous year ended March 31, 2020.

1. Revenue from Operations

Revenues were generated mainly from sale of finished goods, traded goods and services. During the year ended March 31, 2021, the Company's revenue from operations was Rs 24,646.49 lakhs as compared to Rs. 24,996.88 lakhs during the previous year ended March 31, 2020.

2. Other Income

Other income amounted to Rs. 632.72 lakhs for the year ended March 31, 2021, as compared to Rs. 517.56 lakhs during the previous year ended March 31, 2020.

3. Cost of goods sold

Cost of goods sold amounted Rs. 12,650.40 lakhs (50.04% of gross revenue) during the year ended March 31, 2021 as compared to Rs. 14,014.98 lakhs (54.93% of gross revenue) during the previous year ended March 31, 2020. It includes Rs. 12,243.53 lakhs (previous year 11,473.19 lakhs) relating to raw material consumed, Rs. 221.89 lakhs (previous year Rs. 712.95 lakhs) relating to purchase of traded goods and Rs. 184.98 lakhs (previous year Rs. 1,828.84 lakhs) relating to increase/ (decrease) in inventories.

4. Employee Benefit Expense

Employee benefit expense amounted to Rs. 2,444.74 lakhs during the year ended March 31, 2021, as compared to Rs. 3,071.50 lakhs during the previous year ended March 31, 2020.

5. Other Expenses

Other expenses amounted to Rs. 6,071.20 lakhs during the year ended March 31, 2021 as compared to Rs. 5,741.57 lakhs during the previous year ended March 31, 2020.

6. Depreciation

Depreciation and amortization amounted to Rs. 1,554.17 lakhs during the year ended March 31, 2021 as compared to Rs. 1,713.22 lakhs during the previous year ended March 31, 2020.

7. Finance Cost

Finance Cost amounted to Rs. 2,163.27 lakhs during the year ended March 31, 2021 as compared to Rs. 2,634.66 lakhs during the previous year ended March 31, 2020. Finance cost includes Rs. 850.99 lakhs on interest on Cash credit facility as compared to Rs. 952.96 lakhs, during previous year ended March 31, 2020.

8. Exceptional (expense)/income

Exceptional item, Income / (Expense) for the year ended March 31, 2021 represents gain on foreign exchange on items other than operational Rs (113.35) lakhs, profit on sale of Property, Plant and Equipment Rs (2.44) lakhs and Provision for doubtful debts & balances written off related to operation Rs 28.63 lakhs.

9. Tax Expenses

Income Tax

During the year ended March 31, 2021, the Company has not made any tax provision.

Deferred Tax

During the year ended March 31, 2021, the Company has made provision for deferred tax by Rs. 68.09 lakhs.

10. Earnings Per Share (EPS) after exceptional item

Basic and Diluted EPS

Basic and Diluted EPS after exceptional item increased to Rs. 0.14 per share for the year 2021, from Rs. (15.23) per share for the year ended March 31, 2020. The weighted average shares used in computing EPS is 162,697,971 for the year ending March 31, 2021, same as year ending March, 2020.

11. Segmental Profitability

(Rs. in lakhs)

Segment Results	YE Mar 21	YE Mar 20	%age Increase/ (Decrease)
Manufacturing			
Revenues	20,590.27	21,711.49	(5.16%)
EBIT	1,988.49	1,052.93	88.85%
EBIT (%)	**9.66%**	**4.85%**	
Trading			
Revenues	170.26	855.66	(80.10%)
EBIT	24.74	110.42	(77.59%)
EBIT (%)	**14.54%**	**12.90%**	
Services			
Revenues	3,885.96	2,429.73	59.93%
EBIT	590.10	(120.68)	588.98%
EBIT (%)	**15.19%**	**(4.97%)**	

IV Consolidated Financial Performance

Company's revenue from operations amounted to Rs. 27,216.05 lakhs during the year ended March 31, 2021, as compared to Rs. 30,038.92 lakhs in the previous year ended March 31, 2020.

Manufacturing revenue is Rs. 23,159.83 lakhs during the year ended March 31, 2021 from Rs. 26,753.53 lakhs during the previous year ended March 31, 2020, a decrease of 13.43% as compare with previous year ended on March 31, 2020.

The Profit before interest, depreciation, taxes, amortization and exceptional items amounted to Rs. 2,979.01 lakhs (10.78% of revenue) during the year ended March 31, 2021 as against Rs. 913.28 (3.02% of revenue) in the previous year ended on March 31, 2020.

Loss before tax and exceptional item amounted to Rs. 2,418.39 lakhs (8.75% of revenue) during the year ended March 31, 2021 as against Rs. 4,729.37 lakhs (15.62% of revenue) in the previous year ended on March 31, 2020.

Loss after tax and exceptional item is Rs 2,539.17 lakhs (9.19% of revenue) during the year ended March 31, 2021 as against Rs. 35,930.50 lakhs (118.69% of revenue) in the previous year ended March 31, 2020.

KEY FINANCIAL RATIOS (CONSOLE)

	Ratios	FY21	FY20	Difference	Reason for Change
a.	Debtors Turnover Ratio	3.08	2.06	49.58%	Ratio improved due to realization from one of our largest debtors pending since last 3 years
b.	Inventory turnover Ratio	2.52	1.92	23.81%	Ratio improved due to reduced inventory as on March'21 as compared by March'20 (March 20 was under strict covid lockdown)
c.	Interest Coverage Ratio	0.18	-0.51	134.75%	Ratio is improved due to Profit at EBIT level as against loss in last year
d.	Current Ratio	0.47	0.68	-31.23%	Ratio has decreased due to reduction in current assets, primarily in Debtors & Inventory
e.	Debt Equity Ratio	2.22	2.13	-4.45%	
f.	Operating Profit Margin %	10.78%	3.02%	257.21%	Increased due to reduction in Loss from last year.
g.	Net Profit Margin % or Sector - Specific equivalent ratios, as applicable.	-8.79%	-119.98%	-92.68%	
h.	RONW%	-23.55%	-284.99%	-91.74%	Return on Net worth is improved due to Profit at Standalone level as against loss in Last year.

DIRECTORS' REPORT

Dear Shareholders,

The Directors of your company are pleased to present the 34th Annual Report together with the Audited Financial Statement of accounts for the Financial Year ended March 31, 2021.

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

FINANCIAL RESULT

The financial performance of the Company, for the financial year ended March 31, 2021 is summarized below:

Rs. in Lakhs

Particulars	F.Y. ended 2020-21	F.Y. ended 2019-20
Revenue from Operations	**24,646.49**	**24,996.88**
Other Income	**632.72**	**517.56**
Profit before Interest, Depreciation, Amortization, Exceptional Items & Tax	**4,112.87**	**2,686.39**
Depreciation/ Amortization Expenses/ Impairment	1,554.17	1,713.22
Profit before Interest, Amortization, Exceptional Items & Tax	**2,558.70**	**973.17**
Finance Cost	2,163.27	2,634.66
Profit/ (Loss) before Exceptional items & Tax	**395.43**	**(1,661.49)**
Exceptional Income/(Expenses)	(87.16)	(23,595.16)
Profit/ (Loss) before Tax	**308.27**	**(25,256.65)**
Income Tax	-	-
Deferred Tax (including MAT utilization)	68.09	(485.79)
Adjustment of tax relating to earlier periods	17.50	2.46
Profit/ (Loss) after Tax (1)	**222.68**	**(24,773.32)**
Total Comprehensive Income (2)	**241.89**	**(24,933.96)**
Balance profit brought forward from previous year	**(16,966.51)**	**7,978.60**
Less : Transfer to Reserves	-	-
Less Dividend paid on Equity Shares	-	-
Less Dividend Distribution Tax	-	-
(Deficit)/ Surplus carried to Balance sheet	**(16,724.62)**	**(16,966.51)**

OPERATIONAL HIGHLIGHTS

Financial year 2020-21 closed with revenue of Rs 25,279.21 Lakhs, EBIDTA of Rs. 4,025.71 Lakhs and PAT of Rs 222.68 Lakhs. The manufacturing business earned revenues of Rs. 20,590.27 Lakhs.

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

DIVIDEND

The directors are unable to recommend any dividend in view of the in adequate Profits in the current Financial Year.

TRANSFER TO RESERVES

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

FUTURE OUTLOOK

Optical Fibre and Cable division

While industries across telecom sector focused to bounce back and build a positive demand cycle as compared to 2019 & 2018, there was no real progress. The overall demand stood marginally below the levels of 2019. This was mainly due to economies shut down globally due to second wave of COVID-19 . The aim to deploy 5G networks was also postponed given the unpreparedness on the fiber networks, unavailability of use cases to cover the costs and unstable 4G networks. Hence, the projects, focus and efforts in the upcoming year would be on these aspects.

According to the various market intelligence report, the Optical fiber and cable industry is expected to grow at a CAGR of 15%-20% with base year as 2020 until 2027. Asia-Pacific accounts for approx. 57% of the consumer market of optical fiber cables which followed by Europe and North America. In terms of application, FTTx leads the way and is followed by Local Access Networks. China, which not only dominates the regional optical fiber cable market but also the global market, significantly affects the prices across globe. Increasing gap between demand and capacity of preform has shifted Chinese manufacturers focus to global market and thereby weakening the prices of a key raw material which is used to manufacture optical fiber.

Increasing demand in FTTx & telecom segment will be primarily responsible for such high growth rate. Strategic partnerships between public and private players can help deploy fiber at a much faster rate while also sharing the risk of carrying high valued infrastructure. Innovation in fiber and fiber cables is in focus to cater to new markets such as power and defense.

Manufacturers of optical fiber are trying to build fiber with least possible diameters in order to increase the fiber density and increasing the data carrying capacity, hence helping the telecom companies to upgrade them backhaul networks at a much faster rate. The explosion of data traffic, from different segments such as end-consumer usage, increasing use of OTT platforms & video conferencing and businesses understanding the need of cloud, is pressuring the demand to shift to fiber networks from traditional microwave and copper networks.

The Indian segment's demand is set to reach the levels of 2018. Multiple factors will be responsible for such growth in demand:

- Prime Minister's vision to connect every Village by Optical Fibre cable in 1000 days
- Given the impact of 2nd wave of COVID-19 and reports of a third wave, consumers will look forward to have a broadband connection for seamless flow of data. Major ISPs are looking forward to consume large share of this data network build.
- The push for 5G rollout is renowned. As the 5G auctions are delayed, the industry has more time to strengthen their existing networks.
- India's vision to promote data localization and to become a global data hub is pushing the demand to higher levels in data center segments.
- Smart Cities mission, although had huge impact of COVID-19, may now resume.

FRP Business

The fiberglass reinforced plastic (FRP) material is a combination of two components: resin and glass fibers. FRP Rod is used as a central strengthening member or embedded in a sheath. It is a di-electric strengthening member used in fiber optic cable. FRP strengthening members are also widely used in various cables for last mile connectivity. The demand for FRP rod was mainly driven by emerging regions such as APAC, US and Middle East.

The FRP rod demand in India is directly proportional to the Optical fibre cable demand in India. Specifically, the increasing last mile cables i.e. FTTH cables is drivinig the demand up in the coming future. The world's largest broadband project undertaken by the Government of India, BharatNet, aims to connect 2.5 lakhs gram panchayats with optical fibre. As of June 2021, the OFC cable for approx. 77,000 Gram panchayats is yet to be laid out. This would surely have a significant impact on the demand FRP rods.

The FRP rod is one of the key raw material in the Optical fibre cables. The demand for these rods are highly dependent on the Optical fibre cables. The last mile penetration in India is far below compared to China and US. These forms the base, which would drive the FRP rod, demand up in the coming future.

Services Business

The COVID-19 pandemic has forced the organizations and individuals to create an environment where everyone will have to avail most of the services online. The brick and mortar stores will be affected a lot by this shift but there are many services which presently are not available online. The other reason is the connectivity based on internet/basic telephone facilities and IT hardware, in rural areas, is still very low. According to the TRAI, the rural tele-density stood at 59.31%, at the end of January 2021, up from 58.85%, at the end of December 2020. The key drivers such as work from home & the need for high speed broadband will require the expansion of FTTH services. Smart city solution and OFC networking solutions shall increase day by day as every civic authority may require to build the services online, which helps them in monitoring the system and data collected to add more value to the existing services. Video conferencing solutions and MPLS Connectivity shall increase day by day. As the demand of high-speed internet is increasing, the competition is getting tough in ISPs and TSPs space. The existing TSP are focusing to expand their OFC network to cater high speed broadband demand .

India got hit by the second wave of COVID-19 which led to another one and half months of lockdown across the country. Many companies are looking forward to keep the "Work-from-Home" scenario going on in order to prevent the spread of the deadly variants of the virus. Therefore, the demand in the last mile segment continues to grow which eventually means more OFC laying will in focus by various segments of the telecom industries.

Lens Division

According to the Technavio Research study, expected to grow at a CAGR of 4% until 2024 growing by a value of US $3.21 billion. Asia-Pacific is one of the segments with a huge opportunity owing to number of small and medium scale lens manufacturers and the geography is expected to contribute to almost 43% of the entire demand. 90% of the ophthalmic lenses from China and given the government's focus on "Make in India" initiative, lot of customers would be looking forward to buy from an Indian manufacturer. Apart from this, the anti-China sentiments and the rise of Atmanirbhar Bharat, which asks individuals and organizations to be vocal for local and the 80% lesser lead-time of India compared to China along with better after sales services will drive the demand up for the lens manufactures. With these key drivers, there is a possibility that the prices of lens will increase by 5-10%, which would help increase, the margins of the manufacturer.

SUBSIDIARY COMPANIES

As on March 31, 2021, Company has One Indian Wholly Owned Subsidiary namely Aksh Composites Private Limited and Three Overseas Wholly Owned Subsidiary namely AOL-FZE', incorporated in SAIF Zone, Sharjah (U.A.E), AOL Technologies, FZE, incorporated in JAFZA, UAE (Material Subsidiary), and Aksh Technologies (Mauritius) Limited, incorporated in Mauritius.

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

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

LOANS, GUARANTEES OR INVESTMENTS

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

RELATED PARTY TRANSACTIONS

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

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

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

DIRECTORS

As on March 31, 2021, the Board of your Company has 7 Directors, consisting of 1 Promoter-Chairman, 4 Independent Directors (including 1 Woman Director) and 2 Non-Executive-Non-Independent Director.

MEETINGS OF THE DIRECTORS

The Company had 6 (Six) Board Meetings during the financial year under review, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act 2013.

APPOINTMENTS / RESIGNATIONS & CESSATION FROM THE BOARD / KMPs

During the year 2020-2021 under review, the following changes took place in the constitution of the Board/ KMP's of the Company.

1. Mr. Ankit Rawat, Non-Executive - Independent Director resigned from the Board of the Company w.e.f. August 8, 2020.
2. Ms.Yamini Agarwal, Non-Executive - Independent Director Ceased to be the Director of the Company w.e.f. September 21, 2020.
3. Mr. Arvind Gupta, Non-Executive - Independent Director resigned from the Board of the Company w.e.f. September 5, 2020.
4. Mr. Charan Deep Singh appointed as Additional Director in the capacity of Non-Executive - Independent Director on May 25, 2020 and resigned from the Board of the Company w.e.f. February 10, 2021.
5. Mr. Pramod Kumar Srivastava appointed as Chief Executive officer (KMP) of the Company as on April 01,2020.
6. Mr. Sudhir Kumar Jain appointed as Chief Financial Officer (KMP) of the company May 29, 2020 and resigned from the position on August 14, 2020.
7. Mr. Sanjay Banka appointed as Chief Financial Officer (KMP) of the company August 14, 2020 and resigned from the position on November 30, 2020.
8. Mr. Mukesh Gupta appointed as Chief Financial Officer (KMP) of the company December 1, 2020 and resigned from the position on February 10, 2021.
9. Ms. Anuja Bansal and Mr. Sanjay Katyal were appointed as Additional Director (in the capacity of Non- Executive Independent Director) w.e.f. from June 9, 2020 for a period of 5 years and regularized on September 21, 2020 in the 33rd Annual General Meeting of the Company.
10. Mr. Satyendra Kumar Gupta was appointed as an Additional Director of the Company on December 1, 2020. The appointment of Mr. Gupta was approved by the shareholders through Postal Ballot on January 6, 2021.
11. Mr. Harvinder Singh (DIN: 08443544) and Mr. Sunil Puri (DIN: 09056198) were appointed as an Additional Director (in capacity of Non-Executive Independent Director) w.e.f. February 10, 2021 for a period of 5 years subject to the approval of shareholders in the General Meeting.
12. Mr. Rikhab Chand Mogha, Director (DIN: 08579064) is due for retirement at the forthcoming AGM and has offered himself for re-appointment.

After the closure of Financial Year 2020-21:

1. The Board of Directors of the Company has appointed Mr. Charan Deep Singh as Chief Financial Officer (KMP) of the Company w.e.f August 6, 2021.
2. Mr. Pramod Kumar Srivastava resigned as Chief Executive officer (KMP) of the Company w.e.f., August 6, 2021.
3. There were no other appointments/ resignations of Directors/KMP.

DECLARATION FROM INDEPENDENT DIRECTORS

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

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

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

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on directors' appointment and remuneration and other matters provided in section178(3) of the Act have been disclosed in the corporate governance report, which forms part of the Directors' Report / available on the website of the Company at http://www.akshoptifibre.com/corporate-governance.php.

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

There are no material changes occurred between the end of financial year and the date of Director's Report, except as already provided in the report.

PERFORMANCE EVALUATION OF THE BOARD

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

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

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

CORPORATE GOVERNANCE

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has constituted Corporate Social Responsibility Committee as per Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company has Corporate Social Responsibility Policy (CSR Policy) elaborating the activities to be undertaken by the company in furtherance and due discharge of its corporate social responsibility.

From beginning of CSR initiative, Aksh focus was on sustainable improvement of Education and Environment. More than 80% of the CSR Budget was spent on these two activities. As a result, Aksh supported schools and trees planted by Aksh and its associates are in self-sustainable position.

In order to improve the environmental conditions in 'Bhiwadi Industrial Area', Aksh continued its plantation drive 'Upvan' this year also. Aksh planted more than 29000 saplings during the financial year 2020-21 with vehemently supported by BMA & its member industries, many social institutions like Lions Club, Rotary Club, Rotary Shakti, Indian Medical Association, many Govt. & Private Schools & social activists.

Aksh Optifibre Limited under its Health & Sanitation program installed one industrial RO Purifier & Water Cooler at Police Line Bhiwadi to support Corona Worriers.

In the area of educational development drive Under "Shiksha Hamara Swabhiman", the Company has continued Computer literacy project with the help of Computershiksha.org (An NGO with the team of professionals, having rich varied background, who offers Computer Literacy programs as a service to schools) at Govt. Sr. Sec School Reengus and Govt. School Sargoth having excellent facility of online computer education system and almost more than 650 Students have got certified till yet.

As a continuous clean and green initiative of Aksh Eco-nation project, Aksh Planted more than 40000 trees at nearby locations of Reengus. Also regular maintenance and up-keep has been done of the park adopted by Aksh in RIICO industrial area, Reengus.

Apart from above company has done necessary development by providing some necessary supports needed for the development of Covid Vaccination centre of Govt. Hospital Reengus.

The Digital India Programme is a flagship programme of Government of India with a vision to transform India into a digitally empowered society and knowledge economy.

Aksh Optifibre Limited feels immensely proud in contributing towards Digital India platform under CSR initiative by making available and providing 437 numbers of Single finger scanners (electronic devices) which is a core essential for digital payment. The devices provided by AKSH are also serving as an employment to rural persons as the said devices are used in Banking services and banking facilities are provided to the citizens by accessing through Single-finger scanner.

Business Correspondents (BCs) are retail agents who represent banks and are responsible for delivering banking services at locations other than a bank branch/ATM. BCs support banks in providing its limited range of banking services at affordable cost. Thus, they are pivotal in promoting financial inclusion. According to the RBI's mandate, the products offered by BCs include Small Savings Accounts, Fixed Deposit and Recurring Deposit with low minimum deposits, Remittance to any BC customer, Micro Credit and General Insurance. The BC model helps banks in bringing door-step delivery of services especially 'cash in - cash out' transactions in areas which are to nearer to the rural population, thus resolving the issue of last-mile delivery.

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

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

EMPLOYEE REMUNERATION

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

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

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

RISK MANAGEMENT

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

CREDIT RATING

The Company has not taken any ratings during the financial year 2020-21.

CONSOLIDATED FINANCIAL STATEMENTS

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

STATUTORY AUDITORS

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

The Auditor's report read with the relevant Notes to Accounts are self-explanatory and therefore do not require further explanation. However, with regards to the observation raised by the Statutory Auditors Company wish to report that Due to Covid-19 Pandemic there were Lockdown and travel restrictions. Hence, management was not able to get the estimated carrying value of assets, so no impairment testing was performed. Management will take necessary actions once the Covid related travelling restrictions will normalise. The statement on impact of Audit qualification has been disseminated to the stock exchanges and can be referred.

COST AUDITORS

The Company had appointed M/s Sanjay Gupta & Associates, Cost Auditors of the Company for the Financial Year 2020-2021. Further, The Company has appointed M/s K G Goyal & Associates, as Cost Auditors of the Company for the Financial Year 2021-22.

COST AUDIT COMPLIANCE

Pursuant to Sec. 148 of the Companies Act, 2013 read with Companies (Cost Audit) Rules 2014 including any statutory modifications thereof, the cost audit report for financial year ended March 31, 2021 would be filed with the Central Government within the prescribed time.

SECRETARIAL AUDITORS

The Company had appointed M/s Himanshu Sharma & Associates, Company Secretaries, to conduct the Secretarial Audit for the Financial Year 2020-21.The Secretarial Audit Report for the financial year ended March 31, 2021 is annexed herewith marked as **Annexure –III** to this Report.

Further, the Company has appointed M/s Jayant Gupta & Associates, Company Secretaries, to conduct the Secretarial Audit for the financial year 2021-22.

SECRETARIAL STANDARD OF ICSI

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

RECOGNITION

The Company's manufacturing facilities continue to remain certified by independent and reputed external agencies as being compliant as well as aligned with the National and International standards for The Telecom Quality Management System, Information Security Management System, Environmental Management System, Complaint Handling Management System and Occupational Health & Safety Management System, i.e. TL 9000:2016, ISO 9001:2015, ISO 27001:2013, ISO 14001:2015, ISO 10002:2014 and ISO 45001:2018 respectively.

INDUSTRIAL RELATIONS

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

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

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

COPY OF ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the draft Annual Return as on March 31, 2021 is available on the Company's website - www.akshoptifibre.com.

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

LISTING

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

MATERIAL ORDERS

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

Further the appeal filed with Securities Appellate Tribunal (SAT) against the SEBI Order No. WTM/AB/EFD-1/DRA1/11/2019-20 dated June 28, 2019 and Order No /GR/AE/2019-20/7073-7078 dated February 28, 2020 is pending with SAT as on March 31, 2021. However, against the monetary penalty, promoter of the Company has already offered his shares worth approx. Rupees 15 Crore to SEBI as security and SEBI has also marked a lien on such shares till final disposal of the matter. Statutory intimation has also been made to stock exchanges in this regard. The other noticees have also deposited their amount of penalty with SEBI, which is also under protest.

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

i. Your Company has not accepted any deposits covered under chapter V of the Companies Act, 2013;

ii. Your Company has not issued equity shares with differential voting rights, dividend or otherwise;

iii. Your Company has not issued shares (including sweat equity shares) to employees of the company under the ESOS scheme or otherwise;

iv. During the year, the auditors, the secretarial auditors and cost auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

v. There are no qualification in the Reports provided by the Auditors for the financial year ended March 31, 2021, except the report of Statutory Auditors.

vi. Consequent to the cash crunch faced by the company resulting into bank defaults, Company has submitted Restructuring proposal to the consortium of lenders which is under their consideration.

vii. The following information is given in the Corporate Governance Report forming part of this Report:

   i) The performance evaluation of the Board, the Committees of the Board, Chairperson and the individual Directors;

   ii) The Composition of Audit Committee; and

   iii) The details of establishment of Vigil Mechanism.

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

UNPAID/UNCLAIMED DIVIDEND

The details of amount lying in the unpaid dividend accounts of the Company in respect of last seven years are as under:

Financial Year	Nature of Dividend	Date of transfer to Unpaid Dividend account	Due date of transfer to IEPF
2013-14	Final Dividend	03.11.2014	03.11.2021
2017-18	Final Dividend	25.10.2018	25.10.2025

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

DIRECTOR'S RESPONSIBILITY STATEMENT

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

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

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

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

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

for Aksh Optifibre Limited

Dr.Kailash S. Choudhari
Chairman
DIN: 00023824

Date: August 6, 2021
Place: New Delhi

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Annexure –I

Statement containing the salient features of the financial statements of subsidiaries
Form AOC-1 (Part-A Subsidiaries)
[Pursuant to first proviso to sub section (3) of Section 129 of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014]

[Rs. In Lakhs]

Particulars	Name of Subsidiary				
	Aksh Composites Private Limited	**AOL FZE**	**AOL Technologies FZE**	**Aksh Technologies (Mauritius) Limited**	***AOL Composites (Jiangsu) Co. Ltd (Step down Subsidiary)***
Date since when subsidiary was acquired	September 15, 2016	August 17, 2010	August 21, 2017	October 5, 2017	July 18, 2017
Financial Year ended	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021	March 31, 2021
Exchange Rate (AED/INR)	NA	19.91	19.91	1.79	19.91
Share Capital	360.00	21,683.47	5,348.09	508.80	783.30
Reserves & Surplus	(634.69)	(24,939.85)	(393.38)	(413.53)	(248.35)
Total Assets	1,556.72	9,215.24	10,564.19	531.25	921.52
Total Liabilities (excluding share capital and reserves & surplus)	1,831.41	12,471.62	5,609.49	435.98	386.39
Investment	-	-	-	-	-
Turnover	818.80	1,004.05	0	158.53	48.27
Profit/ (loss) before Taxation	(193.03)	(1,962.50)	(574.25)	(155.07)	(102.64)
Deferred Tax Income	(49.29)	0	0	(23.57)	0.00
Profit after Taxation	(9143.94)	(1,962.50)	(574.25)	(131.50)	(102.64)
Proposed Dividend	0	0	0	0	0
% of shareholding	100	100	100	100	100

For and on behalf of the Board of Directors

For BGG & Associates.
FRN: 0168743N
Chartered Accountants

CA Alok Kumar Bansal
Partner
Membership no.: 092854

Place: New Delhi
Date: June 11, 2021

Pramod Kumar Srivastava
Chief Executive Officer
Place : New Delhi

Dr. Kailash S. Choudhari
Chairman
DIN : 00023824
Place : New Delhi

Gaurav Mehta
Chief- Corporate Affairs and Company Secretary
Place: New Delhi

Charan Deep Singh
Process Leader (F&A)
Place: New Delhi

Annexure -II

Annual Report on CSR Activities
(Pursuant to Section 135 of the Companies Act, 2013)

ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL, 2020

1. Brief outline on CSR Policy of the Company

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

The Objectives of this policy are elucidated hereunder:

a. To make the stakeholders aware about CSR and how such activities are to be conducted in the Company.

b. Demonstrate commitment to common good through responsible business practices.

c. To directly or indirectly take up programmes/projects that benefit the communities in and around its operations which result over a period of time in enhancing the quality of life and economic well-being of the local populace.

d. To encourage employees to participate in the Company's CSR initiatives.

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

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Sunil Puri (Chairman)	Independent Director	0	0
2	Mr. Sanjay Katyal (Member)	Independent Director	1	1
3	Mr. Harvinder Singh (Member)	Independent Director	0	0
4	Mr. Rikhab Chand Mogha (Member)	Non- Executive Director	1	1

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

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

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

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

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

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
1	--	Nil	Nil
2	--	Nil	Nil
3	2020-21	Nil	29,136.00
	Total	**Nil**	**29,136.00**

6. Average net profit of the company as per section 135(5): 20,62,63,457.00

7. (a) Two percent of average net profit of the company as per section 135(5) : **41,25,269.00**

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

(c) Amount required to be set off for the financial year, if any: **29,136.00**

(d) Total CSR obligation for the financial year : **41,25,269.00**

8. **(a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
41,54,405.00	**Nil**	**NA**	**Nil**	**NA**	**NA**

(b) Details of CSR amount spent against ongoing projects for the financial year:NIL

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year (in Rs.).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.).	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
1.												
2.												
3.												
	Total											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount allocated for the project (in Rs.).	Mode of implementation - Direct (Yes/ No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name	CSR Registration number.
	"UPVAN" Promotion of Greenery & Tree Plantation	IV	Yes	Bhiwadi (Alwar) Rajasthan		12.90	Yes	NA	NA
	HEALTH & SANITATION Installation of water coolers and purifiers	I	Yes	Bhiwadi (Alwar) Rajasthan		1.15	Yes	NA	NA
	"SHIKSHA HAMARA SWABHIMAN" Govt. Higher Secondary School, Reengus Govt. Girls Higher Secondary School, Reengus Govt. Upper Primary School, Parsarampura Govt. School, Chomupurohitan	II	Yes	Reengus (Sikar) Rajasthan		1.15	Yes	NA	NA
	"ECONATION"& ALL OTHER ACTIVITIES Promotion of Greenery & Tree Plantation	IV	Yes	Reengus (Sikar) Rajasthan		15.61	Yes	NA	NA
	Digital Payment Promotion	II	Yes	Sitapura, Jaipur Rajasthan		10.73	Yes	NA	NA

(d) Amount spent in Administrative Overheads: **Nil**

(e) Amount spent on Impact Assessment, if applicable: **Nil**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **41,54,405.00**

(g) Excess amount for set off, if any: **29,136.00**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	**41,25,269.00**
(ii)	Total amount spent for the Financial Year	**41,54,405.00**
(iii)	Excess amount spent for the financial year [(ii)-(i)]	**29,136**
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	**Nil**
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	**29,136**

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	--	**Nil**	**Nil**	**NA**	**Nil**	**NA**	**NA**
2.	--	**Nil**	**Nil**	**NA**	**Nil**	**NA**	**NA**
3.	--	**Nil**	**Nil**	**NA**	**Nil**	**NA**	**NA**
	Total	**Nil**	**Nil**	**NA**	**Nil**	**NA**	**NA**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed / Ongoing.
				Name of the Fund	Amount (in Rs).	Date of transfer.		
1	--	**--**	**NA**	**NA**	**Nil**	**Nil**	**Nil**	**NA**
2	--	**--**	**NA**	**NA**	**Nil**	**Nil**	**Nil**	**NA**
3	--	**--**	**NA**	**NA**	**Nil**	**Nil**	**Nil**	**NA**
	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year(asset-wise details). NOT APPLICABLE

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

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

Sd/-
(Chief Executive Officer).

Sd/-
(Chairman CSR Committee).

Date: June 11, 2021
Place: New Delhi

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Annexure –III

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March 2021
[Pursuant to section 204(1) of the Companies Act, 2013 and rule no.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aksh Optifibre Limited (hereinafter called the Company/ AOL) CIN : L24305RJ1986PLC016132 and having registered office at F- 1080, RIICO Industrial Area, Phase- III, Bhiwadi- 301019. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the AOL's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder,subject to comments and remarks by statutory auditor in their audit report. The Company also has proper board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained and submitted to us by Aksh Optifibre Limited ("the Company") for the financial year ended on 31st March, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder, as applicable;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as applicable:-

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board Of India (Prohibition of Insider Trading) Regulations, 2015;

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, (Not applicable to the Company during the Audit Period);

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the Audit Period);

   e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period);

   i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   j) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2013 (Not applicable to the Company during the Audit Period);

(vi) Applicable provisions of The Factories Act, 1948

(vii) Air (Prevention & Control of pollution) Act, 1981, Water (Prevention & Control of pollution) Act, 1974, Environment (Protection) Act, 1986, TheNoise Pollution (regulation and control) Rules, 2000

(viii) Provision of EDLI Scheme 1976 of the Employees Provident Fund and Miscellaneous Provisions Act 1952 and the Employees State Insurance Act, 1948

(ix) Payment of Wages Act 1936 and The Minimum Wages Act, 1948

(x) Payment of Bonus Act, 1965

(xi) Payment of Gratuity Act, 1972

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

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

We further report that

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

Adequate notice is given to all the Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at the Board and Committee Meetings are carried out unanimously or with requisite majority as the case may be and recorded in the minutes of the respective meeting while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the audit period

1. The Company had received an Order No. WTM/AB/EFD- 1/DRA-1/11/2019-20 dated June 28, 2019 passed by Whole Time Member of Securities and Exchange Board of India in respect of the SEBI Show Cause Notice dated May 23, 2018 under Section 11(1), 11(4) and 11B of the Securities and Exchange Board of India Act, 1992, against which it had filed Writ of Mandamus with Hon'ble High Court, Jaipur. For that The Order was pronounced in April 2021, wherein Hon'ble High Court while dismissing the petition has asked the Company to file a fresh settlement application with SEBI and has suggested SEBI to consider the application in line with settlement orders of other Company. Accordingly, the Company has filed settlement applications with SEBI. The Company and other noticees have also filed an appeal with Hon'ble Securities Appellate Tribunal, Mumbai (SAT), against abovesaid SEBI Order, which is pending as on 31st March, 2021

2. SEBI had issued an order dated February 28, 2020 in respect of the Show Cause Notice dated June 8, 2018 under Section 15-I of the Securities and Exchange Board of India Act, 1992 read with Rule 5 of the Securities and Exchange Board of India (Procedure for holding inquiry and imposing penalties) Rules, 1995 and Section 23 I of Securities Contracts (Regulation) Act, 1956 read with Rule 5 of the Securities Contracts (Regulation) (Procedure for holding inquiry and imposing penalties) Rules, 2005. The Company and the other Noticees i.e Dr. Kailash S. Choudhari, Mr. P.F Sundesha, Mr. Arun Sood and Mr. B.R. Rakhecha filed an appeal before the Hon'ble Securities Appellate Tribunal on October 27, 2020 against the said order. SEBI has also issued the Notice of demand dated November 11, 2020 and November 19, 2020 under Rule 2 of the Second Schedule to the Income Tax Act, 1961 read with Section 28A of the Securities and Exchange Board of India Act, 1992 (as amended by the securities laws (amendment) Act, 2014) read with section 222 of the Income Tax Act, 1961 to the Company and other noticees in relation to its abovesaid order pursuant to which the Company and other noticees were required to deposit the specified amount (including interest and recovery cost) to SEBI.

   In furtherance of the penalty demanded from the Company, Dr. Kailash S. Choudhari, promoter and chairman of the Company has offered his 1,77,09,218 Equity Shares of the Company as a security to SEBI till the appeal before SAT is pending. SEBI vide notice of attachment of demat account dated January 20,2021 has attached the abovesaid equity shares. The other noticees have deposited their penalty amount with SEBI.

   As on 31st March,2021 appeals against SEBI orders were pending before Hon'ble Securities Appellate Tribunal, Mumbai.

3. During the period under review, Enforcement Directorate (ED) has issued various summons to the Company, Mr. Gaurav Mehta, Dr. Kailash S. Choudhari, Mr. Popatlal Fulchand Sundesha and Mr. Chetan Choudhari to appear in the Office of ED and provide certain documents/ information related to GDR issue in the year 2010. After personal hearing and submission of desired information/documents, no further communication has been received from ED, as on 31st March, 2021

4. During the period under review, the Company has received notice for default under Section 203 of the Companies Act 2013 read with Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 by Registrar of Companies, Jaipur (ROC). The Company has submitted reply of the notice to the ROC. As on 31st March, 2021 no further communication has been received from the ROC.

For Himanshu Sharma & Associates
Company Secretaries

Himanshu Sharma
FCS: 9529
CP No.: 11553
UDIN:F009529C000531820

Date: 28.06.2021
Place: New Delhi

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Annexure –IV

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

Particulars pursuant to the Companies (Accounts) Rules, 2014

Information as required pursuant to Companies (Accounts) Rules, 2014 forming part of the Director's Report for the financial year ended March 31, 2021 is as follows:

1.	**CONSERVATION OF ENERGY**	
(a)	Energy conservation measures taken	40 New Production heads increased in existing FRP Production lines.
(b)	Additional investments & proposals, if any, being implemented.	Rs. 7.5 Lac for modification to increase production head.
(c)	Impact of measures of a & b above for reduction of energy consumption & consequent impact on cost of production	Avg. power consumption reduced by @ 0.1 Kwh per km FRP Rod i.e.20 lacs per annum and increased production capacity by 10%
(d)	Total energy consumption and energy consumption per unit of production in respect of Industries specified in the schedule thereto	Total Power Consumption in 2020-21:-9388703 KWH Energy Consumption 1.37 Kwh per KM (FRP Rod) Energy consumption 3.12 KWH per FKM (OF) Energy consumption 3.58 KWH per FKM (OFC)
(e)	The steps taken by the company for utilising alternate sources of energy;	As an alternate source of energy we are using 100 KWP Solar Power in Reengus Plant.
2.	**TECHNOLOGY ABSORPTION [Research and Development (R&D)]**	
(a)	Specific area in which R & D is carried by the Company	-Development of high diameter ARP Rod (0.7, 0.8, 1.0 & 1.2 mm.) -Development of High Tensile Strength Anti Bird bite /Anti Squirrel/Anti Monkey bite FRP Armoured ADSS Cables
(b)	Benefits derived as a result of the above R&D	Products developed - To develop new global/domestic market and business - To provide effective solution to customers
(c)	Future Plan of action	- To be start commercial production of these sizes of ARP - To develop Flat Type ADSS Optical fibre with copper wire - To develop high fibre count cable in micro module design - To develop easy strip fibre for indoor cables - To develop upgraded design of ADSS Cable for Windmill applications - To get NABL approval of Optical Fibre and Optical Fibre Cable Laboratory
(d)	Expenditure on R & D.	Products developed on existing Machines so no major expenditure on R& D.
3.	**CONSERVATION OF ENERGY**	
(a)	Efforts in brief, made through towards technology absorption, adaptation and innovation.	-Developed new vendors for Glass Roving -Developed new vendor of PA-12
(b)	Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.	Cost Reduction & ensured timely availability of Raw Materials.
(c)	Information regarding Imported Technology:	Not Applicable
	a. Technology imported	
	b. Year of Import	
	c. Has the technology been fully absorbed	
	d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.	

4. FOREIGN EXCHANGE EARNINGS AND OUTGO

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

CORPORATE GOVERNANCE REPORT

CONTINUED DEDICATION TO CORPORATE FAIRNESS, TRANSPARENCY AND ACCOUNTABILITY

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

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

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

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

2. THE BOARD OF DIRECTORS

Composition

The Company's policy is to maintain an optimum balance of Executive & Non-Executive Directors as per Regulation 17(1) of the Listing Regulations, 2015. The Composition of the Board as on March 31, 2021 are as follows:

Name of Director	Category of Directorship
Dr. Kailash S Choudhari	Promoter & Chairman (Non-Executive Director)
Mr. Rikhab Chand Mogha	Non-Executive Non Independent Director
Mr. Satyendra Kumar Gupta*	Non-Executive Non Independent Director
Mr. Sanjay Katyal**	Non-Executive - Independent Director
Ms. Anuja Bansal**	Non-Executive - Independent Director
Mr. Harvinder Singh***	Non-Executive - Independent Director
Mr. Sunil Puri***	Non-Executive - Independent Director

*Appointed as an Additional Director of the Company on December 01, 2020. The appointment of Mr. Gupta was confirmed by the shareholders of the company on January 6, 2021 through postal ballot.

**Appointed as an Additional Directors of the Company on June 9, 2020.Their appointment was confirmed by the shareholders in the last AGM.

***Appointed as Additional Directors of the Company on February 10, 2021.

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

During the Financial year 2020-21 the following Directors resigned:

Name of Director	Category of Directorship	Resignation Date	Reason of Resignation
Mr. Ankit Rawat*	Non-Executive - Independent Director	August 8, 2020	Due to his other professional commitments.
Mr. Arvind Gupta**	Non-Executive -Independent Director	September 5, 2020	The Reasons for resignation were stated in the letter of resignation available on the website of Stock Exchanges.
Ms. Yamini Agarwal***	Non-Executive -Independent Director	September 21, 2020	Due to non- regularization as Director by the members of the Company at the 33rd Annual General Meeting held on September 21, 2020.
Mr. Charan Deep Singh****	Non-Executive - Independent Director	February 10, 2021	Stepped down as Independent Director of the Company having taken a leadership role in the Accounts & Finance Department of the Company.

*Appointed as an Additional Director of the Company on November 1, 2019.

**Appointed as an Additional Director of the Company on February 13, 2020.

***Appointed as an Additional Director of the Company on October 29, 2019.

****Appointed as an Additional Director of the Company on May 25, 2020.

It is hereby confirmed that pursuant to the resignation letters, there was no other material reason for the resignations of the above said Directors other than those stated as above.

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

As per the statutory requirements of the Listing Regulations, 2015 all the Independent Directors on the Board of your Company are experienced and renowned in their respective fields. They take active part in the Board and Committee meetings which add value in the decision making process of the Board of Directors. The Company has received declaration from each of the Independent Directors of the Company confirming that he/ she meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013, rules framed thereunder and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). It is confirmed that in the opinion of the Board of Directors, the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

Key Board qualifications, Expertise and attributes

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

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

Board Functioning & Procedure

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

In accordance with the provisions of Regulation 17(2) of the Listing Regulations 2015, the Board meets at least once in every quarter to review the quarterly results and other items of agenda as required under Listing Regulations 2015, and if necessary, additional meetings are held. The Chairman of the Board and the Company Secretary deliberate the items to be included in the agenda and the agenda is sent in advance to the Directors. All relevant information, much beyond what has been stipulated and the Companies Act, applicable Secretarial Standards and Listing regulations is provided to the Board of Directors to enable informed decision making process.

During the financial year ended on March 31, 2021, the Board of Directors held 6 (Six) meetings with not more than one hundred and twenty days' gap between any two meetings. The Board Meetings were held during the year on the following dates:

(i) May 28, 2020 (ii) June 24, 2020 (iii) August 14, 2020 (iv) November 12, 2020 (v) December 01, 2020 (vi) February 10, 2021.

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

The shareholding of the Board of Directors, attendance in Board Meeting and at the last Annual General Meeting, Number of other Directorships, Committee memberships and Chairmanships held by them as on March 31, 2021 are given below:

Name	Shares held	No. of other Director ships*	No of other Committee positions held**		No. of Board Meetings attended during FY 2020-2021	Attendance at the 33rd AGM held on September 21, 2020
			Chairman	Member		
Dr. Kailash S. Choudhari	20,205,678	Nil	Nil	Nil	6	Yes
Mr. Satyendra Gupta^	100	Nil	Nil	Nil	1	NA
Mr. Sanjay Katyal^	Nil	Nil	Nil	Nil	5	Yes
Mr. Harvinder Singh^	Nil	Nil	Nil	Nil	0	NA
Ms. Rikhab Chand Mogha	Nil	Nil	Nil	Nil	6	Yes
Ms. Anuja Bansal^	Nil	Nil	Nil	Nil	5	Yes
Mr. Sunil Puri^	Nil	Nil	Nil	Nil	0	NA
Mr. Ankit Rawat^^	Nil	Nil	Nil	Nil	2	NA
Mr. Arvind Gupta^^	190,000	Nil	Nil	Nil	3	NA
Ms. Yamini Agarwal^^	Nil	Nil	Nil	Nil	3	Yes
Mr. Charan Deep Singh^^	Nil	Nil	Nil	Nil	5	Yes

^Appointment of the Directors were made as follows:

a. Mr. Satyendra Gupta was appointed as an Additional Director of the Company w.e.f. December 01, 2020.

b. Ms. Anuja Bansal and Mr. Sanjay Katyal were appointed as Additional Directors of the Company w.e.f. June 9, 2020.

c. Mr. Harvinder Singh and Mr. Sunil Puri were appointed as Additional Directors of the Company w.e.f. February 10, 2021.

^^Resignations were given by Directors as follows:

a. Mr. Ankit Rawat resigned from the directorship of the Company w.e.f. August 8, 2020,

b. Mr. Arvind Gupta resigned from the directorship of the Company w.e.f September 5, 2020,

c. Mr. Yamini Agarwal ceased to be the Director of the Company w.e.f. September 21, 2020 &

d. Mr. Charan Deep Singh resigned from the directorship of the Company w.e.f.February 10, 2021.

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

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

None of the Directors is related to any other Director/Key Managerial Personnel of the Company as on March 31, 2021.

During the Financial year Mr. Sudhir Kumar Jain, appointed as a CFO & KMP w.e.f. May 29, 2020, resigned from his position w.e.f. August 14, 2020. Thereafter, Mr. Sanjay Banka was appointed as a CFO & KMP on August 14, 2020, who resigned from the post w.e.f. November 30, 2020. Subsequently, Mr. Mukesh Gupta was appointed as CFO of the company w.e.f. December 1, 2020 and he resigned on February 10, 2021.

Separate Independent Directors' Meetings

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

The Independent Directors met once, i.e. on December 1, 2020 during the Financial Year ended March 31, 2021 and the following activities were undertaken by them at the meeting:

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

Directors' Induction and Familiarization

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

The induction process is designed to:

a. build an understanding of the Company, its businesses and the markets and regulatory environment in which it operates;

b. provide an understanding of the role and responsibilities of the Director;

c. to equip Directors to perform their role on the Board effectively; and

d. develop understanding of Company's people and its key stakeholder relationships.

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

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

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

Board Evaluation

The Company has Nomination and Remuneration Policy, adopted by the Board of Directors. The policy provides for evaluation of the Board, the Committees of the Board and individual Directors, including the Chairman of the Board. During the Financial Year 2020-21 the evaluation was completed by the Company which included the evaluation of the Board as a whole, Board Committees and Directors. The Evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgment.

Live Smart

The result of the evaluation was shared with the Board. Based on the outcome of the evaluation, the Board had agreed on the action plan to improve on the identified parameters.

Performance Evaluation of Independent Directors:

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

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

Certification of Company Secretary in Practice

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

Code of Conduct

The Board of Directors has adopted the Code of Conduct and Ethics for Directors and Senior Management personnel.The Code has also been posted on the Company's website www.akshoptifibre.com.

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

A declaration signed by the Chief Executive Officer of the Company is given below:

This is to certify that, to the best of my knowledge and belief, for the financial year ended on March 31, 2021, all Board members and Senior Management Personnel have affirmed compliance with the code of Conduct for Directors and Senior Management respectively.

Pramod Kumar Srivastava
Date: August 6, 2021 **Chief Executive Officer**

3. COMMITTEES OF DIRECTORS & POLICIES

Meetings of Board Committees held during the year and Director's Attendance as on March 31, 2021:

Board Committees	Audit Committee	Stakeholders Relationship Committee	CSR Committee	Nomination & Remuneration Committee	Finance Committee
Meetings held	**6**	**3**	**1**	**4**	**0**
Director's Attendance					
Dr. Kailash S. Choudhari	6	NA	NA	NA	NA
Mr. Satyendra Gupta	NA	NA	NA	NA	NA
Mr. Rikhab Chand Mogha	NA	NA	1	4	NA
Ms. Yamini Agarwal	NA	3	NA	2	NA
Mr. Ankit Rawat	2	2	NA	1	NA
Ms. Anuja Bansal	5	3	1	3	NA
Mr. Sanjay Katyal	5	3	1	3	NA
Mr. Charan Deep Singh	5	NA	NA	NA	NA
Mr. Harvinder Singh	NA	NA	NA	NA	NA
Mr. Sunil Puri	NA	NA	NA	NA	NA

NA- Not Applicable.
Details of Reconstitution of Committees is provided in the respective section of the Committee.
The details of the Change in Directors and Committee Members has been provided separately in this Report.

A. AUDIT COMMITTEE

The terms of reference, role and scope are in line with those prescribed byRegulation 18 of Listing Regulations 2015. The Company also complies with the provisions of Section 177 of the Companies Act, 2013 pertaining to Audit Committee and its functioning. The terms of reference of the Audit Committee and the powers vested in this committee as mentioned in the Corporate Governance Report for the FY 2020-21 are wide in scope and allow it the necessary latitude to discharge its duties efficiently and independently.

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

ROLE OF AUDIT COMMITTEE

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

(1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(2) recommendation for appointment,remuneration and terms of appointment of auditors of the listed entity;

(3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;

(4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

  (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;

  (b) changes, if any, in accounting policies and practices and reasons for the same;

  (c) major accounting entries involving estimates based on the exercise of judgment by management;

  (d) significant adjustments made in the financial statements arising out of audit findings;

  (e) compliance with listing and other legal requirements relating to financial statements;

  (f) disclosure of any related party transactions;

  (g) modified opinion(s) in the draft audit report;

(5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;

(6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

(7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

(8) approval or any subsequent modification of transactions of the listed entity with related parties;

(9) scrutiny of inter-corporate loans and investments;

(10) valuation of undertakings or assets of the listed entity, wherever it is necessary;

(11) evaluation of internal financial controls and risk management systems;

(12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(14) discussion with internal auditors of any significant findings and follow up there on;

(15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

(16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(18) to review the functioning of the whistle blower mechanism;

(19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee;

(21) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;

(22) consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

(23) The Committee has systems and procedures in place to ensure that the Audit Committee periodically reviews:

a. Management discussion and analysis of financial condition and results of operations;

b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

c. Management letters/ letters of internal control weaknesses issued by the statutory auditors;

d. Internal audit reports relating to internal control weaknesses, if any;

e. Appointment, removal and terms of remuneration of the Chief Internal Auditor, if any;

f. Statement of deviations: (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1). (b) annual statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice in terms of the Listing Regulations 32(7).

MEETING OF AUDIT COMMITTEE

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

(i) May 28, 2020 (ii) June 24, 2020 (iii) August 14, 2020 (iv) November 12, 2020 (v) December 1, 2020 (vi) February 10, 2021

The composition of Audit Committee is as below:

S. No.	Name	Category	Position
1.	Mr. Harvinder Singh *	Non-Executive Independent Director	Chairman
2.	Mr. Sunil Puri*	Non-Executive Independent Director	Member
3.	Mr. Satyendra Kumar Gupta*	Non-Executive Director	Member
2.	Ms. Anuja Bansal **	Non-Executive Independent Director	Member
5.	Mr. Sanjay Katyal***	Non-Executive Independent Director	Member
6.	Dr. Kailash S Choudhari***	Non-Executive Director	Member
7.	Mr. Ankit Rawat****	Non-Executive Independent Director	Member
8.	Ms. Yamini Agarwal****	Non-Executive Independent Director	Member
9.	Mr. Charan Deep Singh****	Non-Executive Independent Director	Member

*Inducted as the members of the committee w.e.f. March 31, 2021.
**Inducted as member of the Committee w.e.f. June 9, 2021.
***Ceased to be the members of the Committee w.e.f. March 31, 2021.
**** Resignation/Cessation from the Directorships already disclosed under composition of Board of Director.

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

All the members of the Audit Committee as on March 31, 2021 are Independent Director except Mr. Satyendra Kumar Gupta who is Non- Executive Director of the Company. All the members have sound knowledge of accounts, audit, finance, internal controls, law etc.

The Audit Committee invites such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at its meetings. The Chief Financial Officer/ Process Leader (Finance & Accounts) attends the meetings. The Statutory Auditors are also invited to the meetings.

B. NOMINATION AND REMUNERATION COMMITTEE

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

S. No.	Name	Category	Position
1.	Mr. Sanjay Katyal*	Non-Executive-Independent Director	Chairman
2.	Ms. Anuja Bansal*	Non-Executive-Independent Director	Member
3.	Mr. Harvinder Singh**	Non-Executive-Independent Director	Member
4.	Mr. Satyendra Kumar Gupta**	Non-ExecutiveDirector	Member
5	Mr. Rikhab Chand Mogha***	Non-ExecutiveDirector	Member
6.	Mr. Ankit Rawat****	Non-Executive-Independent Director	Member
7.	Ms. Yamini Agarwal****	Non-Executive-Independent Director	Member

*Inducted as the members of the Committee w.e.f. June 9, 2020.

**Inducted as the members of the committee w.e.f. March 31, 2021.

*** Ceased to be the member of the committee w.e.f. March 31, 2021.

****Resignation/Cessation from the Directorships already disclosed under composition of Board of Director.

During the period under review, four meeting of the Nomination and Remuneration Committee was held on, May 28, 2020, August 13, 2020, December 01, 2020, and February 10, 2021. The Company has a Nomination & Remuneration Policy in place. The same is available on the website of the company at http://www.akshoptifibre.com/corporate-governance.php.

The attendance of the meeting of Nomination and Remuneration Committee is given in consolidated manner mentioned above under the head Committees of Directors. As at the end of Financial Year 2020-21, there being no permanent Chairman of the Committee, the members elect one amongst themselves as Chairman of the meeting to preside over the same.

Role of Nomination and Remuneration Committee

1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

2) formulation of criteria for evaluation of performance of independent directors and the board of directors;

3) devising a policy on diversity of board of directors;

4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;

5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

6) recommend to the board, all remuneration, in whatever form, payable to senior management;

Details of Director's Remuneration

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

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

S. No.	Name of Director	Sitting Fees paid (Rs.)
1	Ankit Rawat	1,12,500
2	Anuja Bansal	2,75,000
3	Arvind Gupta	75,000
4	Charan Deep Singh	1,87,500
5	Dr. Kailash Shantilal Choudhari	2,25,000
6	Rikhab Chand Mogha	2,12,500
7	Sanjay Katyal	2,75,000
8	Satyendra Gupta	25,000
9	Yamini Agarwal	1,37,500

C. STAKEHOLDERS RELATIONSHIP COMMITEEE

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

The composition of the Committee is as below:

S. No.	Name of Director	Category	Position
1.	Ms. Anuja Bansal*	Non-Executive- Independent Director	Chairman
2.	Mr. Sanjay Katyal*	Non-Executive- Independent Director	Member
3.	Mr. Sunil Puri**	Non-Executive- Independent Director	Member
4.	Mr. Rikhab Chand Mogha***	Non- Executive Director	Member
5.	Dr. Kailash S Choudhari****	Non-Executive-Non Independent Director	Member
6.	Mr. Ankit Rawat*****	Non-Executive- Independent Director	Member
7.	Ms. Yamini Agarwal*****	Non-Executive- Independent Director	Member

*Inducted as the members of the Committee w.e.f. June 9, 2020.

**Inducted as the member of the committee w.e.f. March 31, 2021.

*** Inducted as the member of the committee w.e.f. November 12, 2020.

****Resigned from the Stakeholders Relationship Committee of the Company on June 25, 2020.

*****Resignation/Cessation from the Directorships already disclosed under composition of Board of Director.

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The Stakeholder's Relationship Committee's composition and the terms of reference meet with the requirements of Regulation 20 of the Listing Regulations, 2015 and provisions of the Companies Act, 2013. As at the end of Financial Year 2020-21, there being no permanent Chairman of the Committee, the members elect one amongst themselves as Chairman of the meeting to preside over the same.

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

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

Investors' Compliant – The status of Investor Compliant is given below as on March 31, 2021

Number of shareholders' complaints received so far	Number of Complaints not resolved	Number of pending complaints
2	NIL	NIL

D.CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

S.No.	Name	Category	Position
1.	Mr. Sunil Puri*	Non-Executive Independent Director	Chairman
2	Mr. Harvinder Singh*	Non-Executive Independent Director	Member
3.	Mr. Sanjay Katyal**	Non-Executive Independent Director	Member
4.	Mr. Rikhab Chand Mogha	Non-Executive Director	Member
5.	Ms. Anuja Bansal***	Non-Executive Independent Director	Member

*Inducted as the members of the committee w.e.f. March 31, 2021.

**Inducted as the members of the committee w.e.f. June 9, 2020.

*** Inducted as member of the Committee w.e.f. June 9, 2020 and ceased to be the member of the committee w.e.f. March 31, 2021.

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

POLICIES

i. Nomination and Remuneration Policy

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

ii. Policy on dealing with Related Party Transactions

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

iii. Policy on Material Subsidiary

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

iv. Insider Trading Code

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

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

v. Vigil Mechanism and Whistle Blower Policy

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

vi. Corporate Social Responsibility Policy

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

vii. Policy on Preservation and Retrieval of Documents and Records

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

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

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

4. GENERAL BODY MEETINGS

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

Year	Date of AGM	Venue	Time	Special Resolutions passed
2019-20	21.09.2020	Through Video Conference/ Other Audio Video Means	11.30 AM	**One**
2018-19	30.09.2019	F-1080, RIICO Industrial Area, Phase-III, Bhiwadi - 19 (Rajasthan)	11.30 AM	**One**
2017-18	22.09.2018	F-1080, RIICO Industrial Area, Phase-III, Bhiwadi - 19 (Rajasthan)	11.30 AM	**Four**

Postal Ballot

No special resolution was passed during the year through Postal Ballot. However, the Company has sought the approval of shareholders through postal ballot for the following ordinary resolution(s).

S. No.	Date of Postal Ballot Notice	Particulars of Resolution(s)	Details of Voting	
			Votes casted in favour	Votes casted against
1	1.12.2020	Appointment of Mr. Satyendra Kumar Gupta (DIN: 00035141) as Non-Executive Director of the Company w.e.f. December 1, 2020.	**99.94%**	**0.06%**
2		Appointment of Mr. Satyendra Kumar Gupta as Professional Consultant of the Company w.e.f. December 1, 2020 for a period of 3 years.	**99.95%**	**0.05%**

Mr. Jayant Gupta was appointed as Scrutinizer to conduct the Postal Ballot process.

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

5. DISCLOSURES

a) During the financial year under review the Company has not entered into any transaction of the material nature with its promoters, the Directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of the Company at large.

b) During the last three years there was no instance of non-compliance by the Company of any formalities of Stock Exchange, SEBI or any Statutory Authority, nor any penalty imposed on the Company from the Stock Exchange or any Statutory Authority except the penalty levied by the SEBI vide Order No. WTM/AB/EFD-1/DRA-1/11/2019-20 dated June 28, 2019 and Order No /GR/AE/2019-20/7073-7078 dated February 28, 2020 .

c) No personnel has been denied access to the Audit Committee.

d) All Mandatory requirements as per Listing Regulations, 2015 have been complied with by the Company.

e) Other than transactions entered into in the normal course of business, the Company has not entered into any materially significant related party transactions during the period, which could have a potential conflict of interest with the Company at large.

f) In terms of Regulation 17(8) of the Listing Regulations 2015, the Chief Executive Officer and Chief Financial Officer/ Process Leader-Finance & Accounts has made a certification to the Board of Directors in the prescribed format for the year under review which has been reviewed by the Audit Committee and taken on record by the Board.

g) The Company has taken cognizance of discretionary requirements under Regulation 27(1) of the Listing Regulations, 2015 and accordingly there is separate posts of Chairman and CEO. Further, Internal Auditors reports directly to the Audit Committee and Financial Statements are with Unmodified Audit Opinion.

h) As regards the other Non-Mandatory requirements, the Company shall adopt the same as and when necessary.

6. MEANS OF COMMUNICATION

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

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

Particulars	Date of Board Meeting	Date of Publication
Quarter ended June 30, 2020	August 14, 2020	August 15, 2020
Quarter ended September 30, 2020	November 12, 2020	November 14, 2020
Quarter ended December 31, 2020	February 10, 2021	February 11, 2021
Quarter and year ended March 31, 2021	June 11, 2021	June 13, 2021

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

7. SUBSIDIARY COMPANIES

As on March 31, 2021, Company has One Indian Wholly Owned Subsidiary namely Aksh Composites Private Limited and Three Overseas Wholly Owned Subsidiary namely AOL-FZE', incorporated in SAIF Zone, Sharjah (U.A.E) AOL Technologies, FZE, incorporated in JAFZA, (UAE) (Material Subsidiary), and Aksh Technologies (Mauritius) Limited, incorporated in Mauritius.

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

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

8. DIRECTOR AND KMP'S INFORMATION

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

Profile of Director seeking re-appointment/appointment:

Mr. Sunil Puri

Mr. Sunil Puri (DIN: 09056198), aged approx. 59 years has been appointed as an Additional Director in the capacity of Non-Executive, Independent Director of the Company w.e.f. February 10, 2021 by the Board, subject to the approval of shareholders, in line with Section 149 of the Companies Act, 2013 ("the Act") and Regulation 17 of the SEBI Listing regulations, 2015, to hold office for five consecutive years, not liable to retire by rotation.

He has done B.tech (Mechanical) with Honors from AMU. and is engaged in providing Consulting Services to various clients. He has also worked for over 32 years in Procurement-SCM function of different Companies.

He does not hold any Equity Shares of the Company. He is not related with any other Director/KMP of the Company. He did not attend any Board Meetings in the Company in the Financial Year 2020-2021. Apart from the Directorship in the Company, he is not holding Directorship in any other Company. He is a Chairman of Corporate Social Responsibility Committee and a member of Audit Committee and Stakeholders Relationship Committee.

Mr. Harvinder Singh

Mr. Harvinder Singh (DIN: 08443544), aged approx. 64 years has been appointed as an Additional Director in the capacity of Non-Executive, Independent Director of the Company w.e.f. February 10, 2021 by the Board, subject to the approval of shareholders, in line with Section 149 of the

Companies Act, 2013 ("the Act") and Regulation 17 of the SEBI Listing regulations, 2015, to hold office for five consecutive years, not liable to retire by rotation.

Mr. Harvinder Singh is qualified Law graduate and Certified associate of Indian Institute of Banking & Finance (CAIIB) and Masters in Commerce. He has worked for more than 40 years in Banking Industry. He was a Member of the Board of Directors of Bank of India for 6 years.

He does not hold any Equity Shares of the Company. He is not related with any other Director/KMP of the Company. He did not attend any Board Meetings in the Company in the Financial Year 2020-2021. Apart from the Company, he is not holding any directorship in any other Company. He holds Chairmanship of Audit Committee and Membership in Nomination and Remuneration Committee, and Corporate Social Responsibility Committee.

Mr. Rikhab Chand Mogha

As per the Companies Act, 2013, Mr. Rikhab Chand Mogha will retire in the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Mr. Mogha is B.E (Electrical) from IIT Roorkee. He has an experience of around 40 years in manufacturing of Wire and Cable Industry. Presently he does not hold directorship in any other company.

He does not hold any Equity Shares of the Company. He is not related with any other Director/KMP of the Company. As on the date of this report, Mr. Mogha is the member of Stakeholder Relationship Committee and Corporate Social Responsibility Committee of Company.

9. GENERAL SHAREHOLDERS INFORMATION

Registered Office

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

Address of Correspondence

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

Compliance Officer and Contact Address:

Mr. Gaurav Mehta
Chief-Corporate Affairs & Company Secretary
A-32 2nd Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044
Telephone: 91-11–49991700, Fax: 91-11-49991800
E- mail: gaurav@akshoptifibre.com, Email for Investor Grievances: investor.relations@akshoptifibre.com

9.1 Annual General Meeting

1.	Date, Time and Venue of the Annual General Meeting	Tuesday, September 28, 2021 at 11:30 A.M. Meeting will be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) facility
2.	Financial Calendar	April 01,2020 to March 31, 2021
3.	Book Closure Dates	September 22, 2021, to September 28, 2021(Both days inclusive)
4.	Dividend Payment Date	Not Applicable
5.	Listing on Stock Exchanges	
(A)	Equity Shares	Stock Code/Symbol
	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001. Website: www.bseindia.com	'532351'
	The National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor, Plot No. C/1, "G Block"Bandra Kurla Complex, Bandra (E), Mumbai – 400051. Website:www.nseindia.com	'AKSHOPTFBR'
6.	ISIN Code for the Company's Equity Shares	INE523B01011
7.	Corporate Identification Number(CIN)	L24305RJ1986PLC016132
8.	Listing Fees	The Company has paid listing fees to the BSE Limited and The National Stock Exchange of India Ltd (NSE), where the Shares of the Company are Listed.
9.	Share Transfer System	Kfin Technologies Private Limited (Formerly known as Karvy Fintech Private Limited) is your Company's Share Transfer Agent. Share transfers in physical form and other communications regarding shares, dividends, change of address, etc., may be addressed to: Kfin Technologies Private Limited. Selenium, Tower-B, Plot no. 31-32, Gachibowli, Financial District, Nanakramguda,Hyderabad – 500032
10.	Investor queries/request for transfer, transmission, issue of duplicate certificates etc to be sent	KFin Technologies Pvt. Ltd.
11.	Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, if any.	Not Applicable

12	Plant Locations	1.	Fibre & Cable Division, Bhiwadi F-1075 – 1081, RIICO Industrial Area, Phase – III, Bhiwadi, Rajasthan – 301019
		2.	FRP & Cable Division, Reengus SP-47, Shree Khatu Shyamji Industrial Complex, Reengus, District Sikar (Rajasthan)
		3.	Ophthalmic Lens Division, Kahrani A-56, Kahrani, Bhiwadi – 301019, Rajasthan
		4.	FRP Manufacturing Facility, Silvassa Survey No. : 2/2/1, Village Karad, Madhuban Dam Road, Silvassa – 396230, U.T. of Dadra & Nagar Haveli, India (Manufacturing division of Aksh Composites Private Limited (Wholly Owned Subsidiary of the Company)
		5.	AOL FRP Division, JAFZA, UAE Plot No. S10914, PO Box. 17267, Jabel Ali, Free Trade Zone, UAE (Manufacturing division of AOL FZE, Wholly Owned Subsidiary of the Company)
		6.	Optical Fibre Cable Manufacturing Division, Mauritius. Industrial Zone Trianon -1721-10, Mauritius
		7.	AOL COMPOSITES (JIANGSU) CO. LTD. Factory No. 01 , Machinery industrial park , the east of bajing road, Danyang Economic Development Zone.Jiangsu Province China.
		8.	Optical Fibre Manufacturing Division Plot No. S-30121B, Jabel Ali, Free Trade Zone, Dubai (UAE) (Manufacturing division of AOL Technologies FZE, Wholly Owned Subsidiary ofCompany) (Yet to be operational)
13	Service Division	1.	1 Stop Aksh Division & Network Operating Centre The Diamond, 4th Floor, Urban Jewels, Opp. SEZ Road, Muhana Terminal Market, Sanganer, Jaipur - 302026
14	Demat Supense Account / Unclaimed Suspense Account	There are no shares lying under Demat Suspense Account / Unclaimed Suspense Account and hence the Company does not have any Demat Suspense Account / Unclaimed Suspense Account	

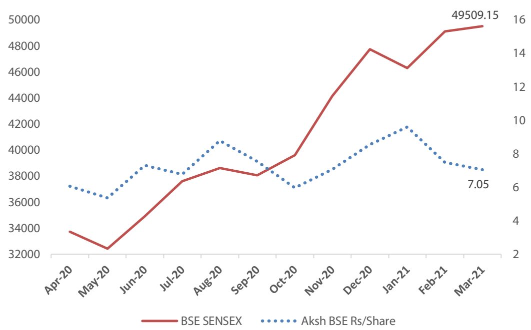
Members holding shares in electronic mode are requested to intimate the change in their address, bank details, etc. to their respective Depository Participants (DPs) and those holding shares in physical mode are requested to intimate the above details to the Share Transfer Agent of the Company, M/s Kfin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

9.2 Market Price Data

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

Month	AKSH BSE PRICE (Rs.)			AKSH NSE PRICE (Rs.)		
	High	Low	Volume	High	Low	Volume
April, 2020	6.07	3.15	1597700	6.05	3.05	1737474
May, 2020	5.36	4.04	987608	5.25	4	3507298
June, 2020	7.3	4.59	1981941	7.35	4.6	8114915
July, 2020	6.78	4.22	1338206	6.75	4.2	3617787
August, 2020	8.79	4.66	3016622	8.7	4.7	4858135
September, 2020	7.55	5.56	1212584	7.5	5.6	4835098
October, 2020	5.96	5.04	880714	6	5.05	3116010
November, 2020	7.06	5.45	1848661	7.1	5.45	4696360
December , 2020	8.54	6.5	2414055	8.55	6.5	10501322
January, 2021	9.6	6.65	4189631	9.5	6.50	12409657
February, 2021	7.49	6.51	1295952	7.45	6.30	6417659
March, 2021	7.05	5.29	2292948	7.1	5.30	6662575

Performance Comparison of Aksh Scrip V/s BSE Sensex



9.3 Distribution of Shareholding as on March 31, 2021

Sl.no	Category (Shares)	No.of Holders	% To Holders	No.of Shares	% To Equity
1	1 - 500	36908	59.98	7804446	4.80
2	501 - 1000	10196	16.57	8884767	5.46
3	1001 - 2000	6128	9.96	9863027	6.06
4	2001 - 3000	2527	4.11	6674342	4.10
5	3001 - 4000	1131	1.84	4128671	2.54
6	4001 - 5000	1235	2.01	5932896	3.65
7	5001 - 10000	1840	2.99	13948214	8.57
8	10001 - 20000	837	1.36	12034804	7.40
9	20001 - 100000	627	1.02	25375067	15.60
10	100001 and above	105	0.17	68051737	41.83
	TOTAL:	**61534**	**100.00**	**162697971**	**100.00**

9.4 Shareholding Pattern

The Shareholding of different categories of the Shareholders as on March 31, 2021 is given below:

Name of the Category of Shareholders	No. of Shares	Amount	% Holding
Promoters	4,54,70,335	22,73,51,675	27.95
FIs/ NRIs/FPIs/NBFCs	42,94,597	2,14,72,985	2.64
Corporate bodies	88,99,141	4,44,95,705	5.47
Trusts/HUFs	57,26,936	2,86,34,680	3.52
Public	9,83,06,962	49,15,34,810	60.42
Total	**16,26,97,971**	**81,34,89,855**	**100.00**

9.5 Dematerialization of Shares

The Shares of the Company are in Compulsory Demat Mode. The breakup of Equity Share Capital held with the depositories and in physical form as on March 31, 2021 is as follows:

Category	No. of Equity Shares Held	% age of Capital
NSDL	10,19,53,916	62.66
CDSL	6,02,49,585	37.03
Physical	4,94,470	0.30
Total	**16,26,97,971**	**100.00**

9.6 Reconciliation of the Share Capital Audit Report

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

9.7 Details of total fees paid to Statutory Auditors

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

(Rs. In Lakhs.)

Type of Services	FY 2020-21	FY 2019-20
Audit fee	51.98	47.61
Other services (certification fees)	-	-
Reimbursement of expenses	0.80	3.04
	52.78	**50.65**

9.8 Complaint pertaining to sexual harassment

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

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COMPLIANCE

CERTIFICATE ON CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,

The Members
AKSH OPTIFIBRE LIMITED
F-1080, Phase III, RIICO Industrial Area,
Bhiwadi, Rajasthan- 301019

1. This report contains details of compliance of conditions of corporate governance by Aksh Optifibre Limited ('the Company') for the year ended March 31, 2021, as stipulated in Regulations 17 to 27, clause (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations') pursuant to the Listing Agreement of the Company with the BSE Limited and the National Stock Exchange of India Limited (collectively referred to as the 'Stock Exchanges').

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

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

Practising Company Secretary's Responsibility

3. The examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. Pursuant to the requirements of the Listing Regulations, it is my responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31, 2021.

Opinion

5. In my opinion, and to the best of my information and according to explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations. During the period under review, consequent to resignation by Director(s) the Board of Directors of the Company was reduced to five members instead of minimum six required under Regulation 17 (i)(c), for the periods April 1, 2020 to May 24, 2020 and September 22, 2020 to November 30, 2020 i.e. for such time during which the Company inducted new directors, within the time limits permitted under law to fill the vacancy caused due to resignation.

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

Restriction on use

7. The certificate is addressed and provided to the Members of the Company solely for the purpose to enable the Company to comply with the requirements of the Listing Regulations, and the same shall not be used by any other person or for any other purpose. Accordingly, I do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without my prior consent in writing.

For Jayant Gupta and Associates

(Jayant Gupta)
Practicing Company Secretary
FCS : 7288
CP : 9738
PR : 759/2020
UDIN: F007288C000742143

Date : August 06, 2021
Place : New Delhi

CEO/CFO CERTIFICATE

The Board of Directors
Aksh Optifibre Limited

We have reviewed financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief, we state that:-

(a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the Auditors and the Audit Committee:-

(i) significant changes in internal control over financial reporting during the year;

(ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal controlsystem over financial reporting.

Yours sincerely,

Pramod Kumar Srivastava	Charan Deep Singh
Chief Executive Officer	**Process Leader (F&A)**

Date: June 09, 2021
Place: New Delhi

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Annexure-A

Certificate of Non-Disqualification of Directors

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

To,

The Members,
AKSH OPTIFIBRE LIMITED
F-1080, Phase III RIICO Industrial Area,
Bhiwadi-301019, Rajasthan

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **AKSH OPTIFIBRE LIMITED** having **CIN: L24305RJ1986PLC016132** (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of the Director	DIN	Date of Appointment in Company
1.	Mr. Kailash Shantilal Choudhari	00023824	05/04/1986
2.	Mr. Rikhab Chand Mogha	08579064	09/10/2019
3.	Mr. Sanjay Katyal	00299412	09/06/2020
4.	Ms. Anuja Bansal	08755399	09/06/2020
5.	Mr. Satyendra Kumar Gupta	00035141	01/12/2020
6.	Mr. Harvinder Singh	08443544	10/02/2021
7.	Mr. Sunil Puri	09056198	10/02/2021

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

For Jayant Gupta and Associates

(Jayant Gupta)
Practicing Company Secretary
FCS : 7288
CP : 9738
PR : 759/2020
UDIN: F007288C000652977

Date : July 19, 2021
Place : New Delhi

Independent Auditor's Report

To the Members of Aksh Optifibre Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of Aksh Optifibre Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

a) We draw your attention to note 50 to the standalone financial statement, which states, the Subsidiary Company namely AOL Technologies FZE, Dubai has Capital work in progress as on 31st March 2021 amounting to Rs. 9,294.38 lakhs in respect of Optical Fibre Manufacturing Plant. Presently the project has been suspended due to paucity of funds and no impairment testing has been carried out by the Subsidiary Company. In the absence of assessment of impairment, we are unable to comment on the recoverable amount with regard to said investment.

b) We draw your attention to note 51 to the standalone financial statement, which states, the Subsidiary Company namely AOL FZE, Dubai has been incurring losses from last few years, resulting in erosion of net worth. The Company is also in default with the Banks towards repayment of its borrowing obligation. Presently operations of subsidiary are suspended due to various reasons, however all value in financial statement have been taken at cost and impairment testing has not been carried out by the management. In the absence of assessment of impairment, we are unable to comment on the recoverable amount with regard to said investment.

We are unable to ascertain the Impact of the above qualifications on the standalone financial statement.

We conducted our audit of the standalone financial statement in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of Matter

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

a) Note 37(d) which explains the uncertainties and the management's assessment of the financial impact related to COVID-19 pandemic situation, for which a definitive assessment of the impact in subsequent period is highly dependent on future economic developments and circumstances as they evolve?

b) Note 45 regarding balance confirmations of Receivable / Payables / Advances paid / Advances received. The Company has sent e-mail to parties with request to confirm their balances out of which only few have responded. Pending receipt of such confirmations the balances have been considered as per books and the management does not forsee any impact arising on account of it.

c) Note 46 regarding that the Company has foreign currency payable aggregating to Rs 2,553.61 lakhs and Rs 354.18 lakhs which are outstanding for more than six months (extended to twelve months) and three years respectively, as of March 31,2021. The Company also has foreign currency receivable balances aggregating to Rs 3,722.39 lakhs which are outstanding for more than nine months (extended to fifteen months), as of March 31,2021. As on the date of signing of financial statement, the Company is in the process of applying for necessary extension in consultation with RBI consultant. Management does not expect any material implication on account of delays under the existing regulations.

d) Note 47 regarding Invocation of Stand by Letter of Credit (SBLC) of USD 44.57 lakhs (equivalent to Rs. 3,271.44 Lakhs) given by the Company's banker namely Union Bank of India (Indian Bank) for the company's wholly owned subsidiary namely AOL Technologies, FZE, Dubai, due to which the Investment in non-cumulative optionally convertible preference share stands increased by the said amount.

e) Note 48 regarding all secured lenders have classified bank account of the Company with them as Non-Performing Assets (NPA) as per prescribed norms issued by Reserve Bank of India (RBI), although provision of interest in respect of such borrowings has been properly accounted for in books of accounts.

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

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion we have determined below to be the Key audit matters to be communicated in our report.

S.No.	Key Audit Matter	Auditor's Response
1.	**Assessing Impairment of the carrying value of Trade receivable and loan receivable from subsidiary companies**	
	(Refer Note No 52 of the accompanying standalone financial statement) As on 31st March 2021, The Company has exposure in Trade receivable and loan receivable (Including Interest) amounting to Rs 3,687.60 lakhs & 2,801.23 lakhs respectively in subsidiary companies. As on 31st March, 2021 net worth of subsidiary companies is Negative. As above mentioned Trade Receivables and loan receivable are significant to the Company's standalone financial statements. The Collectability of receivables is a key element of the company's working capital management, which is managed on an ongoing basis by its management. Further Company has also applied to RBI for extension of period for realisation of unrealised export proceeds from foreign subsidiaries within the prescribed time and the same is currently under process. Given the magnitude and inherent uncertainty involved in the judgement, involved in estimating impairment assessment of receivables, we have identified this as a key audit matter	**Our audit procedures included the following:** **(i)** Obtained an understanding of management's process and evaluated design and tested operating effectiveness of controls around identification and determining the provision for Impairment of receivable. **(ii)** Obtained trade receivable external confirmation and testing the subsequent payment received. **(iii)** Assessed the competence, objectivity, and capabilities of the management staff for the purpose of this assessment. Furthermore we assessed the adequacy and appropriateness of the disclosures in the standalone financial statements.
2.	**Trade Receivables from a Central Government Entity**	
	The Company has outstanding trade receivables of Rs. 2,723.69 lakhs from a Public Sector Entity, owned by the Government of India, in the telecommunications sector. The Company has taken necessary steps for the recovery of the amount due. Considering that the amount is due from a Central Government Entity and based on experience of realisation and steps taken by the Company for recovery, it is confident of recovering the balance amount in due course, however part of outstanding receivables received in April 2021. The management of the Company has assessed that a provision for impairment is not required as the amount recoverable from the Central Government Entity. This matter has been considered as a key audit matter considering the significant outstanding trade receivable	Our procedures included, but were not limited to, the following: ▪ Evaluated various correspondences made by the Company with the Central Government Entity and other follow up actions taken by the Company, including but not limited to legal process, meetings, notices, etc. ▪ Evaluated the underlying documents against which these amounts are accrued as per eligibility criteria. ▪ Obtained representation from the management regarding recoverability of these amounts. As a result of the above audit procedures, the management's assessment of impairment in the amount recoverable from the Central Government Entity was considered as appropriate.
3.	**Assessment of Impairment testing of Ophthalmic Lens Plant in line with Ind AS 36 (Impairment of Assets)**	
	(Refer Note No 53 of the accompanying standalone financial statement) Company has started lens plant in financial year 2017-18 for production of lens but the Company has not achieved desired production capacity due to technical constraint and pandemic of COVID-19 situation in current year as well as in previous year, resulting fixed cost increase with low contribution, hence cash loss incurred in lens plant in current year as well as in previous years. As on 31st March 2021, WDV (including capital work in progress) of Ophthalmic Lens Plant is Rs 3,559.39 lakhs. The management also assesses whether an impairment indication exists and performs impairment test in respect of Property, Plant & Equipment's, and Intangible Assets wherever such indications exist, which involve management's judgment of various factors including future growth rate etc. The management of the Company has assessed that a provision for impairment is not required in respect of the Property, Plant and Equipment and Intangible Assets of lens plant, as cash loss incurred due to low demand in market considering COVID 19 pandemic situation, hence desired production capacity not achieved, so based on calculated projection recoverable amount determined is higher than the book value. This matter has been considered as a key audit matter considering the significance of WDV value of Property, Plant and Equipment and Intangible Assets to the standalone financial statements.	Our procedures included, but were not limited to, the following: ▪ We have obtained an understanding of management process with regard to identifying existence and testing the Impairment in the value of Property, Plant and equipment and Intangible Assets. ▪ We have reviewed the Company's impairment assessment process including technical assessment of the management, key assumptions and judgement used to determine the impairment and future cash flows, discount rates applied etc. ▪ Obtained representation from the management regarding non-recognition of Impairment. As a result of the above audit procedures, the management's assessment of impairment was considered as appropriate

4.	Litigations – Contingencies	
	As described in Note 54 to the standalone financial statements, SEBI vide its Order dated 28 February, 2020 levied penalty of Rs. 1,000 lakhs u/s 15HA and Rs. 15 lakhs u/s 23E of Securities Contracts Regulation Act (SCRA), 1956 for alleged irregularities in the issuance of GDRs allotted by the Company in the year 2010. The Company has filled appeal in Securities Appellate Tribunal (SAT) against such order, which is pending for disposal. This matter has been considered as a key audit matter considering that The Company has ongoing litigation with relevant authorities which could have a significant impact on the financial statement of the Company, if the potential exposure were to materialise. The amounts involved are significant, and the application of Indian Accounting Standards to determine the amount, if any, to be provided as a liability or disclosed as a contingent liability, is inherently subjective.	In view of the significance of the matter, our procedures included, but were not limited to, the following: **(i)** Assessing the appropriateness of the design and implementation of the Company's controls over the assessment of litigations. Necessary meetings are conducted with in-house legal counsel and/or legal team. **(ii)** Discussions with management in respect of appeal filled by Company with Hon'ble Securities Appellate Tribunal against this order. **(iii)** We assessed the value of provision / contingent liability in light of position taken by the company, nature of exposure, applicable regulations and related correspondence with the authorities. As a result of the above audit procedures, the management's assessment of provision for contingencies was considered to be appropriate.

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

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

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

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

Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

i. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii. Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

v. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1) As required by Section 197(16) of the Act, we report that the Company has not paid remuneration to its director during the year, hence provisions and limits laid down under Section 197 read with Schedule V to the Act are not applicable.

2) As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

3) Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:

a) We have sought and except for the matter described in the basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) Except for the possible effects of the matter described in the Basis of Qualified Opinion section above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) Except for the effects of matter described in point (a) & (b) of Basis for Qualified Opinion section above, in our opinion, the aforesaid standalone financial statements comply with the Indian accounting standards (Ind AS) specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

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

(i) The Company has disclosed the impact of pending litigations on its financial position in the standalone financial statements- Refer note no 39 of the standalone financial statement;

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

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021;

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

Place: New Delhi
Date: 11-06-2021

CA Alok Kumar Bansal
Partner
Membership no.: 092854
UDIN :21092854AAAACU7599

“Annexure A” to the Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Member of Aksh Optifibre Limited of even date)

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

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. The fixed assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.

(c) According to the Information and explanation given to us and on the basis of examination of books of account and other documents, the title deeds of immovable properties owned by the Company are held in the name of the Company. In respect of immovable properties in the nature of buildings that have been taken on lease and disclosed under right-of-use assets in the standalone financial statement, the lease agreements are in the name of Company, where the Company is the lessee as per the lease agreement.

ii. According to the information & explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the management during the year except for goods in transit. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the book of accounts.

iii. According to the information and explanation given to us, the Company had granted unsecured loan to companies, 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 companies, covered in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interests of the Company.

(b) In respect of loans granted to companies covered under section 189 of the Act, the terms of arrangement for payment of principal and interest are not due. Accordingly, the provisions of paragraph 3 (iii) (b) of the Order are not applicable to the Company.

(c) In respect of the aforesaid loan, as per the information made available to us, there is no overdue amount as at year end.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 of the Companies Act, 2013 with respect to the loan, guarantee and investments made (to the extent applicable).

v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules,2014 (as amended). Accordingly, the provision of clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub section (1) of section 148 of the Companies, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

vii. (a) The Company is generally regular in depositing undisputed statutory dues including goods and service tax, duty of customs and other material statutory dues, as applicable, with the appropriate authorities except in case of provident fund and employees’ state insurance.

According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, Goods & Service Tax, Service Tax, sales tax, custom duty, excise duty and Cess were in arrears, as at 31st March, 2021 for a period of more than six months from the date they became payable except Service tax of Rs.6.06 lakhs and Income Tax of Rs 109.66 lakhs.

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

Name of Statute	Nature of Dues	Disputed Amount in Lakhs	Period to which amount relates	Forum where disputeis pending
Central Excise Act, 1944	Excise Duty	22.35	2007-09	Asst. Commissioner, Bhiwadi
Central Excise Act, 1944	Excise duty	32.79	2007-09	Asst. Commissioner, Bhiwadi
Central Excise Act, 1944	Excise duty	4.02	2013-14	CESTAT, Delhi
Finance Act, 1994	Service Tax	0.91	January 2011 to November 2011	Assistant Commissioner, Bhiwadi
Income Tax Act, 1961	Income tax	91.01	A.Y 2010-11	CIT (Appeals), Alwar (Rajasthan)
Provident Fund Act	Provident Fund	7.60	2004-05	Hon'ble High Court, Jaipur

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

Name of Lender	Rs. in Lakhs (Principal)	Rs. in Lakhs (Interest)	Period of Default -in range (Interest)
Punjab National Bank	65.50	24.28	0-45 Days
HDFC Bank	229.67	-	91 Days and above
Union Bank of India	110.00	31.05	0-45 Days
Union Bank of India	126.25	-	46-90 Days
Union Bank – Stand by letter of Credit	630.49	-	0-45 Days

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

Name of Lender	Rs. in Lakhs (Principal)	Rs. in Lakhs (Interest)	Period of Default -in range (Interest)
Punjab National Bank	32.75	4.35	0-45 Days
HDFC Bank	65.18	54.24	0-45 Days
HDFC Bank	288.24	57.47	46-90 Days
HDFC Bank	377.71	230.19	91 Days and above
Union Bank of India	110.25	83.59	0-45 Days
Union Bank of India	220.25	46.98	46-90 Days
Union Bank of India	-	46.92	91 Days and above
Union Bank – Stand by letter of Credit	2,640.94	-	0-45 Days

ix. In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and fresh term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

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

xi. In our opinion and according to the information and explanations given to us, the Company has not paid managerial remuneration during the year, hence provisions of section 197 read with Schedule V to the Act are not applicable.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and section 188 of the Companies Act, 2013 where applicable, for all transaction with the related parties and the details of related party transactions have been properly disclosed in the standalone financial statements as required by the applicable Indian accounting standards.

xiv. According to the information & explanation provided to us, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures during the year, hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors. Accordingly, the provision of paragraph 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause (xvi) of the Order are not applicable to the Company.

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

Place: New Delhi
Date: 11-06-2021

CA Alok Kumar Bansal
Partner
Membership no.: 092854
UDIN :21092854AAAACU7599

"Annexure B" to the Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of Aksh Optifibre Limited ("the Company") as of 31 March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2021, 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 B G G & Associates
Chartered Accountants
Firm Registration Number: 016874N

Place: New Delhi
Date: 11-06-2021

CA Alok Kumar Bansal
Partner
Membership no.: 092854
UDIN :21092854AAAACU7599

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Standalone Balance Sheet

for the year ended March 31, 2021

(Rs. in Lakhs)

	Notes	31-Mar-2021	31-Mar-2020
Assets			
Non-current assets			
Property, Plant and Equipments	3(a) (i & ii)	14,804.92	16,093.09
Capital work-in-progress	3(b)	53.98	224.97
Intangible assets	4	62.01	98.60
Financial assets			
Investments	5	18,248.52	14,977.09
Loans	6	2,623.22	2,614.24
Other Financial Assets	7	118.00	633.32
Deferred Tax Assets (net)	8 (a)	208.83	356.02
Other non-current assets	9	274.63	273.35
		36,394.11	**35,270.68**
Current assets			
Inventories	10	3,638.84	4,171.27
Financial Assets			
Trade receivables	11	10,216.01	12,404.22
Cash and cash equivalents	12	246.74	548.05
Other Bank Balances	13	1,848.59	1,372.04
Loans	6	838.69	1,083.02
Other Financial Assets	7	220.92	121.09
Current tax assets (net)	8 (b)	99.64	122.65
Other current assets	9	1,384.92	1,834.23
		18,494.35	**21,656.57**
Total Assets		**54,888.46**	**56,927.25**
Equity and liabilities			
Equity			
Equity Share capital	14	8,134.90	8,134.90
Other Equity	15	18,562.84	18,320.95
		26,697.74	**26,455.85**
Non-current liabilities			
Financial Liabilities			
Borrowings	16	2,231.49	4,760.18
Trade Payables	17		
(a) total outstanding dues to micro & small enterprises		-	15.16
(b) total outstanding dues other than above		-	836.94
Other Financial liabilities	18	422.34	449.13
Deferred tax liabilities (net)	8 (a)	-	-
Provisions	19	149.10	54.22
		2,802.93	**6,115.63**
Current liabilities			
Financial liabilities			
Borrowings	20	8,446.81	8,514.22
Trade payables	17		
(a) total outstanding dues to micro & small enterprises		215.21	207.22
(b) total outstanding dues other than above		7,175.60	7,459.44
Other financial liabilities	18	8,114.94	6,001.44
Other Current liabilities	21	849.22	699.74
Provisions	19	476.35	582.48
Current tax liabilities (net)	8 (b)	109.66	891.23
		25,387.79	**24,355.77**
Total Equity and liabilities		**54,888.46**	**56,927.25**
Summary of significant Accounting policies	2.1		
The accompanying notes (1-56) are an integral part of the financial statements			

For and on behalf of the Board of Directors

As per our report of even date
For B G G & Associates
Chartered Accountants
Firm Registration Number: 016874N

Pramod Kumar Srivastava
Chief Executive officer
Place : New Delhi

Dr. Kailash S. Choudhari
Chairman
DIN : 00023824
Place : New Delhi

CA Alok Kumar Bansal
Partner
Membership no.: 092854

Gaurav Mehta
Chief- Corporate Affairs and Company Secretary
Place : New Delhi

Charan Deep Singh
Process Leader - F & A
Place : New Delhi

Place: New Delhi
Date: 11-06-2021

Standalone Statements of Profit and Loss

for the year ended March 31, 2021

(Rs. in Lakhs)

	Notes	31-Mar-2021	31-Mar-2020
Income			
Revenue from operations	22	24,646.49	24,996.88
Other income	23	632.72	517.56
Total revenue (I)		**25,279.21**	**25,514.44**
Expenses			
Cost of raw material and components consumed	24	12,243.53	11,473.19
Purchase of traded goods	25	221.89	712.95
(Increase)/ decrease in inventories of finished goods,work-in-progress and traded goods	26	184.98	1,828.84
Employee benefit expenses	27	2,444.74	3,071.50
Finance costs	28	2,163.27	2,634.66
Depreciation and amortisation expense	29	1,554.17	1,713.22
Other expenses	30	6,071.20	5,741.57
Total expense (II)		**24,883.78**	**27,175.93**
(Loss)/Profit before exceptional items and tax, (I) – (II)		**395.43**	**(1,661.49)**
Exceptional item	31	(87.16)	(23,595.16)
Profit / (Loss) before tax		**308.27**	**(25,256.65)**
Tax expenses			
Current tax		-	-
Deferred tax		68.09	(485.79)
Adjustment of tax relating to earlier periods		17.50	2.46
Income tax expense/(Income)		**85.59**	**(483.33)**
Profit / (Loss) for the year		**222.68**	**(24,773.32)**
Other comprehensive income			
i) items that will not be reclassified to Profit or (Loss) in subsequent periods		27.11	(246.93)
ii) Income Tax relating to these items		(7.90)	86.29
Other comprehensive income for the year, net of tax		19.21	(160.64)
Total comprehensive income/(Expense) for the year		**241.89**	**(24,933.96)**
Earnings per equity share of Rs. 5/- each	**36**		
Basic earnings per equity share		0.14	(15.23)
Diluted earnings per equity share		0.14	(15.23)
Summary of significant Accounting policies			
Summary of significant Accounting policies	2.1		
The accompanying notes (1-56) are an integral part of the financial statements			

For and on behalf of the Board of Directors

As per our report of even date
For B G G & Associates
Chartered Accountants
Firm Registration Number: 016874N

CA Alok Kumar Bansal
Partner
Membership no.: 092854

Place: New Delhi
Date: 11-06-2021

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Standalone Cash Flow statements

for the year ended March 31, 2021

(Rs. in Lakhs)

	31-Mar-2021	31-Mar-2020
Cash flow from operating activities		
Profit/(Loss) before tax	**308.27**	**(25,256.65)**
Adjustment to reconcile profit before tax to net cash flows :		
Depreciation/amortization	1,554.17	1,713.22
Written of Capital work in progress	-	14,945.49
Provision made against Doubtful Debts	-	307.82
Provision for Diminuition in value of Investment	-	8,593.73
Transitional Impact of Ind AS 116	-	(11.15)
(Profit)/Loss on sale of property, plant and equipment	2.44	(9.50)
Finance Costs	2,163.27	2,634.66
Other comprehensive income	27.11	(246.93)
Interest income	(430.17)	(517.56)
Operating profit before working capital changes	**3,625.09**	**2,153.13**
Movements in working capital:		
Increase / (Decrease) in trade payables, financial and other liabilities	(1,741.12)	(1,621.92)
Increase / (Decrease) in provisions	(11.25)	308.81
Decrease in trade receivable	2,188.21	5,603.50
Decrease/(Increase) in inventories	532.43	2,385.17
(Increase)/ Decrease in other assets	465.31	(283.52)
Cash generated from operations	5,058.67	8,545.17
Direct taxes paid	(704.86)	(298.80)
Net cash flow from in operating activities (A)	**4,353.81**	**8,246.37**
Cash flows from investing activities		
Purchase of property, plant and equipment, including intangible assets and capital work in progress	(42.59)	(406.40)
Decrease/(Increase) in Right to use of assets (Lease Assets)	(20.24)	(525.29)
Proceeds from sale of plant and equipment	1.99	256.14
Decrease/(Increase) in Capital advances/ payable for capex	(47.40)	(29.27)
Purchase of non-current investments	(3,271.44)	(575.05)
Interest received	484.14	225.20
Net cash flow (used in) investing activities (B)	**(2,895.54)**	**(1,054.67)**
Cash flow from financing activities		
(Repayment) of Long Term borrowings	(487.12)	(2,432.87)
Decrease/ (Increase) in loan & advances to related party	269.99	(37.67)
Decrease/ (Increase) in loan & advances to related party (pursuant to Ind AS 109)	(137.08)	456.42
Repayment of short-term borrowings	(67.41)	(2,198.95)
Dividend and tax thereon paid on equity shares	-	3.46
Interest paid	(1,337.96)	(2,553.34)
Net cash from financing activities (C)	**(1,759.58)**	**(6,762.95)**
Net increase/(decrease) in cash and cash equivalents (A + B +C)	**(301.31)**	**428.75**
Cash and cash equivalents at the beginning of the year	548.05	119.30
Cash and cash equivalents at the end of the year	**246.74**	**548.05**
Components of cash and cash equivalents		
Cash on hand	4.71	5.17
With banks on current account	234.61	535.46
Unpaid dividend accounts	7.42	7.42
Total cash and cash equivalents [Refer note no. 12]	**246.74**	**548.05**
Summary of significant Accounting policies		
The accompanying notes (1-56) are an integral part of the financial statements		

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

For and on behalf of the Board of Directors

As per our report of even date
For B G G & Associates
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Place: New Delhi
Date: 11-06-2021

Statement of Changes in Equity

for the year ended March 31, 2021

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

	Nos.	(Rs. in Lakhs)
As at 1 April 2019	162,697,971	8,134.90
Changes in equity share capital	-	-
As at 31 March 2020	162,697,971	8,134.90
Changes in equity share capital	-	-
As at 31 May 2021	**162,697,971**	**8,134.90**

B. Other Equity (refer note no. 15)

(Rs. in Lakhs)

	Securities premium	Capital reserve	Retained earnings	Total other equity
As at 1 April 2019	**33,064.11**	2,223.35	**7,978.60**	**43,266.06**
Profit for the year	-	-	(24,773.32)	**(24,773.32)**
Transition Impact of Ind AS 116	-	-	(11.15)	**(11.15)**
Other comprehensive income	-	-	(160.64)	**(160.64)**
Total comprehensive income for the year	**-**	**-**	**(24,945.11)**	**(24,945.11)**
Balance as at 31 March 2020	**33,064.11**	**2,223.35**	**(16,966.51)**	**18,320.95**
Balance as at 1 April 2020	**33,064.11**	**2,223.35**	**(16,966.51)**	**18,320.95**
Profit/(Loss) for the year			222.68	**222.68**
Transition Impact of Ind AS 116			-	**-**
Other comprehensive income			19.21	**19.21**
Total comprehensive income/(expense) for the year	**-**	**-**	**241.89**	**241.89**
Balance As at 31 March 2021	**33,064.11**	**2,223.35**	**(16,724.62)**	**18,562.84**

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

For and on behalf of the Board of Directors

As per our report of even date
For B G G & Associates
Chartered Accountants
Firm Registration Number: 016874N

CA Alok Kumar Bansal
Partner
Membership no.: 092854

Place: New Delhi
Date: 11-06-2021

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Notes to standalone financial statements

for the year ended March 31, 2021

1. Corporate information

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

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

2. Basis of preparation

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

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

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

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

3. Summary of significant accounting policies

a) Current v/s non-current Classification

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

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

b) Foreign currencies

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

Transactions and balances

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

c) Fair value measurement

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

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

- In the principal market for the asset or liability

Notes to standalone financial statements

for the year ended March 31, 2021

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

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

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

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

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

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

- Level 3 — If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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

d) Revenue recognition

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

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.The Performance Obligations in our contracts are fulfilledat the time of dispatch, delivery or upon formal customeracceptance depending on customer terms.

Revenue from the sale of goods is measured on the basis of contracted price net of returns, Liquidation damage, trade discount & volume rebatesand anytaxes or duties collected on behalf of the Government suchas goods and services tax, etc.

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

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

Interest

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

e) Inventories

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

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

- Raw materials, work-in-process, finished goods, trading stock, packing material and stores and spares parts are valued at the lower of cost and net realizable value except scrap which is valued at net realizable value.

- Cost of inventories of items that are not ordinarily interchangeable or are meant for specific projects is assigned by specific identification of their individual cost. Cost of other inventories is ascertained on the Weighted average basis. In determining the cost of work-in-process and finished goods, fixed production overheads are allocated on the basis of normal capacity of production facilities.

- The comparison of cost and realizable value is made on an item-by-item basis.

- Net realizable value of work-in- process is determined on the basis of selling prices of related finished products.

- Raw Material and other supplies held for use in production of inventories are not written down below cost unless their prices have declined and it is estimated that the cost of related finished goods will exceed their net realizable value.

f) Borrowing cost

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

Notes to standalone financial statements

for the year ended March 31, 2021

g) **Income taxes**

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss [either in other comprehensive income (OCI) or in equity]. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences & losses.Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised

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

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

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

h) **Property, Plant and Equipment**

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

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

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

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

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

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

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

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

Leasehold land is amortized over the duration of the lease.

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

Notes to standalone financial statements

for the year ended March 31, 2021

i) Intangible assets

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

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

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

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

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

j) Lease

The Company has adopted Ind AS 116-Leases effective1st April, 2019, using the modified retrospective method.The Company has applied the standard to its leases withthe cumulative impact recognised on the date of initialapplication (1st April, 2019). Accordingly, previous periodinformation has not been restated.

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

i) the contract involves the use of an identified asset

(ii) the Company has substantially all of the economicbenefits from use of the asset through the periodof the lease and

(iii) the Company has the right to direct the use of the asset.

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

The right-of-use assets are initially recognised at cost, whichcomprises the initial amount of the lease liability adjusted forany lease payments made at or prior to the commencementdate of the lease plus any initial direct costs less any leaseincentives. They are subsequently measured at cost lessaccumulated depreciation and impairment losses.

The lease liability is initially measured at the present valueof the future lease payments. The lease payments arediscounted using the interest rate implicit in the lease or, ifnot readily determinable, using the incremental borrowingrates. The lease liability is subsequently remeasured byincreasing the carrying amount to reflect interest on thelease liability, reducing the carrying amount to reflect thelease payments made.

A lease liability is remeasured upon the occurrence of certainevents such as a change in the lease term or a change inan index or incremental borrowing rate used to determine lease payments. Theremeasurement normally also adjusts the leased assets.

k) Provisions

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

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

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

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

l) Employee benefits

Short term employee benefits

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

Defined contribution plan

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

Defined benefit plan

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

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

Other long-term benefits: Compensated Absences

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

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

m) Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

This category is most relevant to the Company.

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

Debt instruments and derivativesmeasured at fair value through profit andloss (FVTPL)

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

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

De-recognition

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

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

Financial guarantee contracts

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

Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly

Notes to standalone financial statements

for the year ended March 31, 2021

attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings, etc.

Subsequent measurement

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

Loans and borrowings

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

Financial liabilities at FVTPL

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

De-recognition

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

Offsetting of financial instruments

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

n) Impairment

(i) Financial assets

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

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

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

(ii) Non- financial assets

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

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

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

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

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

o) Derivative financial instrument

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

p) Share capital

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

Notes to standalone financial statements

for the year ended March 31, 2021

q) Cash and cash equivalents

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

r) Equity investment (in subsidiaries)

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

s) Earnings per share (EPS)

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

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

t) Segment reporting

Identification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Only those business activities are identified as operating segment for which the operating results are regularly reviewed by the CODM to make decisions about resource allocation and performance measurement.

Segment accounting policies

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

u) Contingencies

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

v) Dividends

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

w) Export incentive

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

x) Recent accounting pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies(Indian Accounting Standards) Rules 2015 are:

Balance Sheet Items:

i. Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

ii. Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

iii. Specified format for disclosure of shareholding of promoters.

iv. Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress.

v. If a group has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

vi. Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Profit & Loss related Items:

i. Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the consolidated financial statements.

The amendments are extensive and the Group will evaluate the same togive effect tothem as required by law.

Notes to standalone financial statements for the year ended March 31, 2021

(Rs. in Lakhs)

3 (a) (i) Property, Plant and Equipments	Freehold Land	Leasehold Land	Factory Buildings	Plant and equipment	Telecom Networking	Testing Instruments	Air Conditioners	Furniture and fixtures	Office Equipment's	Data Processing System	Vehicles	Fork Lift	Total
Cost or valuation													
At April 1, 2019	1.84	728.06	4,512.92	24,151.11	3,374.12	1,330.44	656.30	335.46	379.60	309.59	22.72	41.23	35,843.39
Additions	-	-	1.28	549.34	7.43	4.80	-	2.90	6.91	0.86	-	-	573.52
Disposals / adjustments	-	-	-	(356.25)	-	-	-	-	-	-	-	-	(356.25)
At March 31, 2020	1.84	728.06	4,514.20	24,344.20	3,381.55	1,335.24	656.30	338.36	386.51	310.45	22.72	41.23	36,060.66
Additions	-	-	3.61	175.40	17.11	0.19	1.31	4.23	1.11	6.85	-	-	209.81
Disposals / adjustments	-	-	-	(32.15)	-	(3.99)	(0.04)	(1.77)	(7.33)	(1.23)	(0.02)	(7.04)	(53.57)
At March 31, 2021	**1.84**	**728.06**	**4,517.81**	**24,487.45**	**3,398.66**	**1,331.44**	**657.57**	**340.82**	**380.29**	**316.07**	**22.70**	**34.19**	**36,216.90**
Accumulated Depreciation													
At April 1, 2019	-	31.33	941.65	13,965.76	2,333.15	769.12	305.81	177.13	126.58	262.01	22.14	16.77	18,951.45
Charge for the year	-	7.38	151.80	1,025.64	162.95	52.69	60.30	18.26	56.49	17.26	-	2.42	1,555.19
Disposals / adjustments	-	-	-	(116.65)	-	-	-	2.20	4.86	-	-	-	(109.59)
At March 31, 2020	-	38.71	1,093.45	14,874.75	2,496.10	821.81	366.11	197.59	187.93	279.27	22.14	19.19	20,397.05
Charge for the year	-	7.37	150.68	940.02	163.75	49.47	60.35	18.87	54.25	-	-	2.42	1,447.18
Disposals / adjustments	-	-	-	(30.40)	-	(3.79)	(0.03)	(1.69)	(5.70)	(1.17)	(0.02)	(6.34)	(49.14)
At March 31, 2021	**-**	**46.08**	**1,244.13**	**15,784.37**	**2,659.85**	**867.49**	**426.43**	**214.77**	**236.46**	**278.10**	**22.12**	**15.27**	**21,795.09**
Net Block value													
At March 31, 2021	**1.84**	**681.98**	**3,273.68**	**8,703.08**	**738.81**	**463.95**	**231.14**	**126.05**	**143.81**	**37.97**	**0.58**	**18.92**	**14,421.81**
At March 31, 2020	1.84	689.35	3,420.75	9,469.45	885.45	513.43	290.19	140.77	198.58	31.18	0.58	22.04	15,663.61

(Rs. in Lakhs)

3 (a) (ii) Right of Use Assets	Building	Vehicle
Movements during the year		
At April 1, 2019	-	-
Addition on account of Transition to Ind AS 116	62.24	66.39
Addition	396.67	-
Deletion	-	-
Balance as on March 31, 2020	**458.91**	**66.39**
Addition	20.25	-
Deletion	-	-
Balance as on March 31, 2021	**479.16**	**66.39**
Accumulated Depreciation		
Addition	72.02	23.80
Deletion	-	-
Balance as on March 31, 2020	**72.02**	**23.80**
Addition	41.12	25.50
Deletion	-	-
Balance as on March 31, 2021	**113.14**	**49.30**
Net Block value		
At March 31, 2021	366.02	17.09
At March 31, 2020	**386.89**	**42.59**

(i) The Company has adopted Ind AS 116 effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated. This has resulted in recognising a right-of-use asset of Rs 128.63 lakhs and a corresponding lease liability of Rs 145.78 lakhs. The difference of Rs 17.14 lakhs (net of deferred tax asset created of Rs 5.99 lakhs) has been adjusted to retained earnings as at 1st April 2019.

In the statement of profit and loss for the current year, operating lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of this standard did not have any significant impact on the profit for the year and earnings per share.

(ii) The Company incurred Rs 22.16 lakhs for the year ended 31st March 2021 (31st March, 2020: Rs 108.98 lakhs) towards expenses relating to short-term leases (i.e. less than twelve month) and leases of low-value assets. The total cash outflow for leases is Rs 109.84 lakhs for the year ended 31st March 2021 (31st March, 2020: Rs 230.85 lakhs) , including cash outflow of short-term leases and leases of low-value assets.

(iii) The Company's leases mainly comprise of Office Buildings and Vehicles.

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Notes to standalone financial statements

for the year ended March 31, 2021

3 (b). Capital Work-in-progress

(Rs. in Lakhs)

At 31st March 2021	**53.98**
At 31st March 2020	224.97

4. Intangible assets

(Rs. in Lakhs)

Gross block	
At April 1, 2019	2,778.82
Additons	4.65
Disposals / adjustments	-
At March 31, 2020	2,783.47
Additions	3.78
Disposals / adjustments	(0.19)
At March 31, 2021	**2,787.06**
Accumulated Amortisation	
At April 1, 2019	2,622.66
Charge for the year	62.21
Disposals / adjustments	-
At March 31, 2020	2,684.87
Charge for the year	40.37
Disposals / adjustments	(0.19)
At March 31, 2021	**2,725.05**
Net block value	
At March 31, 2021	**62.01**
At March 31, 2020	98.60

5. Financial assets - Investments

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Investment in subsidiaries :		
Equity Instruments (Unquoted)		
586 (March 31, 2020: 586) equity share of Arab Emirates Dhiram (AED) 150,000 each fully paid-up in AOL FZE (Dubai)	14,736.18	14,736.18
3,600,000 (March 31, 2020: 3,600,000) Equity Shares of Rs. 10/- each fully paid up in Aksh Composites Private Limited (India)	337.42	337.42
100,000 (March 31,2020 : 1,00,000) Equity Shares of AED 10/- each fully paid up in AOL Technologies FZE (Dubai)	180.90	180.90
2,558,053 (March 31,2020 : 2,558,053) Equity Shares of MUR 10/- each fully paid up in Aksh Technologies (Mauritius) Limited (Mauritius)	525.27	525.27
Deemed investment in subsidiaries # (refer note no.34(e))	806.25	806.25
Total (a)	16,586.02	16,586.02
Preference Instruments (Unquoted)		
9,96,405 (March 31 2020: 9,96,405) 6% non cumulative optionally convertible Prefrence share of Arab Emirates Dhiram (AED) 10 each in AOL Technologies FZE (Dubai)	1,887.88	1,887.88
538 (March 31, 2020: 538) 6% non cumulative optionally convertible Prefrence share of Arab Emirates Dhiram (AED) 50,000 each in AOL FZE (Dubai)	5,096.92	5,096.92
AOL Technologies FZE (Dubai) (Investment in preference share, pending for allotment) (refer note no 35)	3,271.43	-
Total (b)	10,256.23	6,984.80
Less : Provision for Dimnuition in value of Investment of AOL FZE (Dubai) (c)	8,593.73	8,593.73
Total (a+b-c)	**18,248.52**	**14,977.09**

The Company has provided corporate guarantee against credit facilities availed by its wholly owned subsidiaries. As no payment is made by the wholly owned subsidiaries to the Company, the same has been considered as a deemed capital contribution by Company to its subsidiaries, since the guarantee has been provided by Company in its capacity as a shareholder. As a result, the financial guarantee has been fair valued and has been presented as deemed investment in subsidiary with a corresponding credit in other financial liabilities which will be amortised over period of term loan. Also the company has deferred interest receivable from subsidiary and the same is repayable in 8 equal installment from April 2022 onwards.

Notes to standalone financial statements

for the year ended March 31, 2021

6. Financial assets - Loans

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Non-Current		
Security deposit *	183.79	218.89
Loan and advances to related parties (refer note no.34 (d))	2,439.43	2,395.35
	2,623.22	**2,614.24**
Current		
Security deposit*	26.89	40.26
Loan and advances to related parties (refer note no.34 (d))	361.80	592.76
Loan and advances to others	450.00	450.00
	838.69	**1,083.02**
Break-up :		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	3,461.91	3,697.26
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
	3,461.91	**3,697.26**

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

7. Financial assets - Other Financial Assets

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Non Current		
Margin Money #	118.00	633.32
	118.00	**633.32**
Current		
Interest accrued on fixed deposits	23.35	18.81
Interest accrued on other deposits	196.98	101.69
Derivative Instruments		
Foreign exchange forward contracts	0.59	0.59
	220.92	**121.09**

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

8 (a) . Deferred Tax

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Deferred Tax Liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	1,214.06	1,426.44
Gross deferred tax liability	**1,214.06**	**1,426.44**
Deferred tax asset		
Provision for doubtful debts	45.99	137.75
Carry forward of business Losses	491.99	543.10
Disallowances under the Income Tax Act, 1961	196.03	341.52
Gross deferred tax asset	**734.01**	**1,022.37**
MAT credit	688.88	760.09
Deferred Tax Assets / (Liability) (net)	**208.83**	**356.02**

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Notes to standalone financial statements

for the year ended March 31, 2021

Reconcilation of deferred tax assets

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Opening deferred tax assets / (liability) (net)	356.02	(222.04)
Deferred tax credit / (charge) recorded in statement of profit & loss	(68.09)	499.87
Deferred tax credit / (charge) recorded in OCI	(7.90)	86.29
Deferred tax credit / (charge) recorded directly in equity by applying Ind AS 116	-	5.99
Utilisation of MAT credit	(71.20)	(14.08)
others	-	(0.01)
Closing deferred tax assets/(liability) (net)	**208.83**	**356.02**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2020 and 31 March 2021:

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Accounting profit before income tax	**308.27**	**(25,256.65)**
Provision for diminition in value of Investment	-	8,593.73
CWIP Written off	-	14,945.49
Considered for tax purpose	**308.27**	**(1,717.43)**
At India's statutory income tax rate of 29.120% (31 March 2020: 34.944%)	89.77	(600.14)
Impact of permanent disallowances under Income Tax Act	17.95	102.58
Impact of Change in rate of tax	(24.88)	-
Others	(14.75)	11.77
At the effective income tax rate of 22.657% (31 March 2020: 28.286%)	68.09	(485.79)
Income tax expense reported in the statement of profit and loss	**68.09**	**(485.79)**

8 (b) . Current Tax Assets and Liabilites

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Current tax asset	99.64	122.65
Current tax liability	109.66	891.23

9. Other Assets

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Non-Current		
Capital advances	254.59	224.59
Prepaid expenses	20.04	31.75
Deferred lease expense on security deposits paid	-	17.01
Total Other Non-Current Assets	**274.63**	**273.35**
Current		
Advances recoverable in cash or kind	462.56	502.68
Prepaid expenses	46.01	468.13
Balances with statutory / government authorities	876.35	859.10
Deferred lease expense on security deposits paid	-	4.32
Total Other Current Assets	**1,384.92**	**1,834.23**

Notes to standalone financial statements

for the year ended March 31, 2021

10. Inventories

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
(Valued at lower of cost and net realisable value)		
Finished and traded goods (Includes stock in transit Rs.1,399.52 lakhs, March 31,2020 : Rs. 393.37 lakhs)	2,099.66	1,553.10
Raw material (Includes stock in transit Rs. Nil Lakhs, March 31,2020 : Rs. 3.52 lakhs)	752.23	984.71
Semi finished goods	361.41	1,092.95
Stores, spares and others	425.54	540.51
	3,638.84	**4,171.27**
Amount recognised in profit and loss		

'Write-down to inventories to net realisable value amounted to Rs. 34.95 lakhs (31st March 2020 : Rs. 211.07 Lakhs). These write-downs were recognised as an expense and included in 'changes in inventories of finished goods,work-in-progress and traded goods' in the statement of Profit and Loss.

11. Financial assets - Trade Receivables

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Trade receivables	6,686.33	8,266.64
Receivables from related parties (refer note no.34 (d))	3,687.60	4,531.76
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	-	-
	10,373.93	**12,798.40**
Less : Provision for doubtful debts	157.92	394.18
	10,216.01	**12,404.22**
Breakup of security details		
Secured, considered good	-	-
Unsecured, considered good	10,216.01	12,404.22
Considered doubtful	157.92	394.18
	10,373.93	**12,798.40**

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

Trade receivable that are not derecognised in their entirely :

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Trade receivables	58.14	1,337.45
Associated borrowing	52.33	1,203.70

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

Trade receivable that are derecognised in their entirely :

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Trade receivables	92.99	714.06

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

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

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Notes to standalone financial statements

for the year ended March 31, 2021

12. Financial assets - Cash and Cash equivalents

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Balances with banks:		
On current accounts*	234.61	535.46
On unpaid dividend account	7.42	7.42
Cash on hand	4.71	5.17
	246.74	**548.05**

* Includes earmaked bank balances amouting to Rs. 3.00 lakhs.

13. Financial assets - Other Bank Balances

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Deposits with original maturity of less than 12 months	-	93.50
Margin Money #	1,848.59	1,278.54
	1,848.59	**1,372.04**

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

14. Share Capital

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Authorized Shares (Nos)		
520,100,000 (March 31,2020 : 520,100,000) Equity Shares of Rs. 5/- each	26,005.00	26,005.00
Issued, subscribed and fully paid-up shares (Nos.)		
162,697,971 (March 31,2020 : 162,697,971) Equity Shares of Rs. 5/- each	8,134.90	8,134.90
	8,134.90	**8,134.90**

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

Equity Shares		31-Mar-21	31-Mar-20
At the beginning of the year	Nos.	162,697,971	162,697,971
Outstanding at the end of the year	**Nos.**	**162,697,971**	**162,697,971**
At the beginning of the year	Rs. in Lakhs	8,134.90	8,134.90
Outstanding at the end of the year	**Rs. in Lakhs**	**8,134.90**	**8,134.90**

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs 5/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

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

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

(i) issued any bonus shares

(ii) Bought back any shares

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

Equity Shares	31-Mar-21	31-Mar-20
32,901 No's Fully Paid Up Equity Shares alloted to minority shareholders of erstwhile APaksh Broadband Limited during financial year 2017-18	-	-

Notes to standalone financial statements

for the year ended March 31, 2021

15. Other Equity

(Rs. in Lakhs)

		31-Mar-21	31-Mar-20
Securities Premium Account	**(A)**	33,064.11	33,064.11
Capital Reserves	**(B)**	2,223.35	2,223.35
Retained Earnings			
Balance as per the last financial statements		(16,966.51)	7,978.60
Profit/(Loss) for the year		222.68	(24,773.32)
Less: Transitional Impact of Ind AS 116 (net of tax)		-	(11.15)
(Less) Other Comprehensive expense		19.21	(160.64)
Closing Balance	**(C)**	**(16,724.62)**	**(16,966.51)**
Total Other Equity	**(A+B+C)**	**18,562.84**	**18,320.95**

Nature and Purpose of reserves other than retained earnings

Securities premium

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

Capital reserve

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

16. Financial liabilities - Non-Current Borrowings

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Non-Current		
Borrowings		
Secured Loans		
Foreign Currency Loan from Bank	545.74	1,283.07
Indian Rupee Loan from Banks	1,685.75	3,477.11
Total Non-Current long term borrowings	**2,231.49**	**4,760.18**
The above amount includes		
Secured borrowings	2,231.49	4,760.18
Current maturities of long term debt		
Term Loans		
Secured Loans		
Foreign Currency Loan from Bank	1,487.34	909.14
Indian Rupee Loan from Banks	2,877.92	1,414.55
Total Current Maturities	**4,365.26**	**2,323.69**
The above amount includes		
Secured borrowings	4,365.26	2,323.69
Amount disclosed under the head “other financial liabilities” (refer note no. 18)	(4,365.26)	(2,323.69)
	-	-

Nature of Security and Terms of Repayment of Long term borrowings

Indian rupee loan from banks amounting to Rs 4,563.67 lakhs (31 March 2020: Rs 4,891.66 lakhs) carries interest rate ranging between 9.40% p.a. to 13.30% p.a. and repayable in 5 years in quarterly installments. The loans are secured by way of first pari passu charge on fixed assets of the Company, second pari passu charge on current assets of the Company and further secured by personal guarantee of Dr. Kailash S Choudhari

“Foreign currency term loan from banks amounting to Rs. 2,033.08 lakhs (31 March 2020: Rs 2,192.21 lakhs) carries interest rate ranging between 4.50% to 5.30% p.a. and repayable in 5 years in quarterly installments. The loans are secured by way of first pari passu charge on fixed assets of the Company, second pari passu charge on current assets of the Company and further secured by personal guarantee of Dr. Kailash S Choudhari.

Notes to standalone financial statements

for the year ended March 31, 2021

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

Name of lender	Delay in repayment during the year		Default as at March 31, 2021	
	Rs. in Lakhs	Period of default	Rs. in Lakhs	Period of default
Borrowings				
Punjab National Bank	65.50	0-45 days	32.75	0-45 days
HDFC Bank	-	0-45 days	65.18	0-45 days
	-	46-90 days	288.24	46-90 days
	229.67	91 days and above	377.71	91 days and above
Union Bank of India	110.00	0-45 days	110.25	0-45 days
	126.25	46-90 days	220.25	46-90 days
	531.42		**1,094.38**	
Interest				
Punjab National Bank	24.28	0-45 days	4.35	0-45 days
HDFC Bank	-	0-45 days	54.24	0-45 days
	-	46-90 days	57.47	46-90 days
	-	91 days and above	230.19	91 days and above
Union Bank of India	31.05	0-45 days	83.59	0-45 days
	-	46-90 days	46.98	46-90 days
	-	91 days and above	46.92	91 days and above
	55.33		**523.74**	
SBLC Deveolvement				
Union Bank of India	630.49	0-45 days	2,640.94	0-45 days
	630.49		**2,640.94**	

17. Financial liabilites - Trade Payables

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Non-Current		
Trade Payables to micro and small enterprises (refer note no. 42)	-	15.16
Trade Payables to others	-	836.94
	-	**852.10**
Other Details		
Trade payables to related parties (Refer note no. 34 (d))	-	-
Others	-	852.10
Current		
Trade Payables to micro and small enterprises (refer note no. 42)	215.21	207.22
Trade Payables to others	7,175.60	7,459.44
	7,390.81	7,666.66
Other Details		
Trade payables to related parties (Refer note no. 34 (d))	98.99	405.40
Others	7,291.82	7,261.26

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

18. Financial liabilites - Other Financial Liabilities

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Non-Current		
Financial guarantee obligation	61.79	96.07
Others	360.55	353.06
Total Non-Current financial liabilities	**422.34**	**449.13**
Current		
Current maturities of long term debt (Refer Note no. 16)	4,365.26	2,323.69
Interest accrued and due on borrowings / trade payable	1,025.34	200.03
Unclaimed Dividend 2013-14 & 2017-18*	7.42	7.42
Financial guarantee obligation	34.28	30.76
0 % Security Deposits	326.54	680.12
Others	2,356.10	2,759.42
Total Current financial liabilities	**8,114.94**	**6,001.44**

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

Notes to standalone financial statements

for the year ended March 31, 2021

19. Provisions

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Non-Current		
Provision for Gratuity & Compensated Absences (refer note no. 32)	149.10	54.22
	149.10	**54.22**
Current		
Provision for Gratuity & Compensated Absences (refer note no. 32)	476.35	582.48
	476.35	**582.48**

20. Short Term Borrowings

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Secured Loans		
Working capital facilities from Banks	8,181.27	6,832.00
Unsecured Loans		
Inter corporate deposit from others	200.00	250.00
Liability towards bills discounted from Bank/others	65.54	1,432.22
	8,446.81	**8,514.22**
Total secured loans	8,181.27	6,832.00
Total unsecured loans	265.54	1,682.22

Working capital facilities includes cash credit, Invooked SBLC from banks and are secured by first pari-passu charge by way of hypothecation of raw materials, work-in-progress, finished goods and trade receivables both present and future and second pari-passu charge on the fixed assets of the Company. These facilities are further secured by way of first pari-passu charge on the immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari. It carries interest in the range of 10.75% to 13.60 % p.a.

Inter corporate deposits from other are repayable on demand.

Bills Discounting are unsecured and carries interest @ 3.25% to 4.50% p.a.

21. Other Current Liabilities

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Advance from Customers	612.78	252.04
Others	236.44	447.70
	849.22	**699.74**

22. Revenue From Operations

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Revenue from contracts with customers		
Sale of products		
- Finished goods	20,268.09	21,135.79
- Traded goods	170.26	855.66
Sale of services	3,818.86	2,029.66
Other operating revenue		
- Scrap sales	47.28	40.08
- Export Incentives	184.29	333.28
- Exchange Fluctuation	63.66	141.71
- Other operating revenue	94.05	460.70
	24,646.49	**24,996.88**

(a) Disaggreation of revenue has been disclosed on the basis business segement and geography (refer note no. 33)

Notes to standalone financial statements

for the year ended March 31, 2021

22. (b) Reconciliation of Revenue from operations with contract price

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Contract price	**24,340.78**	**24,124.57**
Less : Liquidation damage charges	10.14	15.74
Less : Rebate / Discount	26.15	47.64
Total revenue from operations	**24,304.49**	**24,061.19**

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

(c) Contract balances

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Contarct Liabilities		
Advance from customers	612.78	252.04
Total	**612.78**	**252.04**
Receivables		
Trade receivables	10,373.93	12,798.40
Less: Provision for doubtful debts	(157.92)	(394.18)
Total	**10,216.01**	**12,404.22**

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

23. Other Income

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Interest income		
on deposits	132.00	131.27
on advances to Related parties	42.36	127.81
on other advances	255.81	258.48
Other non-operating income	202.55	-
	632.72	**517.56**

24. Cost of raw material and components consumed

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Inventory at the beginning of the year	984.71	1,597.90
Add: Purchases	12,011.05	10,860.00
	12,995.76	**12,457.90**
Less: inventory at the end of the year	752.23	984.71
Cost of raw material and components consumed	**12,243.53**	**11,473.19**

25. Details of purchase of traded goods

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Telecom & electronic items	221.89	712.95
	221.89	**712.95**

Notes to standalone financial statements

for the year ended March 31, 2021

26. (Increase)/ decrease in inventories

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Inventories at the end of the year		
Finished/Traded goods	2,099.66	1,553.10
Semi Finished goods	361.41	1,092.95
	2,461.07	**2,646.05**
Inventories at the beginning of the year		
Finished/traded goods	1,553.10	2,755.54
Semi finished goods	1,092.95	1,719.35
	2,646.05	**4,474.89**
	184.98	**1,828.84**

27. Employee benefits expense

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Salaries, wages and bonus	2,101.95	2,663.01
Contribution to provident and other funds	214.64	245.83
Gratuity	85.73	30.72
Staff welfare expenses	27.17	42.95
Directors' Remuneration	15.25	88.99
	2,444.74	**3,071.50**

28. Finance costs

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Interest on Cash Credit	850.99	952.96
Interest on Term Loan	695.17	824.01
Interest Others *	226.34	493.15
Bank Charges	390.77	364.54
	2,163.27	**2,634.66**

* Interest on lease liabilities is Rs. 45.16 Lakhs for the year ended on 31 March 2021 (31 March 2020 Rs. 21.25 Lakhs).

During the year, the Company has capitalised borrowing costs of Nil (31 March 2020: Nil) incurred on the borrowings specifically availed for expansion of production facilities. The interest expense disclosed above is net of the interest amount capitalised.

29. Depreciation and amortisation expense

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Depreciation of Property, Plant & Equipment	1,447.18	1,555.19
Depreciation on Right to use of Assets (Lease Assets)	66.62	95.82
Amortisation of intangible assets	40.37	62.21
	1,554.17	**1,713.22**

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Notes to standalone financial statements

for the year ended March 31, 2021

30. Other expenses

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Consumption of stores and spares	377.28	314.57
Power & Fuel	816.24	757.37
Packing Material Consumed	957.92	980.37
Repair & Maintenance		
- Plant & Machinery	139.65	66.81
- Buildings	12.02	5.05
- Others	69.73	56.25
Sub-contracting expenses	2,440.09	1,599.66
Marketing & Service Charges	16.61	268.43
Freight & Cartage (Outward)	374.19	391.06
Travelling & Conveyance	39.84	177.68
CSR Expenditure*	41.54	69.38
Postage & Telephone	21.81	27.22
Insurance	114.18	108.31
Rent	10.35	16.82
Professional & Legal Expenses	336.26	308.53
Auditors' Remuneration**	39.80	43.76
Provision for doubtful debts	7.41	-
Other Expenses	256.28	550.30
	6,071.20	**5,741.57**

*Details of CSR Expenditure

(Rs. in Lakhs)

		31-Mar-21	31-Mar-20
a) Gross amount required to be spent during the year		41.25	69.12
b) Amount Spent during the year ending on March 31, 2021	**In Cash**	**Yet to be paid in cash**	**Total**
i) Construction/acquistion of an asset	-	-	-
ii) on Purchase other than (i) above	41.54	-	41.54
c) Amount Spent during the year ending on March 31, 2020			
i) Construction/acquistion of an asset	**-**	**-**	**-**
ii) on Purchase other than (i) above	**69.38**	**-**	**69.38**

** Payment to auditor

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
As auditor:		
Audit fee	39.00	41.00
In other capacity:		
Other services (certification fees)	-	-
Reimbursement of expenses	0.80	2.76
	39.80	**43.76**

31. Exceptional Item

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Foreign Exchange Fluctuations	(113.35)	266.44
Profit/(Loss) on sale of Property, Plant and Equipment	(2.44)	9.50
Capex written off	-	(14,945.49)
Balances written off Income/ (Expense)	28.63	(24.06)
Provision for Doubtful Debts	-	(307.82)
Provision for diminition in value of Investment	-	(8,593.73)
	(87.16)	**(23,595.16)**

Notes to standalone financial statements

for the year ended March 31, 2021

32. Employee benefits

Defined benefit plans

Gratuity

Provision for gratuity is determined based on actuarial valuation using projected unit credit method.

Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

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

(Rs. in Lakhs)

	Gratuity Funded	Compensated absences
Defined benefit obligation at 1 April 2019	**423.33**	**112.83**
Interest expense	32.45	8.65
Service cost	14.24	22.59
Benefits paid	(188.78)	(73.97)
Actuarial (gain)/ loss on obligations	238.42	68.68
Defined benefit obligation at 31 March 2020	**519.66**	**138.78**
Interest expense	35.34	9.44
Service cost	51.87	52.75
Past Service Cost including curtailment Gains /Losses		-
Benefits paid	(80.89)	(48.92)
Actuarial (gain)/ loss on obligations	(27.54)	(10.32)
Defined benefit obligation at 31 March 2021	**498.44**	**141.73**

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

(Rs. in Lakhs)

	Gratuity Funded	Compensated absences
Present value of obligation	519.66	138.77
Fair value of plan assets	21.72	-
Net assets / (liability) recognized in balance sheet as provision as at 31 March 2020	**(497.94)**	**(138.77)**
Present value of obligation	498.44	141.73
Fair value of plan assets	14.72	-
Net assets / (liability) recognized in balance sheet as provision as at 31 March 2021	**(483.72)**	**(141.73)**

Amount recognised in Statement of Profit and Loss:

(Rs. in Lakhs)

	Gratuity Funded	Compensated absences
Current service cost	14.24	22.59
Net interest expense	16.49	8.65
Net actuarial (gain)/loss recognised in the period	-	68.68
Amount recognised in Statement of Profit and Loss for year ended 31 March 2020	**30.72**	**99.91**
Current service cost	51.87	52.75
Net interest expense	33.86	9.44
Net actuarial (gain)/loss recognised in the period	-	(10.32)
Amount recognised in Statement of Profit and Loss for year ended 31 March 2021	**85.73**	**51.87**

Notes to standalone financial statements

for the year ended March 31, 2021

Amount recognised in Other Comprehensive Income:

(Rs. in Lakhs)

	Gratuity Funded	Compensated absences
Actuarial (gain)/ loss on obligations	(238.42)	-
Return on plan assets (excluding amounts included in net interest expense)	(8.51)	-
Amount recognised in Other Comprehensive Income for year ended 31 March 2020	**(246.93)**	**-**
Actuarial (gain)/ loss on obligations	27.53	-
" Return on plan assets (excluding amounts included in net interest expense) "	(0.42)	-
Amount recognised in Other Comprehensive Income for year ended 31 March 2021	27.11	-

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

(Rs. in Lakhs)

	Gratuity Funded	Compensated absences
Fair value of plan assets at 1 April 2019	**208.27**	**-**
Actual return on plan assets	7.46	-
Benefits paid	(195.61)	
Employer contribution	1.60	-
Fair value of plan assets at 31 March 2020	21.72	-
Actual return on plan assets	1.07	-
Benefits paid	(8.07)	-
Fair value of plan assets at 31 March 2021	14.72	-

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

	31-Mar-21	31-Mar-20
Investment Details	**Gratuity**	**Gratuity**
Funds Managed by Insurer	100%	100%

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

	31-Mar-21	31-Mar-20
Average Past Service	1.33	0.40
Average Age	37.07	35.58
Average remaining working life	17.93	19.42
Discounting rate	6.80%	6.80%
Future salary Increase	7.00%	7.00%

Sensitivity analysis:

Sensitivity Analysis of the defined benefit obligation - Gratuity Plan

	31-Mar-21	31-Mar-20
Impact on defined benefit obligation	**498.44**	**519.66**
Delta effect of +0.5% change in discount rate	(3.89)	(1.52)
Delta effect of -0.5% change in discount rate	4.19	1.64
Delta effect of +0.5% change in salary increase	(3.73)	1.20
Delta effect of -0.5% change in salary increase	3.49	(1.11)

Sensitivity Analysis of the defined benefit obligation - Compensated absences

	31-Mar-21	31-Mar-20
Impact on defined benefit obligation	**141.73**	**138.78**
Delta effect of +0.5% change in discount rate	(3.59)	(1.45)
Delta effect of -0.5% change in discount rate	3.87	1.56
Delta effect of +0.5% change in salary increase	3.83	1.55
Delta effect of -0.5% change in salary increase	(3.59)	(1.45)

Notes to standalone financial statements
for the year ended March 31, 2021

Maturity Profile of Defined Benefit Obligation (Gratuity)

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
0 to 1 Year	420.71	492.31
1 to 2 Year	0.52	1.04
2 to 3 Year	0.49	1.00
3 to 4 Year	7.78	0.96
4 to 5 Year	5.01	2.13
6 Year onwards	63.94	62.49

Defined contribution plans

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Employer's Contribution to Provident Fund	176.28	199.58
Employer's Contribution to ESI	3.73	6.29
Employer's Contribution to NPS	34.63	39.96
	214.64	245.83

33. Segment information

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company's operations pre-dominantly relate to manufacturing, services and trading of goods. The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on analysis of various performance indicators pertaining to business. The accounting principles used in preparation of the financial statements are consistently applied to record revenue and expenditure in segment information, and are as set out in the significant accounting policies. The information about business segments are given below:

(A) Primary segment

(Rs. in Lakhs)

	Manufacturing		Services		Trading		Total	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Segment Revenue								
External Turnover	20,590.27	21,711.49	3,885.96	2,429.73	170.26	855.66	24,646.49	24,996.88
Inter Segment Turnover	-	-	-	-	-	-	-	-
Total Revenue	**20,590.27**	**21,711.49**	**3,885.96**	**2,429.73**	**170.26**	**855.66**	**24,646.49**	**24,996.88**
Segment Results before Interest and Taxes	**1,988.49**	**1,052.93**	**590.10**	**(120.68)**	**24.74**	**110.42**	**2,603.33**	**1,042.67**
Less : Finance Costs							2,163.27	2,634.66
Add : Interest Income							430.17	517.56
Add : Exceptional Items							(87.16)	(23,595.16)
Add/(Less): Unallocated (Expenses)/ Income							(474.80)	(587.06)
Profit/(Loss) before Tax							**308.27**	**(25,256.65)**
Other Information								
Segment Assets	28,890.57	32,970.48	3,029.02	3,821.38	698.81	683.42	32,618.40	37,475.28
Unallocated Assets							22,270.06	19,451.97
Total Assets	**28,890.57**	**32,970.48**	**3,029.02**	**3,821.38**	**698.81**	**683.42**	**54,888.46**	**56,927.25**
Segment Liabilities	25,439.86	26,164.91	1,408.80	2,447.10	179.10	178.70	27,027.76	28,790.71
Unallocated Liabilities							1,162.96	1,680.69
Share Capital & reserves							26,697.74	26,455.85
Total Liabilities	**25,439.86**	**26,164.91**	**1,408.80**	**2,447.10**	**179.10**	**178.70**	**54,888.46**	**56,927.25**
Depreciation and Amortization	1,273.63	1,336.95	280.54	376.27	-	-	1,554.17	1,713.22

Note :-
Total Revenue is after elimination of inter segment turnover 31.03.2021 : Nil (31.03.2020 : Nil)

Notes to standalone financial statements

for the year ended March 31, 2021

(B) Secondary segment

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Revenue from external customer *		
Within India	17,279.43	14,514.94
Outside India	7,367.06	10,481.94
Total Revenue as per statement of profit and loss	**24,646.49**	**24,996.88**

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

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Non-Current Operating Assets **		
Within India	14,920.91	16,416.66
Outside India	-	-
Total	**14,920.91**	**16,416.66**

* Non-Current Operating Assets for this purpose consist of Property, Plant & Equipment, Capital work in progress and Intangible Assets.

(C) Revenue from one customer in India more than 10% amounted to Nil (31.03.2020 : Rs. Nil)

34. Related party transactions

In accordance with the requirements of Indian Accounting Standard (Ind AS) - 24 'Related Party Disclosures' the names of the related party where control exists/ able to exercise significant influence along with the aggregate transactions and year end balance with them as identified by the management in the ordinary course of business and on arms' length basis are given below:

(a) Subsidiary Companies/ Step Down Subsidiary :

- AOL FZE, (Dubai)
- AOL Composites (Jiangsu) Co. Limited, (China) (step down subsidiary)
- Aksh Composites Private Limited, (India) (formerly known as Unitape Mandovi Composites Pvt. Ltd.)
- AOL Technologies FZE, (Dubai)
- Aksh Technologies (Mauritius) Limited, (Mauritius)

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

- Dr. Kailash S. Choudhari (Chairman)
- Mr. Satyendra Gupta (Non-Executive-Non-Independent Director) - w.e.f 01.12.2020) (MD From (12.02.2019 till 30.09.2019)
- Mr. Harvinder Singh (Additional Director (Independent Director)- w.e.f 10.02.2021)
- Mr. Sunil Puri (Additional Director (Independent Director)- w.e.f 10.02.2021)
- Mr. B.R.Rakhecha (Independent Director till 21.08.2019)
- Mr Amrit Nath (Independent Director till 22.07.2019)
- Mr Sanjay Katyal (Independent Director From 09.06.2020)
- Ms. Devika Raveendran (Independent Director till 09.08.2019)
- Mr. Gauri Shankar (Independent Director till 09.08.2019)
- Mr. Dhan Raj (Independent Director From 01.11.2019 till 19.02.2020)
- Ms. Anuja Bansal (Independent Director from 09.06.2020)
- Mr Rikhab Chand Mogha (Non-Executive-Non-Independent Director Director From 09.10.2019)
- Mr. Ankit Rawat ((Independent Director From 01.11.2019 till 08.08.2020)
- Mr. Ramgopal Yadavalli (Independent Director From 21.10.2019 till 29.03.2020)
- Ms. Yamini Agarwal (Independent Director From 29.10.2019 till 21.09.2020)
- Mr. Arvind Gupta (Independent Director From 13.02.2020 till 05.09.2020)
- Mr. Charan Deep Singh (Independent Director from 25.05.2020 till 10.02.2021)
- Mr. Gaurav Mehta (Chief- Corporate Affairs & Company Secretary)
- Mr. Pramod Kumar Srivastava (Chief Executive Officer from 01.04.2020)
- Mr. Pawan Kumar Gambhir (Chief Financial Officer till 29.11.2019)
- Mr. Sudhir Kumar Jain (Chief Financial Officer from 29.05.2020 till 13.08.2020)
- Mr. Sanjay Banka (Chief Financial Officer from 14.08.2020 till 30.11.2020)
- Mr. Mukesh Gupta (Chief Financial Officer from 01.12.2020 till 10.02.2021)

Notes to standalone financial statements

for the year ended March 31, 2021

(c) Transaction with related parties

(Rs. in Lakhs)

	Subsidiaries	KMP	Total
Re-imbursement of expenses	-		-
	41.09	-	41.09
Interest income on Loan	42.36		42.36
	127.81		127.81
Short term employee benefits	-	198.36	198.36
	-	191.20	191.20
Purchase / Services Received	92.12	22.00	114.12
	692.63	36.00	728.63
Sale (including capital goods) (net of returns)	(713.20)	-	(713.20)
	427.92	-	427.92
Advance Given	-	-	-
	-	-	-
Advacne received back	270.00	-	270.00
	-	-	-
Investments in Equity (including loan converted into equity)	3,271.43	-	3,271.43
	-	-	-
Investments in 6% non cumulative optionally convertible Preference share (Loan converted into Preference Shares)	-	-	-
	6,984.79	-	6,984.79
Sitting Fees	-	15.25	15.25
	-	15.95	15.95
Corporate guarantee given	-	-	-
Note : Figures in italic represents previous year	-	-	-

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

(d) Balance due (to)/ from

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Subsidiaries		
Trade Receivables	3,687.60	4,531.76
Loan and advances receivable	2,801.23	2,988.11
Trade and other Payables	(98.99)	(405.40)
KMP		
Trade and other Payables	(38.81)	(3.53)

(e) Deemed investment in subsidiaries*

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
AOL FZE (Dubai)	643.32	643.32
AOL Technologies FZE (Dubai)	162.93	162.93
	806.25	**806.25**

All transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. For the year ended 31 March 2021, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2020: Nil)

Notes to standalone financial statements

for the year ended March 31, 2021

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

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
(a) Loan given by the Company for general business purposes during the year :		
AOL FZE (Dubai)	-	-
Aksh Composite Private Limited	-	-
AOL Technologies FZE (Dubai)	-	-
Aksh Technologies (Mauritius) Limited, (Mauritius)	-	-
(b) Investment made are given under respective head (refer note no 5)		
AOL Technologies FZE, (Dubai)	3,271.43	1,887.88
AOL FZE (Dubai)	-	5,096.92
Aksh Technologies (Mauritius) Limited, (Mauritius)	-	-
(c) Corporate guarantee given by the Company during the year		
AOL FZE (Dubai)	-	-

For year ended transaction with related parties refer note no.34

36. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit for the year attributable to the equity shareholders of the company by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31-Mar-21	31-Mar-20
Profit/(Loss) for the year (Rs. in Lakhs)	222.68	(24,773.32)
Weighted average number of equity shares in calculating basic EPS (absolute value in number)	162,697,971	162,697,971
Effect of dilution	-	-
Weighted average number of equity shares in calculating basic EPS (absolute value in number)	162,697,971	162,697,971
Earning per share		
Basic EPS (on nominal value of Rs. 5 per share) Rs./share	0.14	(15.23)
Diluted EPS (on nominal value of Rs. 5 per share) Rs./share	0.14	(15.23)

37. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

(a) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(b) Income taxes

The Company is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

In assessing the realisability of deferred tax assets, management considers whether it is probable, that some portion, or all, of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods

Notes to standalone financial statements

for the year ended March 31, 2021

in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable incomes over the periods in which the deferred tax assets are deductible, management believes that it is probable that the Company will be able to realise the benefits of those deductible differences in future.

(c) Employee benefit obligations

The cost of the defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 32.

(d) Impact of COVID 19 (pandemic)

The Company has taken into account all the possible impacts of COVID-19 in preparation of these standalone financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition and impact on leases. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these standalone financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the standalone financial statements may differ from that estimated as at the date of approval of these standalone financial statements owing to the nature and duration of COVID-19.

(e) Contingencies

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

38. Capital & other commitments

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	138.52	138.52
Outstanding export obligation under EPCG scheme	2,168.32	2,252.69

The Company has other commitments for purchase orders which are issued after considering requirements as per operating cycle for purchase of services, employee benefits. The Company does not have any long term commitment or material non-cancellable contractual commitments/contracts with respect to contractual expenditure which might have a material impact on the financial statements.

39. Contingent liabilities

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
(a) Disputed Liabilities in appeal		
Sales tax matters	123.09	33.65
Service tax	11.45	8.56
Excise / custom duty	159.36	159.36
Income tax matters	215.62	92.72
Others	1,151.42	1,159.54
(b) Outstanding amount of duty saved against advance license	699.88	717.34
(c) Outstanding amount of duty saved against EPCG scheme	361.39	375.45
(d) O/s Balance of Corporate guarantees given	5,427.22	9,413.13

Notes to standalone financial statements

for the year ended March 31, 2021

40. Derivatives Instruments

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

(Amount in Lakhs)

	Currency	31-Mar-21	31-Mar-20
Forward contracts to sell	USD	1.50	1.75
	EURO	-	-

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

(Amount in Lakhs)

	Currency	31-Mar-21	31-Mar-20
Export of goods	USD	54.55	88.59
	EURO	5.53	3.95
Advance to Vendor	USD	0.85	1.15
	EURO	0.22	0.17
	AED	0.03	0.03
	GBP	0.00	-
Interest receivable on advances	USD	37.79	37.79

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

(Amount in Lakhs)

	Currency	31-Mar-21	31-Mar-20
Import of goods and services	USD	47.84	42.41
	EURO	2.14	2.23
	GBP	0.91	0.91
Advance from customers	USD	11.12	12.74
	EURO	0.01	0.01
Bill Discounting	USD	0.96	15.93
Term Loan	USD	14.44	14.44
	EURO	11.28	13.09

41. Details of Loans and Advances given to Subsidiaries

The details are provided as required by regulation 53 (f) read with Para A of Schedule V to SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

A. Outstanding amount

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Name of Subsidiary		
AOL FZE (Dubai)	2,324.77	2,282.77
Aksh Composites Private Limited	357.44	588.26
AOL Technologies, FZE	114.65	112.58
Aksh Technologies (Mauritius) Limited	4.37	4.51

Notes to standalone financial statements

for the year ended March 31, 2021

B. Maximum Balance during the year

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
AOL FZE (Dubai)		
Aksh Composites Private Limited	2,324.77	7,509.40
AOL Technologies, FZE	602.81	602.81
Aksh Technologies (Mauritius) Limited	114.65	2,000.46
Aksh Technologies (Mauritius) Limited	4.37	4.51

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

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.		
Principal amount due to micro and small enterprises	215.21	222.38
Interest due on above	94.40	84.49
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	14.98	9.67
The amount of interest accrued and remaining unpaid at the end of each accounting year.	109.38	94.16
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	109.38	94.16

43. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables, bank balances and short-term deposits, which arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is responsible to ensure that Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All activities for risk management purposes are carried out by teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments. 44. Provision for Diminution in Value of Investment

(i) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate primarily relates to the Company's long-term debt obligations with floating interest rates.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates. The Company's policy is to manage its interest cost using a mix of fixed, floating rate borrowings.

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Notes to standalone financial statements

for the year ended March 31, 2021

Interest rate sensitivity

(Rs. in Lakhs)

	Increase /Decrease in Basis points	Effect on profit before tax
31-Mar-21		
Base Rate	+50	(69.00)
Base Rate	-50	69.00
31-Mar-20		
Base Rate	+50	(64.08)
Base Rate	-50	64.08

Sesntivity is calculated based on the assumption that amount outstanding as at reporting dated were utilised for the whole financial year.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company has sales and purchases from outside India. The Company has transactional currency exposures arising from sales and purchases by an operating unit in currencies other than the unit's functional currency. Accordingly, the Company's financial state of affairs can be affected significantly by movements in the USD or any other currency exchange rates. The Company enters into derivative transactions, primarily in the nature of forward currency contracts on import payables. The purpose is to manage currency risks arising from the Company's operations.

Unhedged foreign currency sensitivity

(Rs. in Lakhs)

	Changes in USD	Effect on profit before tax	Changes in Euro	Effect on profit before tax
31-Mar-21				
	+5%	63.39	+5%	(32.95)
	-5%	(63.39)	-5%	32.95
31-Mar-20				
	+5%	152.16	+5%	(46.73)
	-5%	(152.16)	-5%	46.73

B. Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

(i) Trade Receivables

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

(ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for the components of the balance sheet at 31 March 2021 and 31 March 2020 is the carrying amounts of each class of financial assets except for financial guarantees and derivative financial instruments. The Company's maximum exposure relating to financial derivative instruments is noted in note no 40 and the liquidity table below:

Notes to standalone financial statements

for the year ended March 31, 2021

C. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligation associated with its Financial Liabilities that are settled by delivering cash or another Financial Assets. The Company's approach to manage Liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Company's reputation. The Company has been experiencing liquidity problems due to delayed in realisation of receivables. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

The Company's liquidity management process as monitored by management includes the following:-

(i) Day to day funding, managed by monitoring future cash flows to ensure that requirement can be met.

(ii) Maintaining rolling forecast of the Company's liquidity position on the basis of expected cash flows.

(iii) Strengthen of financial control with focus on realization of its receivables."

Exposure to Liquidity Risk

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

(Rs. in Lakhs)

	Payable on demand	0-12 months	1-5 years	> 5 years	Total
As at 31 March 2021					
Borrowings	8,381.27	4,430.80	2,231.49	-	15,043.56
Trade payables	-	7,390.81	-	-	7,390.81
Other financial liabilities	-	3,749.68	242.82	179.52	4,172.02
	8,381.27	**15,571.29**	**2,474.31**	**179.52**	**26,606.39**
As at 31 March 2020					
Borrowings	7,082.00	3,755.91	4,760.18	-	15,598.09
Trade payables	-	7,666.66	852.10	-	8,518.76
Other financial liabilities	-	3,677.75	222.89	226.24	4,126.88
	7,082.00	**15,100.32**	**5,835.17**	**226.24**	**28,243.73**

44. Code on Social Security, 2020

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

45. Balance receoverable / payable from parties are subject to confirmation

The Company has sent emails to various parties for confirmations of balances under receivables, payables, advances paid and advances received to which only some parties have responded. Balances of those parties for which confirmations have not been received are subject to confirmation and the management does not expect any significant impact on account of it.

46. Overdue outstanding foreign currency receivable and payable

The Company has foreign currency payable aggregating to Rs 2,553.61 lakhs and Rs 354.18 lakhs which are outstanding for more than six months (extended to twelve months) and three years respectively, as of March 31,2021. As on the date of signing of financial statement, the Company has not applied for extension of period due to pandemic of COVID-19 but the Company in consulation with RBI consultant is in the process to file the application for extension of period in due course. The Company also has foreign currency receivable balances aggregating to Rs 3,722.39 lakhs which are outstanding for more than nine months (extended to fifteen months), as of March 31,2021 and the Company has applied for extension of time period in case of export realisation. Management does not expect any material implication on account of delays under the existing regulations.

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47. Investment in non cumulative optionally convertible Prefrence share, pending for allotment

A Stand by Letter of credit (SBLC) of USD 44.57 lakhs (equivalent to Rs. 3271.44 lakhs) was given by the company's banker namely Union bank of India, against corporate guarantee given by company on behalf of Wholly owned foreign subsidiary namely AOL Technologies FZE. Due to invocation of SBLC, UBI has paid the SBLC amount to Foreign bank as demanded by them, upon which the company has decided to convert such amount to non-cumulative optionally convertible preference shares and disclosed the same under the Investments.

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

As on 31st March, 2021 All secured lenders have classified bank account of the Company with them as Non-Performing Assets (NPA) as per prescribed norms issued by Reserve Bank of India (RBI), although provision of interest in respect of such borrowings has been properly accounted for in books of accounts based on renewal letters available with the Company.

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

The Company has outstanding three advance licenses for the purpose of saving duty on import with the condition of export obligation as on 31st March 2021, however in respect of pending all three licenses on which duty saved amounting to Rs 786.69 lakhs, required export obligation not fulfilled by the Company during the validity period of license. The Company has already filled application under PRC for extension period of above-mentioned license and the same is currently pending in PRC due to pandemic of COVID 19. Management is of the view that extension will be granted and required export obligation will be fulfilled in the extended period of advance license.

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

The Foreign Subsidiary Company namely AOL Technologies FZE, Dubai (wholly owned subsidiary company) has Capital work in progress as on 31st March 2021 amounting to Rs. 9,294.38 lakhs in respect of Optical Fibre Manufacturing Plant. Presently the project has been suspended due to paucity of funds and no impairment testing has been carried out by the management of Subsidiary Company due to pandemic of COVID-19 situation. In absence of impairment assessment , Impact of impairment on the recoverable amount of investment is uncertain.

51. Impairment testing of FRP Manufacturing Plant of foreign subsidiary

The Foreign Subsidiary Company namely AOL FZE, Dubai (wholly owned subsidiary company) has been incurring losses from last few years, resulting in erosion of net worth. The Company is also in default with the Banks towards repayment of its borrowing obligation. Further at presently operations of above mentioned subsidiary are suspended due to various reason, however no impairment testing has been carried out by the management of Subsidiary Company due to pandemic of COVID-19 situation. In absence of impairment assessment , Impact of impairment on the recoverable amount of investment is uncertain.

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

As on Balance Sheet date, The Company has exposure in Trade receivable and loan receivable (Including Interest) amounting to Rs 3,687.60 lakhs & 2,801.23 lakhs respectively. As on 31st March, 2021 net worth of subsidiary companies is Negative. The Company has also applied for extension of un-realised export proceeds to Reserve Bank of India. Further due to pandemic of COVID-19 situation and suspension of operation of subsidiary, there is some delay in payment realisation. Management is of the view that Full amount is recoverable from subsidiary companies and no provision against the same is required to be recognised in books.

53. Impairment testing of Ophthalmic lens Plant

The Company has started lens plant in financial year 2017-18 for production of ophthalmic lens but the Company has not achieved desired production capacity due to technical constraint and pandemic of COVID-19 situation in current year as well as in previous year, resulting fixed cost increase of the lens plant with low contribution, hence cash loss incurred in lens plant in current year as well as in previous years. As on 31st March 2021, WDV (including capital work in progress) of Ophthalmic Lens Plant is Rs 3,559.39 lakhs.

Based on above mentioned information and considering the requirement of Ind AS-36 (Impairment of Assets), the management of the Company has assessed that a recognition of impairment is not required in respect of the Property, Plant and Equipment and Intangible Assets of lens plant, as cash loss has incurred by lens plant due to low demand in market, considering COVID 19 pandemic situation, hence desired production capacity not achieved by plant. Further, management of the Company has also prepared future projection of lens plant on realistic basis, and based on calculated projection has determined that no impairment provision is required to be recognised in books of account.

54. Matter on SEBI Order

"SEBI vide its Order dated 28 February, 2020 levied monetary penalty of Rs. 1,000 lakhs u/s 15HA and Rs. 15 lakhs u/s 23E of Securities Contracts Regulation Act (SCRA), 1956 for alleged irregularities in the issuance of GDRs allotted by the Company in the year 2010.

The Company has filled appeal in Securities Appellate Tribunal (SAT) against such order, which is pending for disposal.

Notes to standalone financial statements

for the year ended March 31, 2021

55. Capital management

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

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

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Borrowings	15,043.56	15,598.09
Less: Cash and cash equivalents	246.74	548.05
Net debt	**14,796.82**	**15,050.04**
Total equity	26,697.74	26,455.85
Gearing ratio	**55.42%**	**56.89%**

No changes were made in the objectives, processes for managing capital during the years ended 31 March 2021 and 31 March 2020.

56. Fair Values

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Derivative instruments		
Carrying value	0.59	0.59
Fair Value	0.59	0.59

Fair values

The fair values of trade receivables, cash and cash equivalents, other current financial asset, trade payables and other current financial liabilities are considered to be same as their carrying values due to their short term nature. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows based on the lowest level input that is significant to the fair value measurement as whole.

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

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

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

The following table presents assets and liabilities measured at fair value at 31 March 2021 and 31 March 2020

	Level 1	Level 2	Level 3
Derivative			
At 31 March 2021	-	0.59	-
At 31 March 2020	-	0.59	-

There are no transfers among levels 1, 2 and 3 during the year.

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

For and on behalf of the Board of Directors

As per our report of even date
For B G G & Associates
Chartered Accountants
Firm Registration Number: 016874N

CA Alok Kumar Bansal
Partner
Membership no.: 092854

Place: New Delhi
Date: 11-06-2021

Pramod Kumar Srivastava
Chief Executive officer
Place : New Delhi

Gaurav Mehta
Chief- Corporate Affairs
and Company Secretary
Place : New Delhi

Dr. Kailash S. Choudhari
Chairman
DIN : 00023824
Place : New Delhi

Charan Deep Singh
Process Leader - F & A
Place : New Delhi

Independent Auditor's Report

To the Members of Aksh Optifibre Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of Aksh Optifibre Limited ('the Holding Company'), and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flow for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the consolidated state of affairs of the Group as at 31 March 2021, and its consolidated loss (including other comprehensive income), consolidated statement of changes in equity and its consolidated cash flows the for the year ended on that date.

Basis for Qualified Opinion

a) We draw your attention to note 47 to the consolidated financial statements, which states, the Subsidiary Company namely AOL Technologies FZE, Dubai has Capital work in progress as on 31st March 2021 amounting to Rs. 9,294.38 lakhs in respect of Optical Fibre Manufacturing Plant. Presently the project has been suspended due to paucity of funds and no impairment testing has carried out by the Subsidiary Company. In the absence of assessment of impairment, we are unable to comment on the recoverable amount with regard to assets of subsidiary company.

b) We draw your attention to note 48 to the consolidated financial statements, which states, the Subsidiary Company namely AOL FZE, Dubai has been incurring losses from last few years, resulting in erosion of net worth. The Subsidiary Company is also in default with the Banks towards repayment of its borrowing obligation. Presently operations of subsidiary are suspended due to various reasons, however all value in financial statement have been taken at cost and impairment testing has not been carried out by the management. In the absence of assessment of impairment, we are unable to comment on the recoverable amount with regard to assets of subsidiary company.

We are unable to ascertain the Impact of the above qualification on the consolidated financial statement.

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

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

Emphasis of Matter

We draw attention to the consolidated financial statement :

a) Note 36(d) which explains the uncertainties and the management's assessment of the financial impact related to COVID-19 pandemic situation, for which a definitive assessment of the impact in subsequent period is highly dependent on future economic developments and circumstances as they evolve?

b) Note 43 regarding balance confirmations of Receivable / Payable / Advances paid / Advances received. The Holding Company has sent e-mail to parties with request to confirm their balances out of which only few have responded Pending receipt of such confirmations the balances have been considered as per books as the management does not forsee any impact arising on account of it.

c) Note 44 regarding the Holding Company has foreign currency payable aggregating to Rs 2,553.61 lakhs and Rs 354.18 lakhs which are outstanding for more than six months (extended to twelve months) and three years respectively, as of March 31,2021. The Holding Company also has foreign currency receivable balances aggregating to Rs 3,722.39 lakhs which are outstanding for more than nine months (extended to fifteen months), as of March 31,2021. As on the date of signing of financial statement, the Holding Company is in the process of applying for necessary extension in consultation with RBI consultant. Management does not expect any material implication on account of delays under the existing regulations.

d) Note 45 regarding all secured lenders have classified bank account of the Group with them as Non-Performing Assets (NPA) as per prescribed norms issued by Reserve Bank of India (RBI), although provision of interest in respect of such borrowings has been properly accounted for in books of accounts.

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

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

S.No.	Key Audit Matter	Auditor's Response
1.	**Trade Receivable From Central Government Entity**	
	The Holding Company has trade receivables of Rs. 2,723.69 lakhs from a Public Sector Entity, owned by the Government of India, in the telecommunications sector. The Holding Company has taken necessary steps for the recovery of the amount due. Considering that the amount is due from a Central Government Entity and based on experience of realisation and steps taken by the Holding Company for recovery, it is confident of recovering the balance amount in due course, however part of outstanding receivables also received during April 2021. This matter has been considered as a key audit matter considering the significant outstanding trade receivable. The management of the holding company has assessed that a provision for impairment is not required towards the amount recoverable from the Central Government Entity.	Our procedures included, but were not limited to, the following: ■ Evaluated various correspondences made by the Company with the Central Government Entity and other follow up actions taken by the Company, including but not limited to legal process, meetings, notices, etc. ■ Evaluated the underlying documents against which these amounts are accrued as per eligibility criteria. ■ Obtained representation from the management regarding recoverability of these amounts. As a result of the above audit procedures, the management's assessment of impairment in the amount recoverable from the Central Government Entity was considered as appropriate.
2.	**Assessment of Impairment testing of Ophthalmic lens Plant in line with Ind AS 36 (Impairment of Assets)**	
	(Refer Note No 49 of the accompanying consolidated financial statement) The Holding Company has started lens plant in financial year 2017-18 for production of lens but the Holding Company has not achieved desired production capacity due to technical constraint and pandemic of COVID-19 situation in current year as well as in previous year, resulting fixed cost increase with low contribution, hence cash loss incurred in lens plant in current year as well as in previous years. As on 31st March 2021, WDV (including Capital work in progress) of Ophthalmic Lens Plant is Rs 3,559.39 lakhs. The management also assesses whether an impairment indication exists and performs impairment test in respect of Property, Plant & Equipment's, and Intangible Assets wherever such indications exist, which involve management's judgment of various factors including future growth rate etc. The management of the Holding Company has assessed that a provision for impairment is not required in respect of the Property, Plant and Equipment and Intangible Assets of lens plant, as cash loss incurred due to low demand in market considering COVID 19 pandemic situation, hence desired production capacity not achieved, so based on projection recoverable amount determined is higher than the book value. This matter has been considered as a key audit matter considering the significance of WDV value of Property, Plant and Equipment and Intangible Assets to the consolidated financial statements.	Our procedures included, but were not limited to, the following: ■ We have obtained an understanding of management process with regard to identifying existence and testing the Impairment in the value of Property, Plant and equipment and Intangible Assets. ■ We have reviewed the Company's impairment assessment process including technical assessment of the management, key assumptions and judgement used to determine the impairment and future cash flows, discount rates applied etc. ■ Obtained representation from the management regarding non-recognition of Impairment. As a result of the above audit procedures, the management's assessment of impairment was considered as appropriate
3.	**Litigations – Contingencies**	
	As described in Note 50 to the consolidated financial statements, SEBI vide its Order dated 28 February, 2020 levied penalty of Rs. 1,000 lakhs u/s 15HA and Rs. 15 lakhs u/s 23E of Securities Contracts Regulation Act (SCRA), 1956 for alleged irregularities in the issuance of GDRs allotted by the Company in the year 2010. The Holding Company has filled appeal in Securities Appellate Tribunal (SAT) against such order, which is pending for disposal. This matter has been considered as a key audit matter considering that The Holding Company has ongoing litigation with relevant authorities which could have a significant impact on the financial statement of the Company, if the potential exposure were to materialise. The amounts involved are significant, and the application of Indian Accounting Standards to determine the amount, if any, to be provided as a liability or disclosed as a contingent liability, is inherently subjective.	In view of the significance of the matter, our procedures included, but were not limited to, the following: (i) Assessing the appropriateness of the design and implementation of the holding Company's controls over the assessment of litigations. Necessary meetings are conducted with in-house legal counsel and/or legal team. (ii) Discussions with management in respect of appeal filled by Company with Hon'ble Securities Appellate Tribunal against this order. (iii) We assessed the value of provision / contingent liability in light of position taken by the company, nature of exposure, applicable regulations and related correspondence with the authorities. As a result of the above audit procedures, the management's assessment of provision for contingencies was considered to be appropriate.

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

The Holding Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

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

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

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

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

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

i. Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

ii. Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.

iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv. Conclude on the appropriateness of management's and Board of Directors of the Holding Company use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Holding Company and subsidiaries) to cease to continue as a going concern.

v. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

vi. Obtain sufficient appropriate audit evidence regarding the financial information of such entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of the entities included in the consolidated financial statements. We remain solely responsible for our audit opinion.

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

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

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

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

Other Matters

(i) The Consolidated Financial Statements include the audited financial statement of two subsidiaries whose Financial statement reflect total assets of Rs. 2,087.97 lakhs as at 31st March,2021, total revenue of Rs. 977.33 lakhs, Group's share of total net loss after tax of Rs. 275.44 lakhs, Total Comprehensive Income of Rs (250.18) for the year ended 31st March,2021 and net cash outflow of Rs 5.93 lakhs for the year ended on that date, as considered in the consolidated financial statement, which have been audited by their respective independent auditors. The independent auditors' reports on audited financial statements of these entities have been furnished to us and our opinion on the consolidated Financial statements, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.

(ii) The Consolidated Financial Statements include the unaudited financial statement of two subsidiaries and one step-down subsidiary, whose Financial Statement reflect total assets of Rs. 19,779.44 lakhs as at 31st March,2021, total revenue of Rs. 1,004.05 lakhs, Group's share of total net loss after tax of Rs. 2,536.75 lakhs, Total Comprehensive Income of Rs. (2,513.54) lakhs for the year ended 31st March,2021 and net cash outflow of Rs 0.82 lakhs for the year ended on that date, as considered in the consolidated financial statements, which have not been audited. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosure in respect of such subsidiary is based on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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 maters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1) As required by Section 197(16) of the Act, we report that the Holding Company has not paid remuneration to its directors during the year hence the provisions of Section 197 read with Schedule V to the Act are not applicable.

2) As required by Section143(3) of the Act, we report, to the extent applicable, that:

   a) We have sought and except for the matter described in the basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit the aforesaid consolidated financial statements;

   b) Except for the possible effects of the matter described in the Basis of Qualified Opinion section above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) The consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements;

   d) Except for the effects of matter described in point (a) & (b) of Basis for Qualified Opinion section above, in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act;

   e) On the basis of the written representations received from the directors of the Holding Company as on 31st March 2021 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31st March 2021 from being appointed as a Director of that Company in terms of Section 164 (2) of the Act;

   f) With respect to the adequacy of the internal financial controls and the operating effectiveness of such controls; refer to our report in "**Annexure A**", which is based on the Auditors' Reports of the Holding Company and its Subsidiary Company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its Subsidiary Company incorporated in India; and

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

      (i) The Consolidated Ind AS Financial Statements disclose the impact of pending litigations on its financial position in the consolidated financial statements of the group- Refer note no 38 of the consolidated financial statement.

      (ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2021.

      (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding company and its subsidiary company incorporated in India during the wyear ended 31 March 2021.

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

CA Alok Kumar Bansal
Partner
Membership no.: 092854
UDIN: 21092854AAAACT6328

Place: New Delhi
Date: 11-06-2021

“Annexure A” to the Independent Auditor’s 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 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 31 March 2021, 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 31 March 2021, 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 B G G & Associates
Chartered Accountants
Firm Registration Number: 016874N

CA Alok Kumar Bansal
Partner
Membership no.: 092854
UDIN: 21092854AAAACT6328

Place: New Delhi
Date: 11-06-2021

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Consolidated Balance Sheet

for the year ended March 31, 2021

(Rs. in Lakhs)

	Notes	31-Mar-2021	31-Mar-2020
Assets			
Non-current assets			
Property, Plant and Equipment	3 (a) (i) &(ii)	23,733.22	25,896.35
Capital work-in-progress	3 (b)	9,214.49	9,402.23
Intangible assets	4	62.06	98.80
Financial assets			
Investments	5	-	-
Loans	6	238.28	266.14
Other Financial Assets	7	118.00	633.32
Deferred tax assets (net)	8 (a)	718.36	813.45
Other non-current assets	9	344.54	768.01
		34,428.95	**37,878.30**
Current assets			
Inventories	10	4,869.23	6,717.39
Financial Assets			
Trade receivables	11	7,713.70	9,954.88
Cash and cash equivalents	12	258.89	555.09
Other Bank Balances	13	1,874.82	1,597.55
Loans	6	552.35	533.49
Other Financial Assets	7	223.08	128.17
Current tax assets	8 (b)	100.02	122.90
Other current assets	9	1,306.36	2,212.66
		16,898.45	**21,822.13**
Total Assets		**51,327.40**	**59,700.43**
Equity and liabilities			
Equity			
Equity Share capital	14	8,134.90	8,134.90
Other Equity	15	2,181.21	4,610.20
Equity attributable to equity holders of the parent		**10,316.11**	**12,745.10**
Non-controlling interest		-	-
Total Equity		**10,316.11**	**12,745.10**
Non-current liabilities			
Financial Liabilities			
Borrowings	16	2,247.42	11,480.22
Trade Payables	17		
(a) total outstanding dues to micro & small enterprises		-	15.16
(b) total outstanding dues other than above		-	836.94
Other Financial liabilities	18	2,422.33	2,474.54
Provisions	19	324.84	163.81
		4,994.59	**14,970.67**
Current liabilities			
Financial liabilities			
Borrowings	20	10,838.95	11,624.31
Trade Payables	17		
(a) total outstanding dues to micro & small enterprises		253.83	229.76
(b) total outstanding dues other than above		8,860.84	9,278.96
Other financial liabilities	18	14,357.60	8,598.87
Other Current liabilities	21	1,110.05	729.01
Provisions	19	485.77	632.52
Current tax liabilities	8 (b)	109.66	891.23
		36,016.70	**31,984.66**
Total Equity and liabilities		**51,327.40**	**59,700.43**
Summary of significant Accounting policies	2.1		

The accompanying notes (1-53) are an integral part of the financial statements

For and on behalf of the Board of Directors

As per our report of even date
For B G G & Associates
Chartered Accountants
Firm Registration Number: 016874N

CA Alok Kumar Bansal
Partner
Membership no.: 092854

Place: New Delhi
Date: 11-06-2021

Pramod Kumar Srivastava
Chief Executive officer
Place : New Delhi

Gaurav Mehta
Chief- Corporate Affairs and Company Secretary
Place : New Delhi

Dr. Kailash S. Choudhari
Chairman
DIN : 00023824
Place : New Delhi

Charan Deep Singh
Process Leader - F & A
Place : New Delhi

Consolidated statements of Profit and Loss

for the year ended March 31, 2021

(Rs. in Lakhs)

	Notes	31-Mar-2021	31-Mar-2020
Income			
Revenue from operations	22	27,216.05	30,038.92
Other income	23	427.30	233.76
Total revenue (I)		**27,643.35**	**30,272.68**
Expenses			
Cost of raw material and components consumed	24	12,916.23	12,634.45
Purchase of traded goods	25	221.89	1,078.28
(Increase) in inventories of finished goods,work-in-progress and traded goods	26	1,477.81	4,487.38
Employee benefit expenses	27	3,268.34	4,163.28
Finance costs	28	2,943.84	3,124.59
Depreciation and amortisation expense	29	2,453.56	2,518.06
Other expenses	30	6,780.07	6,996.01
Total expense (II)		**30,061.74**	**35,002.05**
Loss before exceptional items and tax, (I) – (II)		**(2,418.39)**	**(4,729.37)**
Exceptional (expense)/income	31	(87.16)	(31,915.15)
Loss before tax		**(2,505.55)**	**(36,644.52)**
Tax expenses			
Current tax		-	-
Deferred tax		15.91	(716.48)
Adjustment of tax relating to earlier periods		17.71	2.46
Income tax expense/(Income)		**33.62**	**(714.02)**
Loss for the year		**(2,539.17)**	**(35,930.50)**
Other comprehensive income			
i) items that will not be reclassified to Profit or (Loss) in subsequent periods		27.30	(246.48)
Income Tax relating to these items		(7.95)	86.17
ii) items that may be reclassified to Profit or (Loss) in subsequent periods			
Exchange differences on translation of foreign operations		90.83	(231.10)
Other comprehensive income for the year, net of tax		**110.18**	**(391.41)**
Total comprehensive income for the year		**(2,428.99)**	**(36,321.91)**
Earnings per equity share	**35**		
Basic earnings per equity share		(1.56)	(22.08)
Diluted earnings per equity share		(1.56)	(22.08)
Summary of significant Accounting policies	2.1		

The accompanying notes (1-53) are an integral part of the financial statements

For and on behalf of the Board of Directors

As per our report of even date
For B G G & Associates
Chartered Accountants
Firm Registration Number: 016874N

CA Alok Kumar Bansal
Partner
Membership no.: 092854

Place: New Delhi
Date: 11-06-2021

Pramod Kumar Srivastava
Chief Executive officer
Place : New Delhi

Gaurav Mehta
Chief- Corporate Affairs and Company Secretary
Place : New Delhi

Dr. Kailash S. Choudhari
Chairman
DIN : 00023824
Place : New Delhi

Charan Deep Singh
Process Leader - F & A
Place : New Delhi

Consolidated Cash Flow statements

for the year ended March 31, 2021

(Rs. in Lakhs)

	31-Mar-2021	31-Mar-2020
Cash flow from operating activities		
Profit before tax	**(2,505.55)**	**(36,644.52)**
Adjustment to reconcile profit before tax to net cash flows :		
Depreciation/amortization	2,453.56	2,518.06
Written off CWIP	-	14,945.49
Provisions against advances	-	14,617.03
Provisions against trade receivable	-	2,644.78
(Profit) / Loss on sale of property, plant and equipment	2.44	(10.62)
Interest expense	2,943.84	3,124.59
Transition Impact of Ind AS 116	-	(223.30)
Other comprehensive income	118.13	(477.58)
Interest income	(214.69)	(233.76)
Operating profit before working capital changes	**2,797.73**	**260.17**
Movements in working capital:		
(Decrease)/Increase in trade payables and other liabilities	(141.88)	(75.69)
(Decrease)/Increase in provisions	14.28	342.56
Decrease in trade receivable	2,241.18	6,615.58
Decrease in inventories	1,848.16	5,539.30
(Increase)/Decrease in other assets	1,106.39	(433.90)
Cash generated from operations	7,865.86	12,248.02
Direct taxes paid	(705.07)	(308.67)
Net cash flow from in operating activities (A)	**7,160.79**	**11,939.35**
Cash flows from investing activities		
Purchase of property, plant and equipment, including intangible assets and capital work in progress	(29.20)	(1,509.64)
Decrease/(Increase) in Right to use of assets (Lease Assets)	(41.17)	(2,947.98)
Proceeds from sale of plant and equipment	1.99	3.60
Decrease/(Increase) in Capital advances / payable for capex	358.41	(189.35)
Interest received	214.69	233.76
Net cash flow (used in) investing activities (B)	**504.72**	**(4,409.61)**
Cash flow from financing activities		
Proceeds from long-term borrowings	-	-
(Repayment) of Term borrowings	(4,232.51)	(2,567.85)
Proceeds / (Repayment) from short-term borrowings	(785.36)	(1,478.67)
Dividend and tax thereon paid on equity shares	-	3.46
Interest paid	(2,943.84)	(3,124.59)
Net cash from financing activities (C)	**(7,961.71)**	**(7,167.65)**
Net increase/(decrease) in cash and cash equivalents (A + B +C)	**(296.20)**	**362.09**
Cash and cash equivalents at the beginning of the year	555.09	193.00
Cash and cash equivalents at the end of the year	**258.89**	**555.09**
Components of cash and cash equivalents		
Cash on hand	7.75	5.36
With banks on current account	243.72	542.31
Unpaid dividend accounts	7.42	7.42
Total cash and cash equivalent (Refer note no. 12)	**258.89**	**555.09**
Summary of significant Accounting policies		
The accompanying notes (1-53) are an integral part of the financial statements		

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

For and on behalf of the Board of Directors

As per our report of even date
For B G G & Associates
Chartered Accountants
Firm Registration Number: 016874N

Pramod Kumar Srivastava
Chief Executive officer
Place : New Delhi

Dr. Kailash S. Choudhari
Chairman
DIN : 00023824
Place : New Delhi

CA Alok Kumar Bansal
Partner
Membership no.: 092854

Gaurav Mehta
Chief- Corporate Affairs and Company Secretary
Place : New Delhi

Charan Deep Singh
Process Leader - F & A
Place : New Delhi

Place: New Delhi
Date: 11-06-2021

Statement of Changes in Equity

for the year ended March 31, 2021

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

	Nos.	(Rs. in Lakhs)
As at 1 April 2019	162,697,971	8,134.90
Changes in equity share capital		
As at 31 March 2020	162,697,971	8,134.90
Changes in equity share capital	-	-
As at 31 March 2021	**162,697,971**	**8,134.90**

B. Other Equity (refer note no. 15)

(Rs. in Lakhs)

	Securities premium	Capital reserve	Foreign Currency Translation Reserve	Retained earnings	Total other equity
Balance as at 1 April 2019	**33,064.11**	**2,223.35**	**1,127.30**	**4,740.65**	**41,155.41**
Loss for the year				(35,930.50)	**(35,930.50)**
Transitional Impact of Ind AS 116				(223.30)	**(223.30)**
Other comprehensive income			**(231.10)**	**(160.31)**	**(391.41)**
Total comprehensive income for the year	-	-		(36,314.11)	**(36,545.21)**
As at 31 March 2020	**33,064.11**	**2,223.35**	**896.20**	**(31,573.46)**	**4,610.20**
Balance as at 1 April 2020	**33,064.11**	**2,223.35**	896.20	**(31,573.46)**	**4,610.20**
Loss for the year	-	-	-	(2,539.17)	**(2,539.17)**
Other comprehensive income	-	-	90.83	19.35	**110.18**
Total comprehensive income for the year	**-**	**-**		**(2,519.82)**	**(2,428.99)**
As at 31 March 2021	**33,064.11**	**2,223.35**	**987.03**	**(34,093.28)**	**2,181.21**

For and on behalf of the Board of Directors

As per our report of even date
For B G G & Associates
Chartered Accountants
Firm Registration Number: 016874N

CA Alok Kumar Bansal
Partner
Membership no.: 092854

Place: New Delhi
Date: 11-06-2021

Pramod Kumar Srivastava
Chief Executive officer
Place : New Delhi

Gaurav Mehta
Chief- Corporate Affairs and Company Secretary
Place : New Delhi

Dr. Kailash S. Choudhari
Chairman
DIN : 00023824
Place : New Delhi

Charan Deep Singh
Process Leader - F & A
Place : New Delhi

Notes to consolidated financial statements

for the year ended March 31, 2021

1. Corporate information

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

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

2. Basis of preparation

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

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

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

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

3. Summary of significant accounting policies

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

a) Current v/s non-current Classification

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

b) Foreign currencies

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

Transactions and balances

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

Group Companies

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

(i) assets and liabilities are translated at the closing rate at the date of that balance sheet

(ii) income and expenses are translated at average exchange rates, On Consolidation, exchange differences arising from the translation of any net investment in foreign entities are recognised in other comprehensive income and all resulting exchange differences are recognised in other comprehensive income.

Notes to consolidated financial statements

for the year ended March 31, 2021

c) Fair value measurement

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

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

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

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

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

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

- Level 1 — Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.
- Level 2 — The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable the instrument is included in level 2
- Level 3 — If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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

d) Revenue recognition

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

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. The Performance Obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

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

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

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

Interest

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

e) Inventories

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

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

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

Notes to consolidated financial statements

for the year ended March 31, 2021

f) Borrowing cost

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

g) Income taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss [either in other comprehensive income (OCI) or in equity]. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognised for all taxable temporary differences and unused tax losses, only if, it is probable that future taxable amounts will be available to utilise those temporary differences & losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised

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

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

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

h) Property, Plant and Equipment

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

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

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

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

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives.

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

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

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

Category of assets	Life of asset
Factory Buildings	28 – 30 years
Plant and equipment including Telecom Networking Testing instrument, electrical equipment's, Fork lift and office equipment	5- 15 years
Furniture and fixtures	10 years
Data Processing System	3-5 years

Leasehold land is amortized over the duration of the lease.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference

Notes to consolidated financial statements

for the year ended March 31, 2021

between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss on the date of disposal or retirement.

i) Intangible assets

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

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

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

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

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

j) Lease

The Group has adopted Ind AS 116Leases effective1st April, 2019, using the modified retrospective method. The Group has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.

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

(i) the contract involves the use of an identified asset

(ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Group has the right to direct the use of the asset.

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

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

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, ifnot readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect thelease payments made.

A lease liability is remeasured upon the occurrence of certainevents such as a change in the lease term or a change inan index or incremental borrowing rate used to determine lease payments. Theremeasurement normally also adjusts the leased assets.

k) Provisions

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

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

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

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

l) Employee benefits

Short term employee benefits

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

Defined contribution plan

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

Defined benefit plan

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

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

Other long term benefits: Compensated Absences

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

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

m) Financial instruments

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

Financial assets

Initial recognition and measurement

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

Subsequent measurement

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

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

Debt instruments at amortised cost

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

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

This category is most relevant to the Group.

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

Debt instruments and derivativesmeasured at fair value through profit andloss (FVTPL)

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

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

De-recognition

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

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

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a

Notes to consolidated financial statements

for the year ended March 31, 2021

debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

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

Loans and borrowings

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

Financial liabilities at FVTPL

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

De-recognition

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

Offsetting of financial instruments

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

n) Impairment

(i) Financial assets

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

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

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

(ii) Non- financial assets

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

The recoverable amount of an asset or cash-generating unit ('CGU') is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ('CGU').

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

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

Impairment losses recognised in prior periods are assessed at end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Notes to consolidated financial statements

for the year ended March 31, 2021

o) Derivative financial instrument

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

p) Share capital

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

q) Cash and cash equivalents

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

r) Earnings per share (EPS)

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

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

s) Segment reporting

Identification of segments

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). Only those business activities are identified as operating segment for which the operating results are regularly reviewed by the CODM to make decisions about resource allocation and performance measurement.

Segment accounting policies

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

t) Contingencies

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

u) Dividends

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

v) Export incentive

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

w) Recent accounting pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet Items:

i. Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

ii. Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

iii. Specified format for disclosure of shareholding of promoters.

iv. Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress.

v. If a group has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

vi. Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of Profit & Loss related Items:

i. Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the consolidated financial statements.

The amendments are extensive and the Group will evaluate the same togive effect tothem as required by law.

Notes to consolidated financial statements

for the year ended March 31, 2021

(Rs. in Lakhs)

3 (a) (i) Property, Plant and Equipments	Freehold Land	Leasehold Land	Factory Buildings	Plant and equipment	Telecom Networking	Testing Instruments	Air Conditioners	Furniture and fixtures	Office Equipment's	Data Proce-ssing System	Vehicles	Fork Lift	Total
Cost or valuation													
At April 1, 2019	1.84	728.06	6,423.71	30,707.05	3,374.12	1,333.75	658.59	368.55	412.39	317.50	87.21	41.23	44,454.00
Additions	-	-	47.51	1,543.27	7.43	4.80	-	14.44	14.70	2.75	-	-	1,634.90
Disposals / adjustments	-	-	-	(569.71)	-	-	-	-	-	-	-	-	(569.71)
At March 31, 2020	**1.84**	**728.06**	**6,471.22**	**31,680.61**	**3,381.55**	**1,338.55**	**658.59**	**382.99**	**427.09**	**320.25**	**87.21**	**41.23**	**45,519.19**
Additions	-	-	3.61	178.00	17.11	0.19	1.31	4.98	1.11	6.85	-	-	213.16
Disposals / adjustments	-	-	-	(32.18)	-	(3.99)	(0.04)	(1.78)	(7.33)	(1.23)	(0.02)	(7.04)	(53.61)
At March 31, 2021	**1.84**	**728.06**	**6,474.83**	**31,826.43**	**3,398.66**	**1,334.75**	**659.86**	**386.19**	**420.87**	**325.87**	**87.19**	**34.19**	**45,678.74**
Depreciation													
At April 1, 2019	-	31.33	1,072.20	15,058.71	2,333.15	769.61	306.20	182.24	130.89	267.08	53.25	16.78	20,221.44
Charge for the year	-	7.38	233.52	1,543.19	162.95	52.90	60.52	22.11	60.66	19.38	6.99	2.42	2,172.02
Preoperative Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment													
Disposals / adjustments	-	-	-	(166.25)	-	-	-	2.20	4.86	-	-	-	(159.19)
At March 31, 2020	**-**	**38.71**	**1,305.72**	**16,435.65**	**2,496.10**	**822.51**	**366.72**	**206.55**	**196.41**	**286.46**	**60.24**	**19.20**	**22,234.27**
Charge for the year	-	7.37	224.22	1,510.73	163.75	49.68	60.56	23.59	59.47	1.91	7.27	2.42	2,110.97
Preoperative Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Adjustment													
Disposals / adjustments	-	-	-	(30.40)	-	(3.79)	(0.03)	(1.69)	(5.75)	(1.17)	(0.02)	(6.34)	(49.19)
At March 31, 2021	**-**	**46.08**	**1,529.94**	**17,915.98**	**2,659.85**	**868.40**	**427.25**	**228.45**	**250.13**	**287.20**	**67.49**	**15.28**	**24,296.05**
Net Block value													
At March 31, 2021	**1.84**	**681.98**	**4,944.89**	**13,910.45**	**738.81**	**466.35**	**232.61**	**157.74**	**170.74**	**38.67**	**19.70**	**18.91**	**21,382.69**
At March 31, 2020	1.84	689.35	5,165.50	15,244.96	885.45	516.04	291.87	176.44	230.68	33.79	26.97	22.03	23,284.92

(Rs. in Lakhs)

3 (a) (ii) Right of Use Assets	Right to use of Building	Right to use of Vehicle
Movements during the year		
At April 1, 2019		
Addition on account of Transition to Ind AS 116	2,342.37	66.39
Addition	562.80	-
Deletion	(23.58)	-
Balance as on March 31, 2020	**2,881.59**	**66.39**
Addition	32.76	-
Modification	8.41	-
Deletion	-	-
Balance as on March 31, 2021	**2,922.76**	**66.39**
Accumulated Depreciation		
Addition	312.75	23.80
Deletion	-	-
Balance as on March 31, 2020	**312.75**	**23.80**
Addition	276.57	25.50
Deletion	-	-
Balance as on March 31, 2021	**589.32**	**49.30**
Net Block value		
At March 31, 2021	**2,333.44**	**17.09**
At March 31, 2020	2,568.84	42.59

Notes to consolidated financial statements

for the year ended March 31, 2021

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

This has resulted in recognising a right-of-use asset of Rs. 2,408.78 lakhs and a corresponding lease liability of Rs. 2,644.96 lakhs. The difference of Rs. 223.30 lakhs (net of deferred tax asset created of Rs. 12.88 lakhs) has been adjusted to retained earnings as at 1st April 2019.

In the statement of profit and loss for the current year, operating lease expenses which were recognised as other expenses in previous periods is now recognised as depreciation expense for the right-of-use asset and finance cost for interest accrued on lease liability. The adoption of this standard did not have any significant impact on the profit for the year and earnings per share.

(ii) The Group incurred Rs. 195.50 lakhs (31st March, 2020 Rs. 457.71 lakhs) for the year ended 31st March, 2021 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is Rs. 598.27 Lakhs (31st March, 2020 Rs. 898.52 lakhs) for the year ended 31st March, 2021, including cash outflow of short-term leases and leases of low-value assets.

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

(Rs. in Lakhs)

3 (b). Capital Work-in-progress	
At 31st March 2021	9,214.49
At 31st March 2020	9,402.23

(Rs. in Lakhs)

4. Intangible assets	Other intangible assets	Building	Vehicle
Gross block			
At April 1, 2019	2,779.31	6.01	2,785.32
Additons	4.65	-	4.65
Disposals / adjustments	-	-	-
At March 31, 2020	**2,783.96**	**6.01**	**2,789.97**
Additions	3.78	-	3.78
Disposals / adjustments	(0.19)	-	(0.19)
At March 31, 2021	**2,787.55**	**6.01**	**2,793.56**
Amortisation			-
At April 1, 2019	2,622.80	6.01	2,628.81
Charge for the year	62.36	-	62.36
Disposals / adjustments	-	-	-
At March 31, 2020	**2,685.16**	**6.01**	**2,691.17**
Charge for the year	40.52	-	40.52
Disposals / adjustments	(0.19)	-	(0.19)
At March 31, 2021	**2,725.49**	**6.01**	**2,731.50**
Net block value			
At March 31, 2021	**62.06**	**-**	**62.06**
At March 31, 2020	98.80	-	98.80

5. Financial assets - Investments

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Investment others :		
1 (31 March, 2020: 1) equity shares of AED 3.67 (rounded off to AED 4) each fully paid-up in Eminent One Ventures Limited	-	-

*Investment made in Eminent One Ventures Limited of Rs. 73.115 equivalent to 4 AED (31.03.2020 Rs. 75.58)

6. Financial assets - Loans

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Non-Current		
Security deposit *	238.28	266.14
	238.28	**266.14**
Current		
Security deposit	102.35	83.49
Loan and advances to others	450.00	450.00
	552.35	**533.49**
Break-up :		
Loans considered good - Secured	-	-
Loans considered good - Unsecured	790.63	799.63
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
	790.63	**799.63**

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

Notes to consolidated financial statements

for the year ended March 31, 2021

7. Other Financial Assets

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Non Current		
Margin Money #	118.00	633.32
	118.00	**633.32**
Current		
Interest accrued on fixed deposits	25.51	25.89
Interest accrued on other deposits	196.98	101.69
Derivative Instruments		
Foreign exchange forward contracts	0.59	0.59
	223.08	**128.17**

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

8a Deferred Tax Assets (net)

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Deferred Tax Liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	1,324.06	1,544.62
Gross deferred tax liability	**1,324.06**	**1,544.62**
Deferred tax asset		
Provision for doubtful debts	45.99	137.75
Impact of brought froward losses	801.31	777.33
Disallowances under the Income Tax Act, 1961	499.62	676.17
Gross deferred tax asset	**1,346.92**	**1,591.25**
MAT credit	695.50	766.82
Deferred Tax Assets (net)	**718.36**	**813.45**

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2021 and 31 March 2020:

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Accounting loss before income tax	**(2,505.55)**	**(36,644.52)**
CWIP Written off	-	14,945.49
Provision against advance	-	14,617.03
Considered for ETR Purpose	**(2,505.55)**	**(7,082.01)**
At India's statutory income tax rate of 29.120% (31 March 2020: 34.944%)	(729.62)	(2,474.74)
Impact of permanent disallowances	20.20	114.72
Impact due to change in rate of tax	(24.88)	-
Foreign Entities with no tax	738.70	1,545.57
Difference in tax rates for certain entities of the group	27.91	89.77
Others	1.31	10.66
At the effective income tax rate of (0.97%) (31 March 2020: 10.082%)	33.62	(714.02)
Total tax expense reported in the statement of profit and loss	**33.62**	**(714.02)**

Notes to consolidated financial statements

for the year ended March 31, 2021

8 (b) . Current Tax Assets and Liabilites

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Current tax asset	100.02	122.90
Current tax liability	109.66	891.23

9. Other Assets

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Non-Current		
Capital advances	324.50	700.02
Prepaid expenses	20.04	31.75
Deferred lease expense on security deposits paid	-	36.24
Total Other Non-Current Assets	**344.54**	**768.01**
Current		
Advances recoverable in cash or kind	15,492.78	15,940.62
Prepaid expenses	68.12	545.78
Balances with statutory / government authorities	1,177.53	1,154.01
Deferred lease expense on security deposits paid	-	4.32
Total Other Current Assets	**16,738.43**	**17,644.73**
Less:-Provision against doubtful advance*	15,432.07	15,432.07
	1,306.36	**2,212.66**

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

10. Inventories

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
(Valued at lower of cost and net realisable value)		
Finished and traded goods (Includes stock in transit Rs. 1,399.52 lakhs, March 31,2020 : Rs. 393.37)	2,899.05	3,529.87
Raw material	922.55	1,216.50
(Includes stock in transit Rs. Nil lakhs, March 31,2020 : Rs. 3.52 lakhs)		
Semi finished goods	499.76	1,346.75
Stores, spares and others	547.87	624.27
	4,869.23	**6,717.39**

Amount recognised in profit and loss

'Write-down to inventories to net realisable value amounted to Rs. 34.95 lakhs (31st March 2020 : Rs. 211.07 lakhs). These write-downs were recognised as an expense and included in 'changes in in inventories of finished goods,work-in-progress and traded goods' in the statement of Profit and Loss.

Notes to consolidated financial statements

for the year ended March 31, 2021

11. Financial assets - Trade Receivables

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Trade receivables	10,338.90	12,816.34
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	-	-
	10,338.90	**12,816.34**
Less : Provision for doubtful debts*	2,625.20	2,861.46
	7,713.70	**9,954.88**
Breakup of security details		
Secured, considered good	-	-
Unsecured, considered good	7,713.70	9,954.88
Considered doubtful	2,625.20	2,861.46
	10,338.90	**12,816.34**

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

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

Trade receivable that are not derecognised in their entirely :

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Trade receivables	58.14	1,337.45
Associated borrowing	52.33	1,203.70

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

Trade receivable that are derecognised in their entirely :

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Trade receivables	92.99	714.06

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

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

12. Financial assets - Cash and Cash equivalents

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Balances with banks:		
On current accounts *	243.72	542.31
On unpaid dividend account	7.42	7.42
Cash on hand	7.75	5.36
	258.89	**555.09**

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

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Notes to consolidated financial statements

for the year ended March 31, 2021

13. Financial assets - Other Bank Balances

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Deposits with original maturity of less than 12 months	-	93.50
Margin Money #	1,874.82	1,504.05
	1,874.82	**1,597.55**

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

14. Share Capital

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Authorized Shares (Nos)		
520,100,000 (March 31,2020 : 520,100,000) Equity Shares of Rs. 5/- each	26,005.00	26,005.00
Issued, subscribed and fully paid-up shares (No.)		
162,697,971 (March 31,2020 : 162,697,971) Equity Shares of Rs. 5/- each	8,134.90	8,134.90
	8,134.90	**8,134.90**

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

Equity Shares		31-Mar-21	31-Mar-20
At the beginning of the year	Nos.	162,697,971	162,697,971
Add:			
Issued during the year	Nos.	-	-
Outstanding at the end of the year	**Nos.**	**162,697,971**	**162,697,971**
At the beginning of the year	Rs. in Lakhs	8,134.90	8,134.90
Add:			
Issued during the year	Rs. in Lakhs	-	-
Outstanding at the end of the year	**Rs. in Lakhs**	**8,134.90**	**8,134.90**

Terms/ rights attached to equity shares

The Holding Company has only one class of equity shares having par value of Rs 5/- per share. Each holder of equity shares is entitled to one vote per share. The Group declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

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

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

(i) issued any bonus shares

(ii) Bought back any shares

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

Equity Shares	31-Mar-21	31-Mar-20
32,901 No's Fully Paid Up Equity Shares alloted to minority shareholders of erstwhile APaksh Broadband Limited during financial year 2017-18	-	-

Notes to consolidated financial statements

for the year ended March 31, 2021

15. Other Equity

(Rs. in Lakhs)

		31-Mar-21	31-Mar-20
Securities Premium Account			
Balance as per the last financial statements		33,064.11	33,064.11
Closing Balance	**(A)**	**33,064.11**	**33,064.11**
Capital Reserves			
Balance as per the last financial statements		2,223.35	2,223.35
Closing Balance	**(B)**	**2,223.35**	**2,223.35**
Foreign Currency Translation Reserve			
Balance as per the last financial statements		896.20	1,127.30
Addition during the year		90.83	(231.10)
Total Foreign Currency Translation Reserve	**(C)**	**987.03**	**896.20**
Retained Earnings			
Balance as per the last financial statements		(31,573.46)	4,740.65
Loss for the year		(2,539.17)	(35,930.50)
Transition Impact of Ind AS 116		-	(223.30)
(Less) Other Comprehensive expense		19.35	(160.31)
Closing Balance	**(D)**	**(34,093.28)**	**(31,573.46)**
Total Other Equity	**(A+B+C+D)**	**2,181.21**	**4,610.20**

Nature and Purpose of reserves other than retained earnings

Securities premium

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

Capital reserve

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

16. Financial liabilities - Non-Current Borrowings

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Non-Current		
Borrowings		
Secured Loans		
Foreign Currency Loan from Banks	545.74	8,003.11
Indian Rupee Loan from Banks	1,701.68	3,477.11
Total Non-Current long term borrowings	**2,247.42**	**11,480.22**
The above amount includes		
Secured borrowings	2,247.42	11,480.22
Current maturities of long term debt		
Term Loans		
Secured Loans		
Foreign Currency Loan from Banks	5,946.53	2,409.61
Indian Rupee Loan from Banks	2,877.92	1,414.55
	8,824.45	**3,824.16**
Total Current Maturities	**8,824.45**	**3,824.16**
The above amount includes		
Secured borrowings	8,824.45	3,824.16
Amount disclosed under the head “other financial liabilities” (refer note no.18)	(8,824.45)	(3,824.16)
	-	-

Notes to consolidated financial statements

for the year ended March 31, 2021

Indian rupee loan from bank amounting to Rs 4,579.60 lakhs (31st March 2020: Rs 4,891.66 lakhs) carries interest rate ranging between 9.40% p.a. to 13.30% p.a. and repayable in 5 years in quarterly instalments. The loans are secured by way of first pari passu charge on fixed assets of the Group, second pari passu charge on current assets of the Group and further secured by personal guarantee of Dr. Kailash S Choudhari.

Foreign currency term loan from bank amounting to Rs. 6,492.27 lakhs (31st March 2020: Rs. 10,412.72 lakhs) carries interest rate ranging between 4.50% to 5.30 p.a. and repayable in 5 years in quarterly installments.. The loans are secured by way of first pari passu charge on fixed assets of the Group, second pari passu charge on current assets of the Group and further secured by personal guarantee of Dr. Kailash S Choudhari.

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

The Company has defaulted in repayment of following dues to the financial institution and banks. The lender wise detial as under :

Name of lender	Delay in repayment during the year		Default as at March 31, 2021	
	Rs. in Lakhs	Period of default	Rs. in Lakhs	Period of default
Borrowings				
Punjab National Bank	65.50	0-45 days	32.75	0-45 days
HDFC Bank	-	0-45 days	65.18	0-45 days
	-	46-90 days	288.24	46-90 days
	229.67	91 days and above	377.71	91 days and above
Union Bank of India	110.00	0-45 days	110.25	0-45 days
	126.25	46-90 days	220.25	46-90 days
Bank of Borada	-	0-45 days	-	0-45 days
	-	46-90 days	-	46-90 days
	3514.24	91 days and above	3141.63	91 days and above
	4,045.66		**4,236.01**	
Interest				
Punjab National Bank	24.28	0-45 days	4.35	0-45 days
HDFC Bank	-	0-45 days	54.24	0-45 days
	-	46-90 days	57.47	46-90 days
	-	91 days and above	230.19	91 days and above
Union Bank of India	31.05	0-45 days	83.59	0-45 days
	-	46-90 days	46.98	46-90 days
	-	91 days and above	46.92	91 days and above
Bank of Baroda	-	0-45 days	-	0-45 days
	-	46-90 days	-	46-90 days
	183.13	91 days and above	379.43	91 days and above
	238.46		**903.17**	
SBLC Deveolvement/Bill Discounting/ Working Capital				
Union Bank of India	630.49	0-45 days	2,640.94	0-45 days
Bank of Baroda-Bill Discounting	-	0-45 days	-	0-45 days
Bank of Baroda-Working Capital	410.68	46-90 days	89.26	46-90 days
	-	91 days and above	751.78	91 days and above
	1,041.17		**3,481.98**	

17. Financial liabilities - Trade Payables

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Non-Current		
Trade Payables to micro and small enterprises (refer note no. 40)	-	15.16
Trade Payables to others	-	836.94
	-	**852.10**
Current		
Trade Payables to micro and small enterprises (refer note no. 40)	253.83	229.76
Trade Payables to others	8,860.84	9,278.96
	9,114.67	**9,508.72**

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

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for the year ended March 31, 2021

18. Other Financial Liabilities

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Non-Current		
Others	2,422.33	2,474.54
Total Non-Current financial liabilities	**2,422.33**	**2,474.54**
Current		
Current maturities of long term debt (Refer Note No. 16)	8,824.45	3,824.16
Interest accrued and due on borrowings / trade payables	1,025.31	200.03
Unclaimed Dividend 2013-14 & 2017-18*	7.42	7.42
0 % Security Deposits	326.54	680.12
Others	4,173.88	3,887.13
Total Current financial liabilities	**14,357.60**	**8,598.87**

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

19. Provisions

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Non-Current		
Provision for Gratuity & Compensated Absences	324.84	163.81
	324.84	**163.81**
Current		
Provision for Gratuity & Compensated Absences	485.77	632.52
	485.77	**632.52**

20. Short Term Borrowings

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Secured Loans		
Working capital facilities from Banks	9,123.84	7,765.82
Liability towards bills discounted from Bank	89.27	257.49
Unsecured Loans		
Inter corporate deposit from others	200.00	250.00
Loan from related party	193.29	253.05
Loan from others	1,167.01	1,665.73
Liability towards bills discounted from Bank/others	65.54	1,432.22
	10,838.95	**11,624.31**
Total secured loans	9,213.11	8,023.31
Total unsecured loans	1,625.84	3,601.00

Working capital facilities includes cash credit from banks are secured by way of first pari-passu charge on hypothecation of raw materials, work-in-progress, finished goods and trade receivables both present and future and second pari-passu charge on the fixed assets of the Company. These facilities are further secured by way of first pari-passu charge on the immovable properties of the respective Company and personal guarantee of Dr. Kailash S. Choudhari. The cash credit is repayable on demand. It carries interest in the range of 8.25% to 13.60 % p.a.

Inter corporate deposits from other are repayable on demand.

Bills Discounting are unsecured and carries interest @ 3.25% to 4.50% p.a.

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Notes to consolidated financial statements

for the year ended March 31, 2021

21. Other Current Liabilities

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Advance from Customers	739.31	247.65
Others	370.74	481.36
	1,110.05	**729.01**

22. Revenue From Operations

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Revenue from contracts with customers		
Sale of products		
- Finished goods	22,847.74	26,208.49
- Traded goods	170.26	855.66
Sale of services	3,818.86	2,029.66
Other operating revenue		
- Scrap sales	52.46	48.16
- Export Incentives	190.90	335.25
- Exchange Fluctuation	41.78	101.00
- Other operating revenue	94.05	460.70
	27,216.05	**30,038.92**

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

(b) Reconciliation of Revenue from operations with contract price

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Contract price	26,952.70	29,205.35
Less : Liquidation damage charges	15.74	15.74
Less : Rebate / Discount	47.64	47.64
Total revenue from operations	**26,889.32**	**29,141.97**

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

(c) Contract balances

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Contarct Liabilities		
Advance from customers	739.31	247.65
Total	**739.31**	**247.65**
Receivables		
Trade receivables	10,338.90	12,816.34
Less: Provision for doubtful debts	2,625.20	2,861.46
Total	**7,713.70**	**9,954.88**

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

Notes to consolidated financial statements

for the year ended March 31, 2021

23. Other Income

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Interest income		
on deposits	139.43	134.87
on other advances	75.26	93.92
Other non-operating income	212.61	4.97
	427.30	**233.76**

24. Cost of raw material and components consumed

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Inventory at the beginning of the year	1,216.50	2,229.60
Add: Purchases	12,622.28	11,621.35
	13,838.78	13,850.95
Less: inventory at the end of the year	922.55	1,216.50
Cost of raw material and components consumed	**12,916.23**	**12,634.45**

25. Details of purchase of traded goods

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Telecom & electronic items	221.89	1,078.28
	221.89	**1,078.28**

26. (Increase)/ decrease in inventories

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Inventories at the end of the year		
Finished/Traded goods	2,899.05	3,529.87
Semi Finished goods	499.76	1,346.75
	3,398.81	**4,876.62**
Inventories at the beginning of the year		
Finished/traded goods	3,529.87	6,882.61
Semi finished goods	1,346.75	2,481.39
	4,876.62	**9,364.00**
	1,477.81	**4,487.38**

27. Employee benefits expense

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Salaries, wages and bonus	2,475.40	3,184.90
Contribution to provident and other funds	220.15	255.98
Gratuity	114.88	65.60
Staff welfare expenses	32.50	53.03
Directors' Remuneration	425.41	603.77
	3,268.34	**4,163.28**

Notes to consolidated financial statements

for the year ended March 31, 2021

28. Finance costs

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Interest on Cash Credit	871.62	974.17
Interest on Term Loan	1,196.76	1,073.85
Interest Others*	468.84	696.08
Bank Charges	406.62	380.49
	2,943.84	**3,124.59**

* Interest on lease liabilities is Rs. 188.21 lakhs for the year ended on 31 March 2021. (31 March 2020 : Rs. 100.37 lakhs)

During the year, the Group has capitalised borrowing costs of Rs. Nil (31 March 2020: Rs. 368.06 lakhs) incurred on the borrowings specifically availed for expansion and modernisation of production facilities. The interest expense disclosed above is net of the interest amount capitalised.

29. Depreciation and amortisation expense

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Depreciation of Property, Plant & Equipment	2,110.97	2,172.02
Depreciation on Right to use of Assets (Lease Assets)*	302.07	283.68
Amortisation of intangible assets	40.52	62.36
	2,453.56	**2,518.06**

* It inculde deprecation amounting to Rs Nil (31 March 2020: Rs. 52.87 lakhs) capitlized under capital work in progress.

30. Other expenses

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Consumption of stores and spares	393.39	365.10
Power & Fuel	903.02	895.77
Packing Material Consumed	1,003.80	1,172.75
Repair & Maintenance		
- Plant & Machinery	142.92	74.90
- Buildings	12.99	5.92
- Others	74.13	74.59
Sub-contracting expenses	2,485.37	1,511.47
Marketing & Service Charges	19.53	306.63
Freight & Cartage (Outward)	536.89	624.75
Travelling & Conveyance	48.00	204.99
CSR Expenditure	41.54	69.38
Postage & Telephone	27.29	36.64
Insurance	161.99	138.19
Rent	183.69	365.56
Professional & Legal Expenses	347.63	322.44
Auditors' Remuneration	52.78	50.65
Provision for doubtful debts	7.41	-
Other Expenses	337.70	776.28
	6,780.07	**6,996.01**

Notes to consolidated financial statements
for the year ended March 31, 2021

Details of CSR Expenditure

(Rs. in Lakhs)

		31-Mar-21	31-Mar-20
a) Gross amount required to be spent during the year		41.25	69.12
b) Amount Spent during the year ending on March 31, 2021	**In Cash**	**Yet to be paid in cash**	**Total**
i) Construction/acquisition of an asset	-	-	-
ii) on Purchase other than (i) above	41.54	-	41.54
c) Amount Spent during the year ending on March 31, 2020			
i) Construction/acquisition of an asset	**-**	**-**	**-**
ii) on Purchase other than (i) above	**69.38**	**-**	**69.38**

Payment to auditor

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
As auditor:		
Audit fee	51.98	47.61
In other capacity:		
Other services (certification fees)	-	-
Reimbursement of expenses	0.80	3.04
	52.78	**50.65**

31. Exceptional Item

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Foreign Exchange Fluctuations	(113.35)	266.44
Profit/(Loss) on sale of Property,plant and equipments	(2.44)	10.62
Modification of Lease Liablitites	-	39.15
CWIP written off	-	(14,945.49)
Provision against advances	-	(14,617.03)
Balances written off Income/ (Expense)	28.63	(24.06)
Provision for Doubtful debts	-	(2,644.78)
	(87.16)	**(31,915.15)**

32. Employee benefits

Defined benefit plans

Gratuity:

The Group provides for gratuity for employees in India as per Payment of gratuity act, 1972 and Provision for gratuity in case of employees worked in India determined based on actuarial valuation using projected unit credit method. However, Liability of gratuity on employees worked outside India determined as per applicable laws in relevant countries.

Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in the form of a qualifying insurance policy.

Notes to consolidated financial statements
for the year ended March 31, 2021

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

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

(Rs. in Lakhs)

	Gratuity Funded	Compensated absences
Defined benefit obligation at 1 April 2019	**426.58**	**115.22**
Interest expense	32.70	8.83
Service cost	14.51	23.00
Benefits paid	(191.71)	(77.18)
Actuarial (gain)/ loss on obligations	237.98	71.08
Defined benefit obligation at 31 March 2020	**520.06**	**140.95**
Interest expense	35.36	9.58
Service cost	53.27	54.04
Past Service Cost including curtailment Gains /Losses	-	-
Benefits paid	(80.89)	(50.15)
Actuarial (gain)/ loss on obligations	(27.71)	(11.22)
Defined benefit obligation at 31 March 2021	**500.09**	**143.20**

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

(Rs. in Lakhs)

	Gratuity Funded	Compensated absences
Present value of obligation	520.06	140.95
Fair value of plan assets	21.72	-
Net assets / (liability) recognized in balance sheet as provision as at 31 March 2020	**(498.34)**	**(140.95)**
Present value of obligation	500.09	143.20
Fair value of plan assets	14.72	-
Net assets / (liability) recognized in balance sheet as provision as at 31 March 2021	**(485.37)**	**(143.20)**

Amount recognised in Statement of Profit and Loss:

(Rs. in Lakhs)

	Gratuity Funded	Compensated absences
Current service cost	14.51	23.00
Net interest expense	16.74	8.83
Net actuarial (gain)/loss recognised in the period	-	71.08
Amount recognised in Statement of Profit and Loss for year ended 31 March 2020	**31.25**	**102.91**
Current service cost	53.27	54.04
Net interest expense	33.89	9.58
Net actuarial (gain)/loss recognised in the period	-	(11.22)
Amount recognised in Statement of Profit and Loss for year ended 31 March 2021	**87.16**	**52.40**

Amount recognised in Other Comprehensive Income:

(Rs. in Lakhs)

	Gratuity Funded	Compensated absences
Actuarial (gain)/ loss on obligations	(237.98)	-
Return on plan assets (excluding amounts included in net interest expense)	(8.51)	-
Amount recognised in Other Comprehensive Income for year ended 31 March 2020	**(246.49)**	**-**
Actuarial (gain)/ loss on obligations	27.71	-
Return on plan assets (excluding amounts included in net interest expense)	(0.41)	-
Amount recognised in Other Comprehensive Income for year ended 31 March 2021	**27.30**	**-**

Notes to consolidated financial statements

for the year ended March 31, 2021

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

(Rs. in Lakhs)

	Gratuity Funded	Compensated absences
Fair value of plan assets at 1 April 2019	208.27	-
Actual return on plan assets	7.46	-
Benefits paid	(195.61)	-
Employer contribution	1.60	-
Fair value of plan assets at 31 March 2020	**21.72**	**-**
Actual return on plan assets	1.07	-
Benefits paid	-	-
Employer contribution	(8.07)	-
Fair value of plan assets at 31 March 2021	**14.72**	**-**

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

	31-Mar-21	31-Mar-20
Investment Details	**Gratuity**	**Gratuity**
Funds Managed by Insurer	100%	100%

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

	31-Mar-21	31-Mar-20
Average Past Service	1.33	0.40
Average Age	37.07	35.58
Average remaining working life	17.93	19.42
Discounting rate	6.80%	6.80%
Future salary Increase	7.00%	7.00%

Sensitivity analysis:

Sensitivity Analysis of the defined benefit obligation - Gratuity Plan

	31-Mar-21	31-Mar-20
Impact on defined benefit obligation	**500.09**	**520.06**
Delta effect of +0.5% change in discount rate	(4.00)	(1.55)
Delta effect of -0.5% change in discount rate	4.31	1.67
Delta effect of +0.5% change in salary increase	(3.62)	1.22
Delta effect of -0.5% change in salary increase	3.39	(1.14)

Sensitivity Analysis of the defined benefit obligation - Compensated absences

	31-Mar-21	31-Mar-20
Impact on defined benefit obligation	143.20	**140.95**
Delta effect of +0.5% change in discount rate	(3.67)	(1.63)
Delta effect of -0.5% change in discount rate	3.96	1.77
Delta effect of +0.5% change in salary increase	3.92	1.76
Delta effect of -0.5% change in salary increase	(3.67)	(1.64)

Defined contribution plans

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Employer's Contribution to Provident Fund	181.79	209.73
Employer's Contribution to ESI	3.73	6.29
Employer's Contribution to NPS	34.62	39.96
	220.14	255.98

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Notes to consolidated financial statements

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33. Segment information

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company's operations pre-dominantly relate to manufacturing, services and trading of goods. The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on analysis of various performance indicators pertaining to business. The accounting principles used in preparation of the financial statements are consistently applied to record revenue and expenditure in segment information, and are as set out in the significant accounting policies. The information about business segments are given below:

(A) Primary segment

Summary of segment information :

(Rs. in Lakhs)

	Manufacturing		Services		Trading		Total	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
Segment Revenue (net)								
External Turnover	23,159.83	26,753.53	3,885.96	2,429.73	170.26	855.66	27,216.05	30,038.92
Inter Segment Turnover	-	-	-	-	-	-	-	-
Total Revenue	**23,159.83**	**26,753.53**	**3,885.96**	**2,429.73**	**170.26**	**855.66**	**27,216.05**	**30,038.92**
Segment Results before Interest and Taxes	**165.02**	**(1,343.71)**	**590.10**	**(120.68)**	**24.74**	**110.42**	**779.86**	**(1,353.97)**
Less : Finance Costs							2,943.84	3,124.59
Add : Interest Income							217.71	233.76
Add : Exceptional Items							(87.16)	(31,915.14)
Add: Other Income							7.03	-
Add/(Less): Unallocated (Expenses)/ Income							(479.15)	(484.58)
Profit before Tax							**(2,505.55)**	**(36,644.52)**
Other Information								
Segment Assets	44,962.18	52,205.16	3,029.02	3,821.38	1,636.20	1,775.03	49,627.40	57,801.57
Unallocated Assets	-	-	-	-	-	-	1,700.00	1,898.86
Total Assets	**44,962.18**	**52,205.16**	**3,029.02**	**3,821.38**	**1,636.20**	**1,775.03**	**51,327.40**	**59,700.43**
Segment Liabilities	37,833.13	42,387.55	1,408.80	2,447.10	938.28	960.76	40,180.21	45,795.41
Unallocated Liabilities							831.08	1,159.92
Share Capital & reserves							10,316.11	12,745.10
Total Liabilities	**37,833.13**	**42,387.55**	**1,408.80**	**2,447.10**	**938.28**	**960.76**	**51,327.40**	**59,700.43**
Depreciation and Amortization	2,168.90	2,137.67	280.54	376.27	4.12	4.12	2,453.56	2,518.06

Note :-

Total Revenue is after elimination of inter segment turnover of Nil (31.03.2020 : Nil)

(B) Secondary segment

Geographical Information (Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Revenue from external customer		
Within India	9,742.47	9,378.56
Outside India	17,473.57	20,660.36
Total Revenue as per statement of profit and loss	**27,216.04**	**30,038.92**

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

	31-Mar-21	31-Mar-20
Non-Current Operating Assets		
Within India	15,737.94	17,360.97
Outside India	17,271.83	18,036.41
Total	**33,009.77**	**35,397.38**

** Non-Current Operating Assets for this purpose consist of Property, Plant & Equipment, Capital work in progress and Intangible Assets.

(C) Revenue from one customer in India amounted to Nil Lakhs (31.03.2020 : Rs.Nil Lakhs)

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34. Related party transactions

In accordance with the requirements of Indian Accounting Standard (Ind AS) - 24 'Related Party Disclosures' the names of the related party where control exists/ able to exercise significant influence along with the aggregate transactions and year end balance with them as identified by the management in the ordinary course of business and on arms' length basis are given below:

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

- Dr. Kailash S. Choudhari (Chairman)
- Mr. Satyendra Gupta (Non-Executive-Non-Independent Director) - w.e.f 01.12.2020) (MD From (12.02.2019 till 30.09.2019)
- Mr. Harvinder Singh (Additional Director (Independent Director)- w.e.f 10.02.2021)
- Mr. Sunil Puri (Additional Director (Independent Director)- w.e.f 10.02.2021)
- Mr. B.R.Rakhecha (Independent Director till 21.08.2019)
- Mr Amrit Nath (Independent Director till 22.07.2019)
- Mr Sanjay Katyal (Independent Director From 09.06.2020)
- Ms. Devika Raveendran (Independent Director till 09.08.2019)
- Mr. Gauri Shankar (Independent Director till 09.08.2019)
- Mr. Dhan Raj (Independent Director From 01.11.2019 till 19.02.2020)
- Ms. Anuja Bansal (Independent Director from 09.06.2020)
- Mr Rikhab Chand Mogha (Non-Executive-Non-Independent Director Director From 09.10.2019)
- Mr. Ankit Rawat (Independent Director From 01.11.2019 till 08.08.2020)
- Mr. Ramgopal Yadavalli (Independent Director From 21.10.2019 till 29.03.2020)
- Ms. Yamini Agarwal (Independent Director From 29.10.2019 till 21.09.2020)
- Mr. Arvind Gupta (Independent Director From 13.02.2020 till 05.09.2020)
- Mr. Charan Deep Singh (Independent Director from 25.05.2020 till 10.02.2021)
- Mr. Gaurav Mehta (Chief- Corporate Affairs & Company Secretary)
- Mr. Pramod Kumar Srivastava (Chief Executive Officer from 01.04.2020)
- Mr. Pawan Kumar Gambhir (Chief Financial Officer till 29.11.2019)
- Mr. Sudhir Kumar Jain (Chief Financial Officer from 29.05.2020 till 13.08.2020)
- Mr. Sanjay Banka (Chief Financial Officer from 14.08.2020 till 30.11.2020)
- Mr. Mukesh Gupta (Chief Financial Officer from 01.12.2020 till 10.02.2021)
- Mr. Prashant Kumar Agrawal (Director)
- Mr. Munesh Chandra (Director)
- Mr. Chandra Shekhar Gupta (Director)

(b) Transaction with related parties

(Rs. in Lakhs)

	KMP	Others	Total
Short term employee benefits	608.52		608.52
	705.98		705.98
Sitting fees	15.25		15.25
	15.95		15.95
Services received	22.00		22.00
	36.00		36.00
Unsecured Loan taken Dr. Kailash Shantilal Choudhari(Director)	156.96		156.96
	251.62		251.62
Unsecured Loan repaid Dr. Kailash Shantilal Choudhari(Director)	193.39		193.39

Note : Figures in italic represents previous year

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

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(c) Balance due (to)/ from

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
KMP		
Unsecured Loan Payable Dr. Kailash Shantilal Choudhari(Director)	(216.57)	(253.05)
Trade and other Payables	(347.40)	(48.65)

35. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit for the year attributable to the equity shareholders of the Group by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

	31-Mar-21	31-Mar-20
Loss for the year (Rs. in Lakhs)	(2,539.17)	(35,930.50)
Weighted average number of equity shares in calculating basic EPS (absolute value in number)	162,697,971	162,697,971
Effect of dilution	-	-
Weighted average number of equity shares in calculating basic EPS (absolute value in number)	162,697,971	162,697,971
Earning per share		
Basic EPS (on nominal value of Rs. 5 per share) Rs./share	(1.56)	(22.08)
Diluted EPS (on nominal value of Rs. 5 per share) Rs./share	(1.56)	(22.08)

36. Significant accounting judgements, estimates and assumptions

The preparation of the Group’s financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accounting disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Income taxes

The Group is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

In assessing the realisability of deferred tax assets, management considers whether it is probable, that some portion, or all, of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable incomes over the periods in which the deferred tax assets are deductible, management believes that it is probable that the Group will be able to realise the benefits of those deductible differences in future.

Employee benefit obligations

The cost of the defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management

Notes to consolidated financial statements

for the year ended March 31, 2021

considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 32.

Impact of COVID 19 (pandemic)

The Group has considered into account all the possible impacts of COVID-19 in preparation of these consolidated financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenue recognition and impact on leases. The Group has carried out this assessment based on available internal and external sources of information upto the date of approval of these consolidated financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the consolidated financial statements may differ from that estimated as at the date of approval of these consolidated financial statements owing to the nature and duration of COVID-19.

Contingencies

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

37. Capital & other commitments

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	524.10	2,183.75
Outstanding export obligation under EPCG scheme	2,168.32	2,252.69

The Group has other commitments for purchase orders which are issued after considering requirements as per operating cycle for purchase of services, employee benefits. The Group does not have any long term commitment or material non-cancellable contractual commitments/contracts with respect to contractual expenditure which might have a material impact on the consolidated financial statements.

38. Contingent liabilities

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
(a) Disputed Liabilities in appeal		
Sales tax matters	123.09	33.65
Service tax	11.45	8.56
Excise / custom duty	159.36	159.36
Income tax matters	215.62	92.72
Others	1,151.42	1,159.54
(b) Outstanding amount of duty saved against advance license	699.88	717.34
(c) Outstanding amount of duty saved against EPCG scheme	361.39	375.45

39. Derivatives Instruments

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

(Amount in Lakhs)

	Currency	31-Mar-21	31-Mar-20
Forward contracts to sell	USD	1.50	1.75
	EURO	-	-
Forward contracts to buy	USD	-	-

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

(Amount in Lakhs)

	Currency	31-Mar-21	31-Mar-20
Export of goods	USD	4.33	28.34
	EURO	5.53	3.95
Advance to Vendor	USD	0.85	1.15
	EURO	0.22	0.17
	AED	0.03	0.03
	GBP	0.00	-

Notes to consolidated financial statements

for the year ended March 31, 2021

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

(Amount in Lakhs)

	Currency	31-Mar-21	31-Mar-20
Import of goods and services	USD	53.02	47.59
	EURO	2.14	2.23
	AED	-	-
	GBP	0.91	0.91
Advance from customers	USD	11.12	12.74
	EURO	0.01	0.01
Bill Discounting	USD	0.96	15.93
Term Loan	USD	14.44	14.44
	EURO	11.28	13.09

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

(Rs. in Lakhs)

Descriptions	31-Mar-21	31-Mar-20
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.		
Principal amount due to micro and small enterprises	253.83	244.92
Interest due on above	100.44	91.75
The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	14.98	9.67
The amount of interest accrued and remaining unpaid at the end of each accounting year.	115.42	101.42
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	115.42	101.42

41. Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and trade payables. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as trade receivables, bank balances and short-term deposits, which arise directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is responsible to ensure that Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

Notes to consolidated financial statements

for the year ended March 31, 2021

(i) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rate primarily relates to the Group long-term debt obligations with floating interest rates.

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's borrowings with floating interest rates. The Group's policy is to manage its interest cost using a mix of fixed, floating rate borrowings.

Interest rate sensitivity

(Rs. in Lakhs)

Descriptions	Increase /Decrease in Basis points	Effect on profit before tax
31-Mar-21		
Base Rate	+50	(100.98)
Base Rate	-50	100.98
31-Mar-20		
Base Rate	+50	(115.35)
Base Rate	-50	115.35

Sensitivity is calculated based on the assumption that amount outstanding as at reporting dated were utilised for the whole financial year.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

The Group has sales and purchases from outside India. The Group has transactional currency exposures arising from sales and purchases by an operating unit in currencies other than the unit's functional currency. Accordingly, the Group's financial state of affairs can be affected significantly by movements in the USD or any other currency exchange rates. The Group enters into derivative transactions, primarily in the nature of forward currency contracts on import payables. The purpose is to manage currency risks arising from the Group's operations.

Unhedged foreign currency sensitivity

(Rs. in Lakhs)

	Changes in USD	Effect on profit before tax	Changes in Euro	Effect on profit before tax
31-Mar-21				
	+5%	(266.38)	+5%	(32.95)
	-5%	266.38	-5%	32.95
31-Mar-20				
	+5%	(224.70)	+5%	(46.73)
	-5%	224.70	-5%	46.73

B. Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

(i) Trade Receivables

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

(ii) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis, and may be updated throughout the year. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Group's maximum exposure to credit risk for the components of the balance sheet at 31 March 2021 and 31 March 2020 is the carrying amounts of each class of financial assets except for financial guarantees and derivative financial instruments. The Group's maximum exposure relating to financial derivative instruments is noted in note no. 39 and the liquidity table below:

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Notes to consolidated financial statements

for the year ended March 31, 2021

C. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligation associated with its Financial Liabilities that are settled by delivering cash or another Financial Assets. The Group approach to manage Liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Group Company's reputation. The Group has been experiencing liquidity problems due to delayed in realisation of receivables. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

The Group liquidity management process as monitored by management includes the following:-

(i) Day to day funding, managed by monitoring future cash flows to ensure that requirement can be met.

(ii) Maintaining rolling forecast of the Group's liquidity position on the basis of expected cash flows

(iii) Strengthen of financial control with focus on realization of its receivables.

Foreign currency sensitivity

(Rs. in Lakhs)

	Payable on demand	0-12 months	1-5 years	> 5 years	Total
As at 31 March 2021					
Borrowings	9,323.84	10,339.56	2,247.42	-	21,910.82
Trade payables	-	9,114.67	-		9,114.67
Other financial liabilities	-	5,610.38	933.17	1,411.93	7,955.48
	9,323.84	**25,064.61**	**3,180.59**	**1,411.93**	**38,980.97**
As at 31 March 2020					
Borrowings	8,179.83	5,513.87	13,234.99	-	26,928.69
Trade payables	-	10,360.82	-	-	10,360.82
Other financial liabilities	-	4,701.51	935.04	1,612.70	7,249.25
	8,179.83	**20,576.20**	**14,170.03**	**1,612.70**	**44,538.76**

42. Code on Social Security, 2020

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

43. Balance receoverable / payable from parties are subject to confirmation

The Holding Company has sent emails to various parties for confirmations of balances under receivables, payables, advances paid and advances received , to which only some parties have responded. Balances of those parties for which confirmations have not been received are subject to confirmation and the management of holding company does not expect any significant impact on account of it.

44. Overdue outstanding foreign currency receivable and payable

The Holding Company has foreign currency payable aggregating to Rs 2,553.61 lakhs and Rs 354.18 lakhs which are outstanding for more than six months (extended to twelve months) and three years respectively as of March 31,2021. As on the date of signing of financial statement, the Holding Company has not applied for extension of period, due to pandemic of COVID-19 but the Holding Company in consulation with RBI consultant to file the application for extension of period in due course. The Holding Company also has foreign currency receivable balances aggregating to Rs 3,722.39 lakhs which are outstanding for more than nine months (extended to fifteen months), as of March 31,2021 and the Holding Company has applied for extension of time period in case of export realisation. Management does not expect any material implication on account of delays under the existing regulations.

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

As on 31st March, 2021 All secured lenders have classified bank account of the Group with them as Non-Performing Assets (NPA) as per prescribed norms issued by Reserve Bank of India (RBI), although provision of interest in respect of such borrowings has been properly accounted for in books of accounts based on renewal letters available with the Group.

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for the year ended March 31, 2021

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

Holding Company has outstanding three advance licenses for the purpose of saving duty on import with the condition of export obligation as on 31st March 2021, however in respect of pending all three licenses on which duty saved amounting to Rs 786.69 lakhs, required export obligation not fulfilled by the Holding Company during the validity period of license. The Holding Company has already filled application under PRC for extension period of above-mentioned license and the same is currently pending in PRC due to pandemic of COVID 19. Management is of the view that extension will be granted and required export obligation will be fulfiled in the extended period of advance license.

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

The Foreign Subsidiary Company namely AOL Technologies FZE, Dubai (wholly owned subsidiary company) has Capital work in progress as on 31st March 2021 amounting to Rs. 9,294.38 lakhs in respect of Optical Fibre Manufacturing Plant. Presently the project has been suspended due to paucity of funds and no impairment testing has been carried out by the management of Subsidiary Company due to pandemic of COVID-19 situation. In absence of impairment assessment , Impact of impairment on the recoverable amount of assets of subsidiary is uncertain.

48. Impairment testing of FRP Manufacturing Plant of foreign subsidiary

The Foreign Subsidiary Company namely AOL FZE, Dubai (wholly owned subsidiary company) has been incurring losses from last few years, resulting in erosion of net worth. The Subsidiary Company is also in default with the Banks towards repayment of its borrowing obligation. Further at presently operations of above mentioned subsidiary are suspended due to various reason, however no impairment testing has been carried out by the management of Subsidiary Company due to pandemic of COVID-19 situation. In absence of impairment assessment , Impact of impairment on the recoverable amount of assets of subsidiary is uncertain.

49. Impairment testing of Ophthalmic lens Plant

The Holding Company has started lens plant in financial year 2017-18 for production of ophthalmic lens but the Holding Company has not achieved desired production capacity due to technical constraint and pandemic of COVID-19 situation in current year as well as in previous year, resulting fixed cost increase of the lens plant with low contribution, hence cash loss incurred in lens plant in current year as well as in previous years. As on 31st March 2021, WDV (including capital work in progress) of Ophthalmic Lens Plant is Rs 3,559.39 lakhs.

Based on above mentioned information and considering the requirement of Ind AS-36 (Impairment of Assets), the management of the Holding Company has assessed that a recognition of impairment is not required in respect of the Property, Plant and Equipment and Intangible Assets of lens plant, as cash loss has incurred by lens plant due to low demand in market, considering COVID 19 pandemic situation, hence desired production capacity not achieved by plant. Further, management of the Holding Company has also prepared future projection of lens plant on realistic basis, and based on calculated projection has determined that no impairment provision is required to be recognised in books of account.

50. Matter on SEBI Order

SEBI vide its Order dated 28 February, 2020 levied monetary penalty of Rs. 1,000 lakhs u/s 15HA and Rs. 15 lakhs u/s 23E of Securities Contracts Regulation Act (SCRA), 1956 for alleged irregularities in the issuance of GDRs allotted by the Holding Company in the year 2010.

The Holding Company has filled appeal in Securities Appellate Tribunal (SAT) against such order, which is pending for disposal.

51. Capital management

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

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

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Borrowings	21,910.82	26,928.69
Less: Cash and cash equivalents	258.89	555.09
Net debt	**21,651.93**	**26,373.60**
Total equity	10,316.11	12,745.10
Gearing ratio	**209.88%**	**206.93%**

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2021 and 31 March 2020.

Notes to consolidated financial statements

for the year ended March 31, 2021

52. Fair Values

(Rs. in Lakhs)

	31-Mar-21	31-Mar-20
Derivative instruments		
Carrying value	0.59	0.59
Fair Value	0.59	0.59

Fair values

The fair values of trade receivables, cash and cash equivalents, other current financial asset, trade payables and other current financial liabilities are considered to be same as their carrying values due to their short term nature. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Fair value hierarchy

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, described as follows based on the lowest level input that is significant to the fair value measurement as whole.

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

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

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

The following table presents assets and liabilities measured at fair value at 31 March 2021 and 31 March 2020

Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2021 and 31 March 2020

	Level 1	Level 2	Level 3
Derivative			
At 31 March 2021	-	0.59	-
At 31 March 2020	-	0.59	-

There are no transfers among levels 1, 2 and 3 during the year.

53. Additional information, as required under Schedule III to the Companies Act 2013, “General instructions for the preparation of consolidated financial statements” for financial year 2020-21

(Rs. in Lakhs)

	Net Assets, i.e., total assets minus total liabilities	
	As % of consolidated net assets	As % of consolidated net assets
Parent		
Aksh Optifibre Limited	23.10%	2,382.71
Subsidiaries		
Indian		
Aksh Composites Private Limited	0.03%	3.59
Foreign		
AOL FZE, (Dubai) *	21.80%	2,249.16
AOL Technologies FZE, (Dubai)	51.52%	5,314.43
Aksh Technologies (Mauritius) Limited, (Mauritius)	3.55%	366.22
Total	**100.00%**	**10,316.11**

Notes to consolidated financial statements

for the year ended March 31, 2021

	Share in Profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated profit or loss	Amount (Rs. in lacs)	As % of consolidated other comprehensive income	Amount (Rs. in lacs)	As % of consolidated total comprehensive income	Amount (Rs. in lacs)
Parent						
Aksh Optifibre Limited	(44.22)	1,122.64	17.44	19.22	(47.02)	1,141.86
Subsidiaries						
Indian						
Aksh Composites Private Limited	7.84	(199.06)	0.13	0.14	8.19	(198.92)
Foreign						
AOL FZE, (Dubai) *	111.15	(2,822.18)	(161.38)	(177.78)	123.51	(2,999.96)
AOL Technologies FZE, (Dubai)	22.62	(574.25)	221.01	243.48	13.62	(330.77)
Aksh Technologies (Mauritius) Limited, (Mauritius)	2.61	(66.32)	22.80	25.12	1.70	(41.20)
Total	**100.00**	**(2,539.17)**	**100.00**	**110.18**	**100.00**	**(2,428.99)**

* Figures for AOL FZE, (Dubai) are figures after consolidation with its subsidiary AOL Composite Jiangsu Co. Ltd.

The accompanying notes (1-53) are an integral part of the financial statements

For and on behalf of the Board of Directors

As per our report of even date
For B G G & Associates
Chartered Accountants
Firm Registration Number: 016874N

CA Alok Kumar Bansal
Partner
Membership no.: 092854

Place: New Delhi
Date: 11-06-2021

Pramod Kumar Srivastava
Chief Executive officer
Place : New Delhi

Gaurav Mehta
Chief- Corporate Affairs and Company Secretary
Place : New Delhi

Dr. Kailash S. Choudhari
Chairman
DIN : 00023824
Place : New Delhi

Charan Deep Singh
Process Leader - F & A
Place : New Delhi

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Notes

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