



# AKSH OPTIFIBRE LIMITED

## ANNUAL REPORT

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# 2022

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## Corporate Overview

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| <ul style="list-style-type: none"> <li>■ <b>Chairman</b><br/>Dr. Kailash S. Choudhari</li> <li>■ <b>Vice Chairman</b><br/>Mr. Satyendra Kumar Gupta</li> <li>■ <b>Directors</b><br/>Mr. Rikhab Chand Mogha<br/>Ms. Anuja Bansal<br/>Mr. Harvinder Singh<br/>Mr. Sanjay Katyal<br/>Mr. Sunil Puri</li> <li>■ <b>Chief Executive Officer-Corporate Affairs &amp; Group Company Secretary</b><br/>Mr. Gaurav Mehta</li> <li>■ <b>Chief Financial Officer</b><br/>Mr. Nikhil Jain</li> <li>■ <b>Company Secretary</b><br/>Mr. Anubhav Raizada</li> </ul> | <ul style="list-style-type: none"> <li>■ <b>Bankers</b><br/>Union Bank of India<br/>Punjab National Bank<br/>HDFC Bank Limited</li> <li>■ <b>Auditors</b><br/>M/s B G G &amp; Associates<br/>Statutory Auditors<br/>M/s Vimal K Gupta &amp; Associates<br/>Cost Auditors<br/>M/s S.R. Goyal &amp; Co.<br/>Internal Auditors<br/>M/s Felix Advisory Pvt. Ltd.<br/>Internal Auditors<br/>M/s Jayant Gupta &amp; Associates<br/>Secretarial Auditors</li> </ul> | <ul style="list-style-type: none"> <li>■ <b>Corporate Office</b><br/>A-32, 2nd Floor,<br/>Mohan Co-operative Industrial Estate,<br/>Mathura Road, New Delhi- 110044<br/>Ph.: 011-49991700</li> <li>■ <b>Registered Office:</b><br/>F-1080, Phase III, RIICO Industrial Area,<br/>Bhiwadi, Rajasthan India-301019<br/>Ph.: 01493-221333<br/>Website: www.akshoptifibre.com<br/>CIN: L24305RJ1986PLC016132</li> <li>■ <b>Registrar and share transfer agent</b><br/>KFIN Technologies Limited<br/>(formerly known as KFIN Technologies Private Limited)<br/>Selenium, Tower-B, Plot No. 31-32 Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032</li> </ul> |
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## Plant Location

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

F-1075-1081, RICO 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)

Service Division

1Stop Aksh Division & Network Operating Centre

The Diamond, 4th Floor, Urbana Jewels, Opp. SEZ Road,

Muhana Terminal Market, Sanganer, Jaipur, Rajasthan India -302029

FRP Manufacturing Division, Reengus, Rajasthan, India.

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

FRP Manufacturing Division,

Silvassa, India.

Survey No.: 2/2/1, Village Karad, Madhuban Dam Road,

Silvassa-396230, U. T. of Dadra & Nagar Haveli. India - 396230

(Manufacturing division of Aksh Composites Pvt. Ltd.

Wholly owned subsidiary of the Company)

Optical Fibre Cable Manufacturing Division, Mauritius.

Industrial Zone Trianon -1721-10. Mauritius

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

Optical Fibre Manufacturing Division, Jafza UAE

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

(Manufacturing division of AOL Technologies FZE,

Wholly owned subsidiary of Company) (yet to be operational)

## AKSH OPTIFIBRE LIMITED

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

**Notice** is hereby given that the Thirty-fifth (35th) Annual General Meeting of Aksh Optifibre Limited will be held on Friday, September 16, 2022 at 11:30 A.M. IST through Video Conference ("VC")/ Other Audio Visual Means ("OAVM"), to transact the following business:

### ORDINARY BUSINESS:

- To receive, consider and adopt:
  - The Audited Standalone Financial Statements as at March 31, 2022 along with the Report of the Auditors' and Board of Director's thereon.
  - The Audited Consolidated Financial Statement as at March 31, 2022 and the Report of the Auditors' thereon.
- To appoint a Director in place of Dr. Kailash S. Choudhari (DIN:00023824), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
- Appointment of Statutory Auditors of the Company**

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

**"RESOLVED THAT** pursuant to the provisions of sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s P C Bindal & Co., Chartered Accountants (FRN: 003824N) be and is hereby appointed as Statutory Auditors of the Company in place of M/s B G G & Associates (FRN:016874N), the retiring statutory auditors, for term of five consecutive years, who shall hold office from the conclusion of 35th Annual General Meeting until the conclusion of the 40th Annual General Meeting of the Company to be held in the year 2027, on such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time."

### SPECIAL BUSINESS:

- Ratification of the remuneration of Cost Auditors for Financial year 2022-23**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 ("the Act"), read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactments thereof, for the time being in force), the remuneration payable to M/s. Vimal K Gupta & Associates, Cost Accountants (FRN:102573), appointed as Cost Auditors of the Company, to conduct the audit of the Cost Records of the Company for products manufactured by the Company for the Financial Year 2022-23, as detailed in the Explanatory Statement annexed to the Notice convening this meeting, be and is hereby ratified and approved."

By Order of the Board  
Sd/-

Date: July 29, 2022  
Place: New Delhi

Anubhav Raizada  
Company Secretary and Compliance Officer  
M.No. A47843

### Notes:-

- In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 2/2022 dated May 05, 2022, General Circular No. 21/2021 dated December 14, 2021, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 20/2020 dated May 05, 2020 read with General Circular No.17/2020 dated April 13, 2020 and General Circular No. 14/2020 dated April 08, 2020, permitted the holding of the Annual General Meeting through VC/OAVM ("AGM" or "e-AGM") and various other circulars related thereto (collectively referred to as "MCA Circulars"). Securities and Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, has provided relaxation from sending hard copies of Annual Report to the Shareholders who have not registered their email addresses unless a request for physical dispatch of Annual report is received from the Shareholder. Accordingly, in compliance with the provisions of the Companies Act, 2013, SEBI Listing Regulations, MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/ OAVM. The deemed venue of the AGM shall be the registered office of the Company. The Company has engaged the services of M/s Kfin Technologies Limited (formerly known as Kfin Technologies Private Limited), Registrar & Transfer Agent of the Company ("KFIN" or "RTA") as the Authorised Agency for conducting the e-AGM and providing e-voting facility for casting the votes by the members using an electronic voting system.
- The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") setting out the material facts concerning the business under Item No. 4 to be transacted at the Meeting is annexed hereto.
- The relevant details with respect to Item Nos. 2 & 3 pursuant to Regulations 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, is also annexed to the Notice.

4. Since this AGM is being held in terms of MCA Circulars, physical attendance of Members has been dispensed with. There is no requirement of appointment of proxies. Accordingly, facility of appointment of proxies by Members under Section 105 of the Act, will not be available for the AGM and hence the Proxy Form, Attendance Slip and route map of AGM are not annexed to the Notice. However, in pursuance of Sections 112 of the Act, representatives of the members may be appointed for the purpose of voting through remote e-voting, for participation in the AGM through VC/OAVM facility and e-voting during the AGM.
5. Corporate members are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013 at [investor.relations@akshoptifibre.com](mailto:investor.relations@akshoptifibre.com), [pcs.jga@gmail.com](mailto:pcs.jga@gmail.com) before e-voting/attending annual general meeting.
6. In compliance with the provisions of Section 108 of the Companies Act, 2013 along with rules thereunder and as per the provisions of Listing Regulations 2015, the Company is pleased to provide its members the facility to exercise their right to vote at the Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by Kfin Technologies Limited. The complete details of the instructions for e-voting are annexed to this notice.
7. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and window for joining shall be kept open till the expiry of 15 minutes after the scheduled time. Members can join the AGM by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available on first come first serve basis. Participation in AGM is restricted upto 1000 members only.
8. No restriction to join AGM on first come first serve basis shall apply in respect of large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
10. The Company has appointed M/s Kfin Technologies Limited (*formerly known as Kfin Technologies Private Limited*), Registrars and Transfer Agent of the company, to provide Video Conferencing facility and e-voting facility for the Annual General Meeting and the attendant enablers for conducting of the e-AGM.
11. In line with the MCA Circulars and SEBI Circular, the Notice calling the AGM and Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Therefore, those Members, whose email address is not registered with their respective Depository Participant/s, and who wish to receive the Notice of the 35th AGM and the Annual Report 2021-22 and all other communication sent by the Company, from time to time, can get their email address registered by following the steps as given below:-
  - a) For Members holding shares in physical form, are requested to follow the process for such updation as provided under Investor service request at <https://www.akshoptifibre.com/pdf/Circular-to-Shareholders1.pdf>.
  - b) For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
  - c) Members who have not registered their e-mail address and, therefore, are not able to receive the Annual Report, Notice of e-AGM and e-Voting instructions, may temporarily get their email address and mobile number registered with the Company's RTA, KFinTech by accessing the link <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>.
12. Members may note that Notice and Annual Report 2021-22 will also be made available on the Company's website at [www.akshoptifibre.com](http://www.akshoptifibre.com), websites of the Stock Exchanges i.e. BSE Limited and The National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively and the website of Kfin Technologies Limited i.e. <https://evoting.kfintech.com/>.
13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Act, the Register of Contracts or arrangements in which the directors are interested under section 189 of the Act and all other documents referred in the notice will be available for inspection in electronic mode. Members who wish to inspect the documents can send an email to [investor.relations@akshoptifibre.com](mailto:investor.relations@akshoptifibre.com).
14. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, September 10, 2022 to Friday, September 16, 2022 (both days inclusive) for the Annual General Meeting.
15. Members holding shares in the electronic mode are requested to intimate the change in their address, bank details etc to their respective Depository Participants (DPs). Members holding shares in physical form are requested to notify immediately any change or updation in their address/mandate/bank details to the Company or to the office of the Registrar & Share Transfer Agent, KFin Technologies Limited (formerly known as Kfin Technologies Private Limited), quoting their folio number. The Members holding shares in physical form are requested to follow the process for such updation as provided under Investor service request at <https://www.akshoptifibre.com/pdf/Circular-to-Shareholders1.pdf>.
16. The equity shares of the Company have been notified for compulsory trading in demat form and are available for trading in demat form both on National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shareholders are requested to avail this facility and get their shares converted into dematerialised form by sending the Dematerialisation Request Form (DRF) along with the share certificates through their Depository Participant to the Registrar and Transfer Agents of the Company.
17. The nomination facility is available to the Shareholders in respect of equity shares held by them. Shareholders holding shares in electronic mode may obtain and submit duly filled Nomination Forms to their respective Depository Participants. Shareholders holding shares in physical mode

may send their request for nomination by following the process for such updation as provided under Investor service request at <https://www.akshoptifibre.com/pdf/Circular-to-Shareholders1.pdf> at the Office of the Share Transfer Agents of the Company, KFin Technologies Limited (formerly known as Kfin Technologies Private Limited), at Selenium, Tower-B, Plot no. 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500032.

18. **Unpaid/Unclaimed Dividend:** Dividend for the financial year 2017-18, remaining unclaimed for a period of 7 years from the date, the same has been transferred to Unpaid Dividend Account and shall be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government, on the due date detailed hereunder:

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

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

19. **Transfer to IEPF:** During the Financial Year 2021-22, the Company has transferred Rs. 1,35,988, unclaimed / unpaid dividend for the Financial Year 2013-14 and 98,324 equity shares, on which the dividend has not been claimed for seven consecutive years, to IEPF Authority.

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

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

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

Date: July 29, 2022

Place: New Delhi

By Order of the Board  
Sd/-

Anubhav Raizada

Company Secretary and Compliance Officer

M.No. A47843

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

### Item No. 4

The Board on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. Vimal K Gupta & Associates, Cost Accountants (FRN: 102573), as Cost Auditors to conduct the audit of cost records of the Company for the financial year ending March 31, 2023, at a remuneration of Rs. 75,000/- (Rupees Seventy-Five Thousands only) plus GST and reimbursement of out of pocket expenses.

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

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

Accordingly, consent of the Shareholders is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2023.

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

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

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

### Item No. 2

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

Dr. Kailash S. Choudhari is a MBBS, known as a visionary in the optical fibre industry, having approx. three decades of experience in the industry. He is responsible for spearheading the company to its current levels of success. He was instrumental in the Company's foray into the manufacture of OFC. Dr. Choudhari is also a Director of AOL FZE, UAE, AOL Technologies FZE, UAE. Aksh Technologies (Mauritius) Limited, Mauritius and AOL Composites (Jiangsu) Co. Ltd, China. Dr. Choudhari is retiring by rotation and, being eligible, offers himself for re-appointment as Director.



- Nature of expertise in specific functional areas- Industry Experience and Knowledge, Marketing, and Operations
- Disclosure of inter-se relationships between Directors & Key Managerial Personnel (KMP)– NIL
- Listed companies in which Dr. Choudhari holds directorship along with listed entities from which Dr. Choudhari has resigned in the past three Years- He holds no Directorship in any other listed entity other than Aksh Optifibre Limited.
- Details of the Committee Memberships held by Dr. Choudhari- NIL
- Shareholding in the Company- 20,205,678 Shares

### Item No. 3

This statement is in terms of Regulation 36(5) SEBI Listing Regulations.

The Members at the 30th Annual General Meeting (AGM) of the Company held on December 26, 2017, had approved the appointment of M/s BGG & Associates, Chartered Accountants (FRN: 016874N) as statutory Auditors of the Company, to hold office till the conclusion of the 35th AGM.

The Board of Directors of the Company in its meeting held on May 13, 2022, based on the recommendation of the Audit Committee, after considering various factors viz. industry experience, competency of the audit team, independence, etc. has proposed the appointment of M/s P C Bindal & Co., Chartered Accountants (FRN: 003824N) as Statutory Auditors of the Company, in place of retiring auditor M/s BGG & Associates, Chartered Accountants (FRN: 016874N) who have shown their unwillingness for re-appointment as the Statutory Auditors, for a term of five consecutive year, to hold office from the conclusion of 35th Annual General Meeting till the conclusion of 40th Annual General meeting of the Company to be held in the year 2027.

The Annual statutory fees payable to M/s P C Bindal & Co., Chartered Accountants, proposed Statutory Auditor is Rs. 39,00,000/- (Rupees Thirty-Nine Lakhs Only) (Excluding GST and out of pocket expenses). The Annual statutory fees paid to M/s BGG & Associates, Chartered Accountants, the outgoing Statutory auditor for Financial year 2021-22 is Rs. 35,00,000/- (Rupees Thirty-Five Lakhs Only) (Excluding GST and out of pocket expenses). The change in fees payable to proposed Statutory Auditor was made considering the quantum of work, number of transactions, expertise and competency of the Auditor.

M/s P C Bindal & Co., Chartered Accountants (FRN: 003824N) have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Sections 139, 141 and 142 of the Act.

P. C. Bindal & Co. ("PCBC") is a leading firm of Chartered Accountants with focus on serving corporates, partnerships, institutions and individuals. PCBC offers a wide array of professional services such as Audit & Assurance, Taxation and Corporate Advisory. PCBC is the Statutory Auditors of various companies in the Public Sector and Private Sector Companies include both closely held and listed companies operating in various sectors.

## INSTRUCTIONS TO MEMBERS

### I. FOR ELECTRONIC VOTING[E-Voting]

Pursuant to the provisions of section 108 of the Act read with rule 20 of the Companies (Management and Administration) Rules, 2014 and the Listing Regulations as amended from time to time, the Company is pleased to offer e-voting facility to members to exercise their votes electronically on all resolutions set forth in the notice convening the 35th Annual General Meeting (AGM).

The company has engaged the services of KFin Technologies Limited (KFin) to provide remote e-voting facility for members to cast their votes in a secure manner. M/s Jayant Gupta & Associates, Practicing Company Secretaries will act as the scrutinizer to scrutinize e-voting and conduct the voting process at the AGM in a fair and transparent manner. In terms of the requirements of the Act and the Rules made there under, the Company has fixed Friday, September 09, 2022 as the cut-off date. The remote e-voting / voting rights of the members / beneficial owners shall be reckoned on the equity shares held by them as on cut-off date, i.e. September 09, 2022.

The remote e-voting facility begins on Tuesday, September 13, 2022 (9:00 A.M. IST) and ends on Thursday, September 15, 2022 (5:00 P.M. IST). During this period, the members of the company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e., September 09, 2022, are entitled to avail the facility to cast their vote electronically / voting in the general meeting, as the case may be. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting facility shall be disabled by KFin upon expiry of the aforesaid period. Once the vote on a resolution is cast by a member, he / she shall not be allowed to change it subsequently or cast the vote again.

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

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

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

Individual Shareholders holding securities in demat mode with NSDL		Individual Shareholders holding securities in demat mode with CDSL	
1.	User already registered for IDeAS facility: Visit URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> Click on the “Beneficial Owner” icon under “Login” under ‘IDeAS’ section. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”. Click on the e-Voting service provider name KFINTECH and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.	1.	Existing user who have opted for Easi / Easiest Visit URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a> Click on New System Myeasi Login with your registered user id and password. The user will see the e-Voting Menu. The Menu will have links of ESP i.e. KFinTech e-Voting portal. Click on e-Voting service provider name to cast your vote.
2.	User not registered for IDeAS e-Services To register click on link : <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> Select “Register Online for IDeAS” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a> Proceed with completing the required fields. Follow steps given in point 1.	2.	User not registered for Easi/Easiest Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration">https://web.cdslindia.com/myeasi/Registration</a> . EasiRegistration Proceed with completing the required fields. Follow the steps given in point 1
3.	Alternatively, by directly accessing the e-Voting website of NSDL Open URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> Click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. Post successful authentication, you will be requested to select the name of the Company and the e-Voting Service Provider name, i.e. KFinTech. On successful selection, you will be redirected to KFinTech e-Voting page for casting your vote during the remote e-Voting period.	3.	Alternatively, by directly accessing the e-Voting website of CDSL Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a> Provide your demat Account Number and PAN. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP, i.e KFinTech where the e- Voting is in progress.

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

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

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

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

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

### Step 2: Login method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical

**(A) Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFinTech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:**

- Open your web browser by typing the URL: <https://emeetings.kfintech.com/>
- Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be E-Voting Event Number 6834 (EVEN) followed by folio number. In case of demat account, User ID will be your DPID and Client ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your vote.
- After entering these details appropriately, click on “LOGIN”.



- iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVEN" i.e., 6834 Aksh Optifibre Limited- AGM" and click on "Submit".
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as abstinence and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstinence.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Shareholders can login any number of times till they have voted on the Resolution(s).
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to cast its vote through remote e-voting together with attested specimen signature(s) of the duly authorized representative(s), to the Scrutinizer at pcs.jga@gmail.com with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com).

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

- i. Shareholders who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFintech, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>. Shareholders are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to [evoting@kfintech.com](mailto:evoting@kfintech.com).
- ii. Alternatively, shareholder may send an e-mail request at the email id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self- attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
- iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

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

- i. Shareholders will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFintech. Shareholders may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/ KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the instructions mentioned in Step 1 above.
- ii. Facility for joining AGM though VC/ OAVM shall open atleast 15 minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops/ Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform. The 'Vote Now Thumb sign' on the left hand corner of the video screen shall be activated upon instructions of the chairperson during the AGM proceedings. Members shall click on the same to take them to the "Insta-poll" page and Members to click on the "Insta-poll" icon to reach the resolution page and follow the instructions to vote on the resolutions.
- vi. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

- vii. **Posting of queries prior to AGM:** Shareholders who would like to express their views/raise queries on the official business during the AGM, may please log into <https://emeetings.kfintech.com/> and click on the tab 'Post Your Queries' to post their queries/views/questions in the window provided therein by mentioning their e-mail id and mobile number. The window for posting queries/questions/views will remain open from September 13, 2022 till September 14, 2022.
- viii. **Speaker Registration:** Members who wish to speak at the AGM may log into <https://emeetings.kfintech.com/> and click on the tab "Speaker Registration" by mentioning their e-mail id, mobile number and city. The speaker registration will commence from September 13, 2022 till September 14, 2022. Only members who have registered themselves as a speaker will be allowed to speak or ask questions during the AGM. Speakers are requested to submit their queries at the time of registration, to enable the Company to respond appropriately. The Company reserves the right to restrict the number of speakers asking questions depending on the availability of time.
- ix. Members seeking any technical assistance or support are requested to contact KFin at toll free number 1-800-3454-001 or send a mail at [evoting@KFintech.com](mailto:evoting@KFintech.com).

**ii. Other Instructions**

- (i) In case of any queries, you may refer Help &FAQ section of KFin at [evoting@kfintech.com](mailto:evoting@kfintech.com) or call KFin on 040-67162222 & Toll-free No. 1800 3094 001.
- (ii) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- (iii) Any person who acquires shares of the company and becomes a member of the company after dispatch of the notice to the members and holding shares as on the cut-off date i.e., September 09, 2022, may obtain the User ID and password by sending a request through email to [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com). However, if you are already registered with KFin for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot user details / Password" option available on <https://evoting.kfintech.com/>

# DIRECTORS' REPORT

Dear Shareholders,

The Directors of your company are pleased to present the Thirty-fifth (35th) Annual Report together with the Audited Financial Statements of accounts for the Financial Year ended March 31, 2022.

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, 2022 is summarized below:

	Rs. in Lakhs	
Particulars	F.Y. ended 2021-22	F.Y. ended 2020-21
Revenue from Operations	30,119.67	24,646.49
Other Income	625.24	632.72
Profit before Interest, Depreciation, Amortization, Exceptional Items & Tax	5,863.85	4,112.87
Depreciation/ Amortization Expenses/ Impairment	1,496.25	1,554.17
Profit before Interest, Amortization, Exceptional Items & Tax	4,367.6	2,558.70
Finance Cost	1,976.18	2,163.27
Profit/ (Loss) before Exceptional items & Tax	2,391.42	395.43
Exceptional Income/(Expenses)	5.70	(87.16)
Profit/ (Loss) before Tax	2,397.12	308.27
Income Tax	658.77	-
Deferred Tax (including MAT utilization)	36.50	68.09
Adjustment of tax relating to earlier periods	-	17.50
Profit/ (Loss) after Tax (1)	1,701.85	222.68
Total Comprehensive Income (2)	1,754.58	241.89
Balance profit brought forward from previous year	(16,724.62)	(16,966.51)
Less : Transfer to Reserves	-	-
Less Dividend paid on Equity Shares	-	-
Less Dividend Distribution Tax	-	-
(Deficit)/ Surplus carried to Balance sheet	(14,970.04)	(16,724.62)

## OPERATIONAL HIGHLIGHTS

Your Company recorded a revenue of Rs. 30,744.91 Lakhs in the current year against Rs. 25,279.21 Lakhs in the previous year.

The Company operates in three segments viz. Manufacturing, Services and Trading. The revenue from Manufacturing segment stood at Rs. 24,420.82 Lakhs against Rs. 20,590.27 Lakhs in the previous year. The revenue of Service segment stood at Rs. 4,692.25 Lakhs against Rs. 3,885.96 Lakhs in the previous year. The revenue from Trading segment stood at Rs. 1,006.60 Lakhs against Rs. 170.26 Lakhs in previous year.

The EBITDA of current year stood at Rs. 5,869.55 Lakhs and PAT at Rs 1701.85 Lakhs.

## DIVIDEND

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

## CHANGE IN THE NATURE OF BUSINESS

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

## TRANSFER TO RESERVES

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

## SUBSIDIARY COMPANIES

As on March 31, 2022, the Company has one Indian Wholly Owned Subsidiary namely Aksh Composites Private Limited and three Overseas Wholly Owned Subsidiary namely AOL-FZE, incorporated in SAIF Zone, Sharjah (U.A.E), AOL Technologies, FZE, incorporated in JAFZA, UAE (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>.

No material Related Party Transactions (transaction(s) exceeding ten percent of the annual consolidated turnover of the Company as per last audited financial statements), were entered during the financial year by the Company and considering wholly owned subsidiaries are exempt for the purpose of Section 188(1) of the Act. Accordingly, disclosure of Related Party Transactions as required under section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. However, all the transaction entered by the company with related parties are provided under Note No. 35 of the financial statement of the Company.

## DIRECTORS

As on March 31, 2022, the Board of your Company has 7 Directors, consisting of 1 Promoter-Chairman, 4 Independent Directors (including 1 Woman Independent Director) and 2 Non-Executive Non-Independent Director.

## MEETINGS OF THE DIRECTORS

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

## CHANGES IN DIRECTOR(s)/KMP

During the year 2021-2022 under review, the following changes took place in the constitution of the Board/ KMP's of the Company.

1. Elevation of Mr. Charan Deep Singh as Chief Financial Officer (KMP) of the Company w.e.f. August 06, 2021.
2. Mr. Pramod Kumar Srivastava has resigned from the position of Chief Executive officer (KMP) of the Company w.e.f. August 6, 2021.

3. Elevation of Mr. Gaurav Mehta as Chief Executive Officer- Corporate Affairs & Group Company Secretary (KMP) of the Company w.e.f. February 4, 2022.

Subsequent to the closure of Financial Year 2021-22:

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

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 their names in the data bank of Independent Directors are maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.
3. that they have complied with the Code of Conduct for Independent Directors prescribed in Schedule IV to the Companies Act, 2013.

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

## POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

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

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

The Company had preferred an appeal against the orders passed by the Whole-time Member of SEBI and Adjudicating Officer of SEBI before the Securities Appellate Tribunal ("the Tribunal").

The Tribunal pronounced its order on June 27, 2022, wherein the Appeals filed by the Company were partly allowed. The penalty imposed on the Company has been reduced from Rs. 10,15,00,000/- (Rupees Ten Crore and Fifteen Lakhs Only) to Rs. 25,00,000/- (Rupees Twenty-Five Lakhs Only). The Debarment period of the Company has been relaxed from Five years to Three years. The Three years' period elapsed on June 27, 2022.

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

During the Financial year, Some of the Operational Creditors preferred an application under Section 9 of the Insolvency and Bankruptcy Code, 2016 to National Company Law Tribunal ('NCLT') against the Company. The Company had filed reply with NCLT.

As on March 31, 2022, these application were pending with the NCLT of the relevant jurisdiction.

## PERFORMANCE EVALUATION OF THE BOARD

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

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

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

## CORPORATE GOVERNANCE

The Report on Corporate Governance along with the Certificate from the Secretarial Auditors certifying the compliance of Corporate Governance enumerated in Regulation 34(3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of 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 90% 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.

To improve the environmental conditions in 'Bhiwadi & Reengus Industrial Area', Aksh continued its plantation drive 'Upvan & Eonation' this year also. So far in last eight years i.e. from 2014 onwards Aksh has planted more than 1.5 lac saplings in 'Bhiwadi & Reengus Industrial Area'. These drives are 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.

In FY 2021-22, under its continuous clean and green initiative, Eco-nation project, Aksh planted more than 1800 trees in its adopted RIICO Park and nearby area of Reengus factory location. Land filling and levelling work has been done in the RIICO industrial park adopted by Aksh, Reengus. Also regular maintenance of previously planted trees was done.

To spread its clean and green initiative, this year Aksh has also planted more than 700 big and medium size trees in RIICO Industrial area Sitapura, Jaipur

In the area of educational development under "Shiksha Hamara Swabhimani" drive, so far Aksh, adopted and developed the infra of four government schools in Bhiwadi & Reengus to the level comparable with any good Private School. Renovation of Class Rooms were done and amenities like set up of smart classes, furniture, ceiling fan etc provided. To spread Computer literacy among students, Aksh also supported computer education to students of Aksh adopted schools. Good quality hygienic toilets were constructed for boys and Girls. To increase the safety of children CCTV cameras at strategic locations were also installed in Aksh adopted Schools. To provide clean and safe drinking water, watercooler has also been installed at Schools. All these programs helped in increasing the number of students from around 1400 to over 3100 which includes 1750 Girls.

In FY 2021-22, to improve the hygiene and food safety of mid-day meals, Aksh, under its continuous improvement drive has constructed a Kitchen with necessary infra for students of Govt. School Sargoth, Reengus.

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](mailto: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 2021-22.

## 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, 2013 and rules made thereunder, M/s BGG & Associates, Chartered Accountants (FRN: 016874N) were appointed as Statutory Auditors of the Company, who shall hold office till the conclusion of the 35th Annual General Meeting.

The Board has recommended the appointment of M/s P C Bindal & Co., Chartered Accountants (FRN: 003824N) as Statutory Auditors of the Company, in place of retiring auditor M/s BGG & Associates, Chartered Accountants (FRN: 016874N) who have shown their unwillingness for re-appointment as the Statutory Auditors, to hold office from the conclusion of 35th Annual General Meeting till the conclusion of 40th Annual General meeting of the Company to be held in the year 2027, at a remuneration as may be agreed upon by the Board of Directors and the Auditors, for approval of shareholders of the Company, based on the recommendation of the Audit Committee. A certificate from the Statutory Auditors pursuant to Sections 139 and 141 of the Act to the effect that they are eligible to be appointed as Statutory Auditors of the Company has been obtained.

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 considering continuing positively evolving market of Optical fibre Industry and improving pandemic situation, the management considers it appropriate to carry out Impairment testing at later stage to provide fair & accurate picture. The statement on impact of Audit qualification has been disseminated to the stock exchanges and can be referred.

## COST AUDITORS

Pursuant to Section 148 of the Companies Act, 2013 read with Companies (Cost Audit) Rules 2014 including any statutory modifications thereof, the Company is required to appoint a cost auditor to audit the cost records of the applicable products of the Company relating to the business of manufacturing of Fibre reinforced Plastic rods.

The Company had appointed M/s K G Goyal & Associates, Cost Auditors of the Company for the Financial Year 2021-2022. Further, The Company has appointed M/s Vimal K Gupta & Associates, as Cost Auditors of the Company for the Financial Year 2022-23 subject to ratification of Audit fees in ensuing Annual General Meeting.

## SECRETARIAL AUDITORS

The Company had appointed M/s Jayant Gupta & Associates, Company Secretaries, to conduct the Secretarial Audit for the Financial Year 2021-22. The Secretarial Audit Report for the financial year ended March 31, 2022 is annexed herewith marked as **Annexure – III** to this Report.

Further, the Company has re-appointed M/s Jayant Gupta & Associates, Company Secretaries, to conduct the Secretarial Audit for the financial year 2022-23.

## 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, 2022 is available on the Company's website - [www.akshoptifibre.com](http://www.akshoptifibre.com).

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

## LISTING

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

## MATERIAL ORDERS

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

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

- Your Company has not accepted any deposits covered under chapter V of the Companies Act, 2013;
- Your Company has not issued equity shares with differential voting rights, dividend or otherwise;



- iii. Your Company has not issued shares (including sweat equity shares) to employees of the company under the ESOS scheme or otherwise;
- iv. During the year, the auditors, the secretarial auditors and cost auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.
- v. There is no qualification in the Reports provided by the Auditors for the financial year ended March 31, 2022, 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:
  - a) The performance evaluation of the Board, the Committees of the Board, Chairperson and the individual Directors;
  - b) The Composition of Committee(s); and
  - c) The details of establishment of Vigil Mechanism.
- viii. Pursuant to the provisions of Sexual Harassment of Women in workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has duly constituted the Internal Complaints Committee and Your Directors further state that during the year under review there were no complaints/ cases filed/pending pursuant to the said Act.

#### UNCLAIMED DIVIDEND

During the Financial year 2021-22, the Company has transferred unclaimed / unpaid dividend for the Financial Year 2013-14 to IEPF. 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
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 the following statements in terms of Section 134 (5) of the Companies Act, 2013:

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

#### ACKNOWLEDGEMENT

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

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

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

for Aksh Optifibre Limited

Sd/-  
Dr.Kailash S. Choudhari  
Chairman  
DIN: 00023824

Date: July 29, 2022  
Place: Dubai(UAE)

**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				AOL Composites (Jiangsu) Co. Ltd (Step down Subsidiary)
	Aksh Composites Private Limited	AOL FZE (Consolidated)	AOL Technologies FZE	Aksh Technologies (Mauritius) Limited	
Date since when subsidiary was acquired	September 15, 2016	August 17, 2010	August 21, 2017	October 5, 2017	July 18, 2017
Financial Year ended	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
Exchange Rate (AED/INR)	NA	20.57	20.57	1.79	20.57
Share Capital	360.00	21,683.47	5,348.09	508.80	746.78
Reserves & Surplus	(688.81)	(25,965.08)	(898.13)	(437.07)	(255.82)
Total Assets	1,350.60	8,478.51	10,519.29	483.81	902.61
Total Liabilities (excluding share capital and reserves & surplus)	1679.41	12,760.11	6,069.33	412.08	412.84
Turnover	862.88	451.33	0	465.89	0
Profit/ (loss) before Taxation	(70.94)	(1,244.12)	(315.11)	(13.06)	(56.18)
Deferred Tax Income	(17.44)	0	0	1.82	0
Profit / (Loss) after Taxation	(53.49)	(1,244.12)	(315.11)	(14.87)	(56.18)
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

Sd/-  
CA Alok Kumar Bansal  
**Partner**  
Membership no.: 092854

Sd/-  
Dr. Kailash S. Choudhari  
**Chairman**  
**DIN: 00023824**  
Place: Dubai (UAE)

Sd/-  
Gaurav Mehta  
**CEO-Corporate Affairs & Group  
Company Secretary**  
Place: Reengus

Place: New Delhi  
Date: 13/05/2022

Sd/-  
Charan Deep Singh  
**Chief Financial Officer**  
Place: Reengus

Sd/-  
Anubhav Raizada  
**Company Secretary**  
Place: Reengus

**ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR 2021-22**

**1. Brief outline on CSR Policy of the Company**

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

The Objectives of this policy are elucidated hereunder:

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

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

## 2. Composition of CSR Committee:

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	1	1
2	Mr. Sanjay Katyal (Member)	Independent Director	1	1
3	Mr. Harvinder Singh (Member)	Independent Director	1	1
4	Mr. Rikhab Chand Mogha (Member)	Non- Executive Director	1	1

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

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

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

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

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

## 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	2020-21	Nil	Nil
3	2021-22	29,136.00	Nil
	<b>Total</b>		

## 6. Average net profit of the company as per section 135(5): 9,73,18,320.07

### 7. (a) Two percent of average net profit of the company as per section 135(5) : 19,46,366.00

(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: Nil

(d) Total CSR obligation for the financial year (7a+7b-7c): 19,46,366.00

### 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.
22,88,964.00	Not Applicable				

(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.
NIL												
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.
1.	<b>"UPVAN"</b> Promotion of Greenery & Tree Plantation	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry and maintaining quality of soil, air and water	Yes	Bhiwadi (Alwar) Rajasthan		68,200	Yes	NA	NA
2.	<b>"SHIKSHA HAMARA SWABHIMAN"</b> Govt. Higher Secondary School, Reengus Govt. Girls Higher Secondary School, Reengus Govt. Upper Primary School, Parsarampura Govt. School, Chomupurohitan	promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;	Yes	Reengus (Sikar) Rajasthan		56,625	Yes	NA	NA

3.	<b>"ECONATION"&amp; ALL OTHER ACTIVITIES</b> Promotion of Greenery & Tree Plantation	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry and maintaining quality of soil, air and water	Yes	Reengus (Sikar) Rajasthan	9,05,120	Yes	NA	NA
			Yes	Sitapura, (Jaipur) Rajasthan	12,59,019	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): **22,88,964.00**

(g) Excess amount for set off, if any: **3,42,598.00**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	19,46,366.00
(ii)	Total amount spent for the Financial Year	22,88,964.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	3,42,598.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	3,42,598.00

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.	2020-21	Nil	Nil	Nil	Nil	NA	NA
2.	2019-20	Nil	Nil	Nil	Nil	NA	NA
3.	2018-19	Nil	Nil	Nil	Nil	NA	NA
	Total	Nil	Nil	Nil	Nil	NA	NA

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

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

*for Aksh Optifibre Limited*

**Sd/-**

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

**Sd/-**

Sunil Puri  
Chairman-CSR Committee

Date: 13.05.2022  
Place: Reengus



## Annexure –III

## Form No. MR-3

## SECRETARIAL AUDIT REPORT

(For the Financial Year ended on March 31, 2022)

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

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

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

Based on my verification of Aksh Optifibre Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial **Year ended on March 31, 2022**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Aksh Optifibre Limited for the financial year ended on March 31, 2022 according to the provisions of:

- I. The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(not applicable to the Company during the period under review)**;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 **(not applicable to the Company during the period under review)**;
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(not applicable to the Company during the period under review)**;
  - (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, 2021 **(Not applicable to the Company during the Audit Period)**;
  - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**;
  - (i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not applicable to the Company during the Audit Period)**; and
  - (j) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

VI. I further report that, having regard to the compliance system prevailing in the Company and based on the representation made by the management of the Company and on examination of the relevant documents and records in pursuance thereof, the Company has complied with the general laws applicable to the Company.

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

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

**I further report that:**

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

**I further report that**, based on the information provided and the representation made by the Company and also on the review of compliance reports / certificates taken on record by the Board of Directors of the Company, in my opinion, there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

- I. The Company had, in the previous years, received Orders passed by SEBI inter alia under Sections 11(1), 11(4), 11B and 15-I of the SEBI Act, 1992. SEBI also issued Notices of Demand on November 11, 2020 and November 19, 2020, pursuant to which the Company and other noticees were required to deposit specified amounts (including interest and recovery cost) with SEBI. Aksh and the other noticees filed appeals before the Hon'ble Securities Appellate Tribunal against these orders. Dr. Kailash S. Choudhari, Promoter and Chairman of the listed entity offered his holding of 1,77,09,218 Equity Shares in the listed entity as security to SEBI till the appeals against the impugned SEBI order were pending. The other noticees deposited their penalty amount with SEBI under protest.

Post the review period, the Hon'ble Securities Appellate Tribunal, Mumbai vide its order dated June 27, 2022 has reduced the penalty imposed on the Company and the other noticees.

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

For **Jayant Gupta and Associates**

Sd/-  
**Jayant Gupta**  
Practicing Company Secretary  
FCS : 7288  
CP : 9738  
PR No.: 759/2020  
UDIN: F007288D000705801

Place : New Delhi  
Date : July 29, 2022

**Annexure to Secretarial Audit Report of Aksh Optifibre Limited for financial year ended March 31, 2022**

The Members,

**AKSH OPTIFIBRE LIMITED**

**Management Responsibility for Compliances**

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

For **Jayant Gupta and Associates**

**Sd/-**

**Jayant Gupta**

**Practicing Company Secretary**

**FCS : 7288**

**CP : 9738**

**PR No. : 759/2020**

**UDIN : F007288D000705801**

Place : New Delhi

Date : July 29, 2022

**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:

<b>1.</b>	<b>CONSERVATION OF ENERGY</b>	
(a)	the steps taken or impact on conservation of energy	<ul style="list-style-type: none"> <li>- 10 Production Heads increased on FRP Machines.</li> <li>- Increased efficiency in fibre drawing process to reduce power consumption by 13%</li> </ul>
		Impact on Conservation of energy:
		<ul style="list-style-type: none"> <li>- FRP production increased by 30000 KM/Annum and avg. power consumption reduced by @ 0.09 Kwh per unit (km) of production.</li> <li>- Reduction in consumption of power and power cost per FKM</li> </ul>
(b)	the steps taken by the company for utilising alternate sources of energy.	Using 100 KWP Solar Power in Reengus Plant.
(c)	the capital investment on energy conservation equipments;	NIL
<b>2.</b>	<b>TECHNOLOGY ABSORPTION [Research and Development (R&amp;D)]</b>	
(a)	the efforts made towards technology absorption	<ul style="list-style-type: none"> <li>- Developed New Vender of Coating materials.</li> <li>- Developed 6 new vendors for major raw materials of OF &amp; OFC</li> <li>- Discussion with various vendors to get the alternate solution of running the plant on DG backup.</li> </ul>
(b)	the benefits derived like product improvement, cost reduction, product development or import substitution;	<ul style="list-style-type: none"> <li>- RM cost reduction.</li> <li>- Cost Reduction, quality improvement &amp; ensured timely availability of Raw Materials under uncertain supply chain conditions.</li> </ul>
(c)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):	
	a. Technology imported	
	b. Year of Import	
	c. Has the technology been fully absorbed	
	d. If not fully absorbed, areas where this has not taken place, reasons thereof;	
		Not Applicable
(d)	the expenditure incurred on Research and Development.	NIL

**4. FOREIGN EXCHANGE EARNINGS AND OUTGO**

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

Foreign Exchange earned : Rs. 11,760.65 Lakhs

Foreign Exchange outgo : Rs. 5,930.89 Lakhs

# CORPORATE GOVERNANCE REPORT

## CONTINUED DEDICATION TO CORPORATE FAIRNESS, TRANSPARENCY AND ACCOUNTABILITY

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

The disclosure on the Corporate Governance section by the Company as per the Regulation 34(3) and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations") are as under:

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

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

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

### 2. THE BOARD OF DIRECTORS

#### Composition

The Company's policy is to maintain an optimum balance of Executive & Non-Executive Directors as per Regulation 17(1) of the Listing Regulations. The Composition of the Board as on March 31, 2022 is as follows:

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

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

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

As per the statutory requirements of the Listing Regulations, all the Independent Directors on the Board of your Company are experienced and renowned in their respective fields. They take active part in the Board and Committee meetings which add value in the decision making process of the Board of Directors. The Company has received declaration from each of the Independent Directors of the Company confirming that he/she meets the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013, rules framed thereunder and Regulation 16(1)(b) of Listing Regulations. It is confirmed that in the opinion of the Board of Directors, the Independent Directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management of the Company.

#### Key Board qualifications, Expertise and attributes

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

S. No.	Key Qualification	Name of Directors possessing such qualifications
1	Industry Experience and Knowledge	Dr. Kailash S. Choudhari, Mr. Sanjay Katyal, Mr. Rikhab Chand Mogha, Mr. Satyendra Kumar Gupta
2	Legal	Ms. Anuja Bansal, Mr. Harvinder Singh, Mr. Satyendra Kumar Gupta
3	Finance	Ms. Anuja Bansal, Mr. Harvinder Singh, Mr. Sanjay Katyal, Mr. Satyendra Kumar Gupta, Mr. Sunil Puri
4	Marketing	Dr. Kailash S. Choudhari, Mr. Rikhab Chand Mogha, Mr. Sanjay Katyal, Mr. Sunil Puri
5	Human Resource	Ms. Anuja Bansal, Mr. Sanjay Katyal, Mr. Harvinder Singh, Mr. Satyendra Kumar 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 the Listing Regulations, the Board meets at least once in every quarter to review the results and other items of agenda as required under Listing Regulations, and if necessary, additional meetings are to be 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, 2022, the Board of Directors held 4 (Four) meetings with not more than one hundred and twenty days' gap between any two meetings. The Board Meetings were held during the year on the following dates:

(i) June 11, 2021 (ii) August 6, 2021 (iii) November 12, 2021 (iv) February 3, 2022.

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, 2022 are given below:

Name	Shares held	No. of other Directorships*	No of other Committee positions held**		No. of Board Meetings held during FY 2021-2022	No. of Board Meetings attended during FY 2021-2022	Attendance at the 34th AGM held on September 28, 2021
			Chairman	Member			
Dr. Kailash S. Choudhari	20,205,678	Nil	Nil	Nil	4	3	Yes
Mr. Satyendra Kumar Gupta	100	Nil	Nil	Nil	4	4	Yes
Mr. Rikhab Chand Mogha	Nil	Nil	Nil	Nil	4	4	Yes
Ms. Anuja Bansal	Nil	Nil	Nil	Nil	4	4	Yes
Mr. Harvinder Singh	Nil	Nil	Nil	Nil	4	4	Yes
Mr. Sanjay Katyal	Nil	Nil	Nil	Nil	4	4	Yes
Mr. Sunil Puri	Nil	Nil	Nil	Nil	4	4	Yes

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

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

None of the Directors is related to any other Director/Key Managerial Personnel of the Company as on March 31, 2022.

During the Financial year, Mr. Pramod Kumar Srivastava resigned from the position of CEO & KMP w.e.f. August 6, 2021 and Mr. Charan Deep Singh was elevated as CFO & KMP of the Company w.e.f. August 6, 2021. Thereafter, Mr. Gaurav Mehta was elevated to the position of CEO-Corporate Affairs & Group Company Secretary & KMP w.e.f. February 4, 2022.

## Separate Independent Directors' Meetings

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

The Independent Directors met once, i.e. on August 6, 2021 during the Financial Year ended March 31, 2022 and the following activities were undertaken by them at the meeting:

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

## Directors' Induction and Familiarization

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



The induction process is designed to:

- build an understanding of the Company, its businesses and the markets and regulatory environment in which it operates;
- provide an understanding of the role and responsibilities of the Director;
- to equip Directors to perform their role on the Board effectively; and
- 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 2021-22 the evaluation was completed by the Company which included the evaluation of the Board as a whole, Board Committees and Directors. The Evaluation process focused on various aspects of the Board and Committees functioning such as composition of the Board and Committees, experience and competencies, performance of specific duties and obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors on parameters such as attendance, contribution and independent judgment.

The 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 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](http://www.akshoptifibre.com)

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

A declaration signed by the Chief Executive Officer of the Company is enclosed as **Annexure-B**.

## 3. COMMITTEES OF DIRECTORS & POLICIES

### Meetings of Board Committees held during the year and Director's Attendance as on March 31, 2022:

Board Committees	Audit Committee	Stakeholders Relationship Committee	CSR Committee	Nomination & Remuneration Committee	Finance Committee
Meetings held during FY 2021-22	4	1	1	4	0
<b>Director's Attendance</b>					
Dr. Kailash S. Choudhari	NA	NA	NA	NA	NA
Mr. Satyendra Kumar Gupta	4	NA	NA	4	NA
Mr. Rikhab Chand Mogha	NA	1	1	NA	NA
Ms. Anuja Bansal	4	1	NA	4	NA
Mr. Harvinder Singh	4	NA	1	4	NA
Mr. Sanjay Katyal	NA	1	1	4	NA
Mr. Sunil Puri	4	1	1	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 by Regulation 18 of Listing Regulations. The Company also complies with the provisions of Section 177 of the Companies Act, 2013 pertaining to Audit Committee and its functioning. The terms of reference of the Audit Committee and the powers vested in this committee as mentioned in the Corporate Governance Report for the FY 2021-22 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: -**

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 followup 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:
- Management discussion and analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - Management letters/ letters of internal control weaknesses issued by the statutory auditors;
  - Internal audit reports relating to internal control weaknesses, if any;
  - Appointment, removal and terms of remuneration of the Chief Internal Auditor, if any;
  - 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 financial year, four meetings of the Audit Committee were held on the following dates:

(i) June 11, 2021 (ii) August 6, 2021 (iii) November 11, 2021 and (iv) February 3, 2022.

The composition of Audit Committee is as below:

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

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

All the members of the Audit Committee as on March 31, 2022 are Independent Director except Mr. Satyendra Kumar Gupta who is Non- Executive Non Independent Director of the Company. All the members have sound knowledge of accounts, audit, finance, internal controls, law etc.

The Audit Committee invites such 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

### ROLE OF NOMINATION AND REMUNERATION COMMITTEE

- 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;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates.
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- 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.
- 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.
- recommend to the board, all remuneration, in whatever form, payable to senior management.

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>.

#### MEETINGS OF NOMINATION AND REMUNERATION COMMITTEE

During the financial year, four meetings of the Nomination and Remuneration Committee were held on the following dates:

(i) June 10, 2021, (ii) August 6, 2021, (iii) February 3, 2022 and (iv) February 15, 2022.

The Composition of the Committee is as below:

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

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

#### Details of Director's Remuneration

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

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

S. No.	Name of Director	Sitting Fees paid (Rs.)	Others (Rs.)	Total (Rs.)
1	Dr. Kailash Shantilal Choudhari	90,000	-	90,000
2	Satyendra Kumar Gupta	2,60,000	66,00,000	68,60,000
3	Rikhab Chand Mogha	1,62,500	-	1,62,500
4	Sanjay Katyal	2,27,500	-	2,27,500
5	Anuja Bansal	2,80,000	-	2,80,000
6	Harvinder Singh	2,72,500	-	2,72,500
7	Sunil Puri	2,27,500	-	2,27,500

#### C. STAKEHOLDERS RELATIONSHIP COMMITTEE

In compliance with the requirement of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations, 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:

#### ROLE OF STAKEHOLDERS RELATIONSHIP COMMITTEE

- 1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- 2) Review of measures taken for effective exercise of voting rights by shareholders.
- 3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

#### MEETING OF STAKEHOLDERS RELATIONSHIP COMMITTEE

During the period under review, one meeting of the Stakeholders Relationship Committee was held on (i) February 03, 2022.

The composition of the Committee is as below:

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

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

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

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.

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

**Investors' Compliant** – The status of Investor Compliant is given below as on March 31, 2022

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

## D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

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

## MEETING OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

During the period under review, one meeting of the Corporate Social Responsibility Committee was held on (i) June 10, 2021.

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- Non Independent Director	Member

The attendance of the meeting of Corporate Social Responsibility Committee is given in consolidated manner mentioned above under the head Committees of Directors.

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

## POLICIES

### i. Nomination and Remuneration Policy

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

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

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

### iii. Policy on Material Subsidiary

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

### iv. Insider Trading Code

In compliance of SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, Promoters, Designated Employees and other employees who could have access to the unpublished price sensitive information of the Company are governed by this code. The Company has appointed 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](http://www.akshoptifibre.com/corporate-governance.php).

**vi. Corporate Social Responsibility Policy**

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

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

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

**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](http://www.akshoptifibre.com/corporate-governance.php).

**4. GENERAL BODY MEETINGS**

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

Year	Date of AGM	Venue	Time	Special Resolutions passed
2020-21	28.09.2021	Through Video Conference/ Other Audio Video Means	11:30 AM	None
2019-20	21.09.2020	Through Video Conference/ Other Audio Video Means	11.30 AM	One
2018-19	30.09.2019	F-1080, RIICO Industrial Area, Phase-III, Bhiwadi - 301019, Rajasthan	11.30 AM	One

**Postal Ballot**

During the year under review, no special resolution was passed through Postal Ballot. None of the business proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot

**5. DISCLOSURES**

- During the financial year, the Company has not entered into any transaction of the material nature with its promoters, the Directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of the Company at large.
- During the last three years, there was no instance of non-compliance by the Company of any formalities of Stock Exchange, SEBI or any Statutory Authority, nor any penalty imposed on the Company from the Stock Exchange or any Statutory Authority except the department and penalty levied by the orders passed by the Whole-time Member of SEBI and Adjudicating Officer of SEBI. The Company had preferred an appeal against the said orders passed by the Whole-time Member of SEBI and Adjudicating Officer of SEBI before the Securities Appellate Tribunal ("the Tribunal").  
  
The Tribunal pronounced its order on June 27, 2022, wherein the Appeals filed by the Company were partly allowed. The penalty imposed on the Company has been reduced from Rs. 10,15,00,000/- (Rupees Ten Crore and Fifteen Lakhs Only) to Rs. 25,00,000/- (Rupees Twenty-Five Lakhs Only). The Debarment period of the Company has been relaxed from Five years to Three years. The Three years' period elapsed on June 27, 2022.
- No personnel has been denied access to the Audit Committee.
- All Mandatory requirements as per Listing Regulations, 2015 have been complied with by the Company.
- Other than transactions entered into in the normal course of business, the Company has not entered into any materially significant related party transactions during the period, which could have a potential conflict of interest with the Company at large.
- 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 financial year 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. DISCLOSURE OF LOANS AND ADVANCES TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED

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

## 7. MEANS OF COMMUNICATION

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

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

Particulars	Date of Board Meeting	Date of Publication
Quarter ended June 30, 2021	August 6, 2021	August 7, 2021
Quarter ended September 30, 2021	November 12, 2021	November 13, 2021
Quarter ended December 31, 2021	February 3, 2022	February 4, 2022
Quarter and year ended March 31, 2022	May 13, 2022	May 14, 2022

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 filings to the exchange.

## 8. SUBSIDIARY COMPANIES

As on March 31, 2022, 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.

## 9. GENERAL SHAREHOLDERS INFORMATION

### Registered Office

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

### Address of Correspondence

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

### Compliance Officer and Contact Address:

Mr. Anubhav Raizada

Company Secretary and Compliance Officer

A-32 2<sup>nd</sup> Floor, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044

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

E-mail: [anubhav@akshoptifibre.com](mailto:anubhav@akshoptifibre.com),

Email for Investor Grievances: [investor.relations@akshoptifibre.com](mailto:investor.relations@akshoptifibre.com)

## 9.1 Annual General Meeting

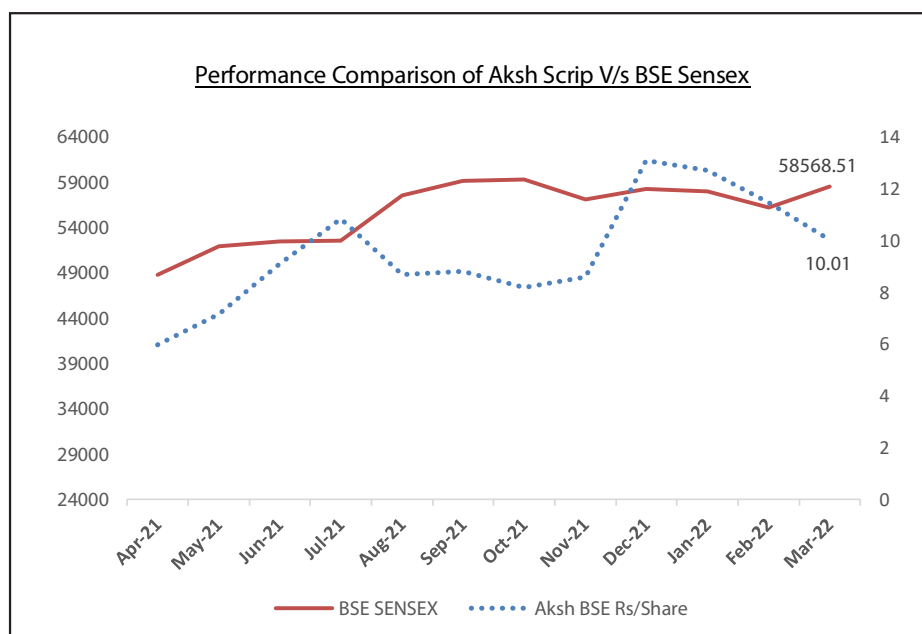
1.	Date, Time and Venue of the 35th Annual General Meeting	Friday, September 16, 2022 at 11:30 A.M. Meeting will be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) facility
2.	Financial Calendar	April 01, 2021 to March 31, 2022
3.	Book Closure Dates	September 10, 2022, to September 16, 2022(Both days inclusive)
4.	Dividend Payment Date	Not Applicable
5.	Listing on Stock Exchanges	
(A)	Equity Shares	Stock Code/Symbol
	The BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001. Website: <a href="http://www.bseindia.com">www.bseindia.com</a>	'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: <a href="http://www.nseindia.com">www.nseindia.com</a>	'AKSHOPTFBR'
6.	ISIN Code for the Company's Equity Shares	INE523B01011
7.	Corporate Identification Number(CIN)	L24305RJ1986PLC016132
8.	Listing Fees	The Company has paid listing fees to the BSE Limited and The National Stock Exchange of India Ltd (NSE), where the Shares of the Company are Listed.
9.	Share Transfer System	KFin Technologies Limited (formerly known as KFin Technologies 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 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 Limited
11.	Outstanding GDRs/ADRs/ Warrants or any Convertible instruments, if any.	Not Applicable
12.	Plant Locations	<ol style="list-style-type: none"> <li>1. Fibre &amp; Cable Division, Bhiwadi F-1075 – 1081, RIICO Industrial Area, Phase – III, Bhiwadi, Rajasthan – 301019</li> <li>2. FRP &amp; Cable Division, Reengus SP-47, Shree Khatu Shyamji Industrial Complex, Reengus, District Sikar (Rajasthan)</li> <li>3. Ophthalmic Lens Division, Kahrani A-56, Kahrani, Bhiwadi – 301019, Rajasthan</li> <li>4. Aksh Composites Private Limited (Manufacturing division of Wholly Owned Subsidiary of the Company) FRP Manufacturing Facility, Silvassa Survey No. : 2/2/1, Village Karad, Madhuban Dam Road, Silvassa – 396230, U.T. of Dadra &amp; Nagar Haveli, India</li> <li>5. AOL FZE (Manufacturing division of Wholly Owned Subsidiary of the Company) AOL FRP Division, JAFZA, UAE Plot No. S10914, PO Box. 17267, Jabel Ali, Free Trade Zone, UAE</li> <li>6. Aksh Technologies (Mauritius) Ltd (Manufacturing division of Wholly Owned Subsidiary of the Company) Optical Fibre Cable Manufacturing Division, Mauritius. Industrial Zone Trianon -1721-10, Mauritius</li> <li>7. AOL Technologies FZE (Manufacturing division of, Wholly Owned Subsidiary of Company) (Yet to be operational) Optical Fibre Manufacturing Division Plot No. S-30121B, Jabel Ali, Free Trade Zone, Dubai (UAE)</li> <li>8. Aol Composites (Jiangsu) Co. Ltd. (Manufacturing division of Step-down Subsidiary of the Company) Factory No. 01 , Machinery industrial park , the east of bajing road, Danyang Economic Development Zone. Jiangsu Province China.</li> </ol>
13.	Service Division	<ol style="list-style-type: none"> <li>1. 1Stop Aksh Division &amp; Network Operating Centre The Diamond, 4th Floor, Urban Jewels, Opp. SEZ Road, Muhana Terminal Market, Sanganer, Jaipur - 302026</li> </ol>
14.	Demat Suspense Account / Unclaimed Suspense Account	There are no shares lying under Demat Suspense Account / Unclaimed Suspense Account and hence the Company does not have any Demat Suspense Account / Unclaimed Suspense Account

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

Month	AKSH BSE PRICE (Rs.)			AKSH NSE PRICE (Rs.)		
	High	Low	Volume	High	Low	Volume
April, 2021	7.36	5.44	16,86,348	7.35	5.30	68,04,095
May, 2021	8.92	5.85	40,92,480	8.95	5.80	1,86,14,334
June, 2021	9.08	6.62	52,10,665	9.10	6.65	1,18,51,989
July, 2021	13.55	9.2	50,08,138	13.85	9.40	1,91,38,606
August, 2021	11.38	8.06	17,49,968	11.40	8.10	59,85,719
September, 2021	9.2	8.09	14,81,380	9.15	8.05	40,94,315
October, 2021	9.72	8.16	24,36,577	9.65	8.10	73,35,117
November, 2021	10.73	8	48,05,913	10.90	7.80	1,18,23,424
December, 2021	13.65	8.46	1,04,96,722	13.50	8.60	2,71,19,813
January, 2022	15.8	11.81	1,26,04,514	15.80	11.80	3,48,83,577
February, 2022	15.89	10.65	64,05,143	15.85	10.65	1,95,47,896
March, 2022	11.66	9.75	29,43,693	11.70	9.75	85,75,582



## 9.3 Distribution of Shareholding as on March 31, 2022

Sl.no	Category (Shares)	No.of Holders	% To Holders	No.of Shares	% To Equity
1	1 - 500	49694	64.95	9319877	5.73
2	501 - 1000	11652	15.23	10171526	6.25
3	1001 - 2000	6628	8.66	10670774	6.56
4	2001 - 3000	2645	3.46	6967312	4.28
5	3001 - 4000	1206	1.58	4416082	2.71
6	4001 - 5000	1328	1.74	6403319	3.94
7	5001 - 10000	1863	2.44	14293793	8.79
8	10001 - 20000	795	1.04	11461177	7.04
9	20001 - 100000	610	0.80	24983917	15.36
10	100001 - 200000000	88	0.12	64010194	39.34
	<b>TOTAL:</b>	<b>76509</b>	<b>100.00</b>	<b>162697971</b>	<b>100.00</b>

#### 9.4 Shareholding Pattern

The Shareholding of different categories of the Shareholders as on March 31, 2022 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/FPs/Clearing Members	40,53,235	2,02,66,175	2.49
Corporate bodies	69,82,147	3,49,10,735	4.29
Trusts/HUFs	59,39,551	2,96,97,755	3.65
IEPF	98,324	4,91,620	0.06
Public	10,01,54,379	50,07,71,895	61.56
<b>Total</b>	<b>16,26,97,971</b>	<b>81,34,89,855</b>	<b>100.00</b>

#### 9.5 Dematerialization of Shares and Liquidity

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

The breakup of Equity Share Capital held with the depositories and in physical form as on March 31, 2022 is as follows:

Category	No. of Equity Shares Held	% age of Capital
<b>NSDL</b>	9,69,14,775	59.57
<b>CDSL</b>	6,56,77,267	40.37
<b>Physical</b>	1,05,929	0.06
<b>Total</b>	<b>16,26,97,971</b>	<b>100.00</b>

#### 9.6 Reconciliation of the Share Capital Audit Report

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

#### 9.7 Details of total fees paid to Statutory Auditors

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

(Rs. In Lakhs.)

Type of Services	FY 2021-22	FY 2020-21
Audit fees	41.16	51.98
Tax Audit Fees	5.00	5.00
Other services (certification fees)	-	-
Reimbursement of expenses	0.80	0.80
	<b>46.96</b>	<b>57.78</b>

#### 9.8 Complaint pertaining to sexual harassment

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

#### 9.9 Compliance with Mandatory Requirements

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

## Annexure-A

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

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

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

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 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**

**Sd/-  
(Jayant Gupta)  
Practicing Company Secretary  
FCS : 7288  
CP : 9738  
PR : 759/2020  
UDIN: F007288D000705766**

Place : New Delhi  
Date : July 29, 2022

## Annexure-B

## CERTIFICATE

This is to certify that, to the best of my knowledge and belief, for the financial year ended on March 31, 2022, all Board members and Senior Management Personnel have affirmed compliance with the code of Conduct for Directors and Senior Management respectively.

**Sd/-  
Gaurav Mehta  
Chief Executive Officer-  
Corporate Affairs & Group Company Secretary**

Place : New Delh  
Date: July 29, 2022

## CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

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

To,

**The Members**

**Aksh Optifibre Limited**

**F-1080, Phase III, RIICO Industrial Area,**

**Bhiwadi, Rajasthan- 301019**

1. This report contains details of compliance of conditions of corporate governance by Aksh Optifibre Limited ('the Company') for the year ended March 31, 2022, as stipulated in Regulations 17 to 27, clause (b) to (i) and (t) of Regulation 46(2) and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations').

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

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

**Practising Company Secretary's Responsibility**

3. My responsibility is limited to examining the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. Pursuant to the requirements of the Listing Regulations, it is my responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31, 2022.

**Opinion**

5. In my opinion, and to the best of my information and explanations given to me and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended on March 31, 2022.
6. I state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Restriction on use**

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

**For Jayant Gupta and Associates**

**Sd/-  
(Jayant Gupta)**

**Practicing Company Secretary**

**FCS : 7288**

**CP : 9738**

**PR : 759/2020**

**UDIN: F007288D000706217**

Place: New Delhi  
Date: July 29, 2022

## 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, 2022 and that to the best of our knowledge and belief, we state that:

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

**Sd/-**  
**Gaurav Mehta**  
**(Chief Executive Officer-Corporate Affairs & Group Company Secretary)**

**Sd/-**  
**Charan Deep Singh**  
**(Chief Financial Officer)**

Date: 12/05/2022  
Place: Jaipur





# Management Discussion and Analysis



## Industry Structure and Development

Fiber Optic Cable Market is expected to grow at CAGR of 10.37% during the period 2020-2027 and is expected to reach USD 18421 Mn. by 2027. To meet the deployment problems posed by end-use applications, optical fibres are shrinking in size. As telecom operators began seeking high fiber count cables in lower dimensions, optical fiber and cable companies began investing in R&D to create smaller fibres and cables. Moreover, undersea cables serve as the internet's backbone. Around 350 undersea cables covering 1.2 million kilometres that connect nearly 100 nations. The world of undersea cables is fast changing, with an estimated USD 8 billion in expenditures in 2019-21.

The increasing adoption of the Internet and wireless communication in modern life has led to a dramatic increase in demand for broadband transmission capacity. More and more daily lives and work has moved online, from e-mail communication to internet retail and live video to cloud computing and business analysis based on 'Big Data'. As a result, fiber-optic networks have become the unavoidable cornerstone of today's hybrid communication network comprising fixed-line and mobile infrastructure, as well as data centers.

The Indian government's increasing expenditures on OFC network infrastructure to boost internet coverage across the country, in accordance with government programs such as Smart Cities Vision and Digital India, are likely to drive market growth. Furthermore, rising demand for OFC from the IT and telecom sectors, an increase in the number of handheld devices, increased adoption of FTTH (Fiber to the Home) connectivity, and an increase in the number of data centers are expected to drive the optical fiber cable market in India during the forecast period.

A large proportion of India's working-class population has high-end cell phones that support multiple technologies e.g. Wi-Fi, 3G, and so on. This demographic, in particular, is driving up demand for high-speed internet services on the go. As a result, the Indian government has launched several initiatives e.g. T-Fiber to construct and enhance the OFC network to meet the country's growing data transmission needs. Moreover, the country has enforced the digitization of cable TV networks, which is driving up demand for OFC networks. Currently, telecom companies, broadband providers, multiple system operators, cable TV operators, military organizations, and power utilities are among the principal users of OFCs in the country.

### Key Developments:

#### Global Fiber Optic Cable Market:

- Fiber optic technology is evolving in tandem with the rising need for better speed and efficiency. New equipment, such as optical couplers and optical switches, are enabling the All-Optical Networks (AON) trend.
- San Francisco has committed to building a city-wide fiber-optic network, making it the first large city in America to do so. This initiative, if completed successfully is expected to be a significant step toward internet paradise.
- Another network operator plans to lay 8,000 miles of subterranean underwater fiber optic cable from Los Angeles to Hong Kong to meet the rising demand for Facebook and Google.
- Facebook has announced proposals to develop 2Africa with a partnership of China Mobile International, MTN GlobalConnect, Orange, STC, Telecom Egypt, Vodafone, and WIOCC. The 37,000-kilometer underwater cable system, one of the world's longest, will connect 23 nations across

#### India Fiber Optic Cable Market:

- To meet the rising demand for high-speed data transmission, the goal of Indian Government is to have optical fiber installed in all 600,000 Indian villages, including those in rural places by 2025. The government has put aside a total of 19,041 Crores for viability gap financing.
- The country's first underwater optical fiber network was opened as part of a new initiative for the Andaman and Nicobar Islands by Prime Minister Narendra Modi.
- Amazon is investing \$2.8 billion in India to build data center infrastructure.
- Railways will lay down about 7000 Rkm of OFC to eventually cover the entire railway network across the country.

## SWOT Analysis

### STRENGTHS

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

### OPPORTUNITIES

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



### WEAKNESSES

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

### THREATS

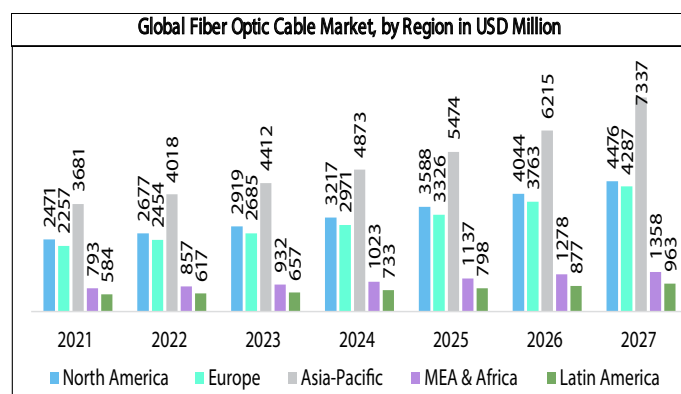
- Availability of preforms – short supply of Helium and SiCl<sub>4</sub>.
- Political & Economic tussle between major economies
- Delay in Govt. projects

Opportunities and Threats+Risks and concerns

## Future Outlook & Growth Levers

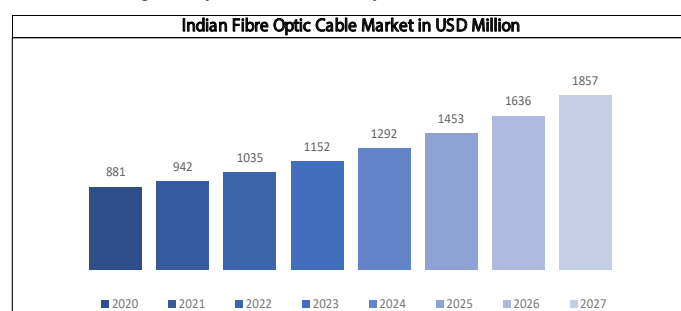
Global fibre optic demand seems to be robust for next five years. Maximum growth is supposed to come from North America and Asia Pacific region.

Global Fiber Optic Cable Market, by Region in USD Million



India Fiber Optic Cable Market was worth US\$ 881 Mn. in 2020 and the total revenue is expected to grow at a CAGR of 11.24 % from 2021 to 2027, reaching nearly US\$ 1857 Bn. by 2027.

Indian Fibre Optic Cable Market in USD Million



### Global OFC Projects: In Pipeline and Future:

Sr. No.	Project Name	Details
1.	Palau	The submarine cable project to connect the US with Singapore was financed by the US, Australia, and Japan. Work on the \$30mn 170-kilometer network began in 2021. The project is expected to be completed by the end of 2022.

2.	Equiano	In November 2020, Telecom Egypt and the St Helena Government signed an agreement to connect the remote island, to the Equiano by 1,140 km submarine cable. The project is expected to be completed by the end of 2022.
3.	CanArctic	CanArctic Inuit Networks undertook a 2,104 km fiber-optic network between Iqaluit, NU, and Clarendville NL. The project is expected to be operational by November 2022.
4.	Grace Hopper	Google's new subsea cable, which will be installed by Telxius, will connect the US to Spain and the UK, once it is completed by 2022.
5.	PEACE	PEACE cable which will span 12,000 kilometers and is the latest submarine fiber optic project to span the East-West divide. PEACE will span Asia, Africa, Europe, Pakistan, and East Africa.

### India OFC Projects: In Pipeline and Future

Sr. No.	Project Name	Details
1.	Lakshadweep – Kochi OFC Project	The Department of Telecom, under the Ministry of Communication, has approved an Rs 61-crore telecom development package, which includes new 4G towers and the laying of 225 km of optical fiber internet connectivity. Project is scheduled to be completed by October 2023.
2.	Tanfinet Project	BharatNet initiative by Tamil Nadu FibreNet Corporation Limited (Tanfinet), at Rs. 509-crore, to deploy 16,500 kilometers of fiber network within a year's time frame by 2023.
3.	BharatNet	As of February 2022, a total of 5,67,941 km of Optical Fibre Cable (OFC) has been laid. As of December 31, 2020, Rs 27,582.7 crore has been disbursed under the project. The scope of BharatNet has been recently extended to cover all inhabited villages in the country.
4.	T – Fiber	T-Fiber shall provide fiber to the Home/Enterprise connectivity to over 47+ lakh households and 1+ lakh public & private enterprises, offices, institutions, etc. in Telangana.

## FRP Business

FRP Rod (Fiberglass reinforced plastic rod) being one of the critical components of OFC (Optical Fibre Cables), its demand is proportional to Optical Fibre consumption in Telecom industry. FRP Rod is applied as a central strength member as well as embedded in the sheath. Its dielectric nature and light weight helps in keeping OFC metal free and less bulky. It also acts as anti-buckling element. FRP rods are used as strength member in almost all types of Di-electric OFC including various type of cables for last mile connectivity. The demand for FRP rod was mainly driven by regions like North America, APAC and emerging economies. The FRP rod demand in India is likely to be on growing path considering ongoing ambitious government plan of connecting rural parts of India, specifically, the increasing last mile cables requirements i.e. FTTH cables is driving the demand up in the coming future. With the ongoing project Bharat Net which is one of the largest broadband project globally undertaken by the Government of India and aims to connect 2.5 lakhs gram panchayats with optical fibre. Considering that there is still large scope in last mile penetration in India which is far below as compared to developed geographies of the globe.

## Services Business

1. Government of India is planning and doing POC from FTTH in Village Panchayats and Village level so there is huge opportunity to work as system integrator for complete OFC network solution with O&M
2. Government of India has taken in Gati Shakti Project, OFC Backbone network creation by state government so there is ample opportunity.
3. FTTH and 5G network roll out expanding across India so there is possible space to get execution contract including supply.
4. E governance sector is also increasing as lots of B2C services provider are coming to use the eMitra network for deliver their services. There is plan of addition 200 b2C services as per budget announcement of state of Rajasthan.
5. Surveillance is need of every state so lots of Projects are coming where need of surveillance and creation of transmission OFC network.
6. Smart sensor based solution of Parking, lighting, agriculture, water flow, Level status are coming and we are confident to get the business in this stream as pioneer in complete sewerage level flow sensors deployment in India.

## Lens Business

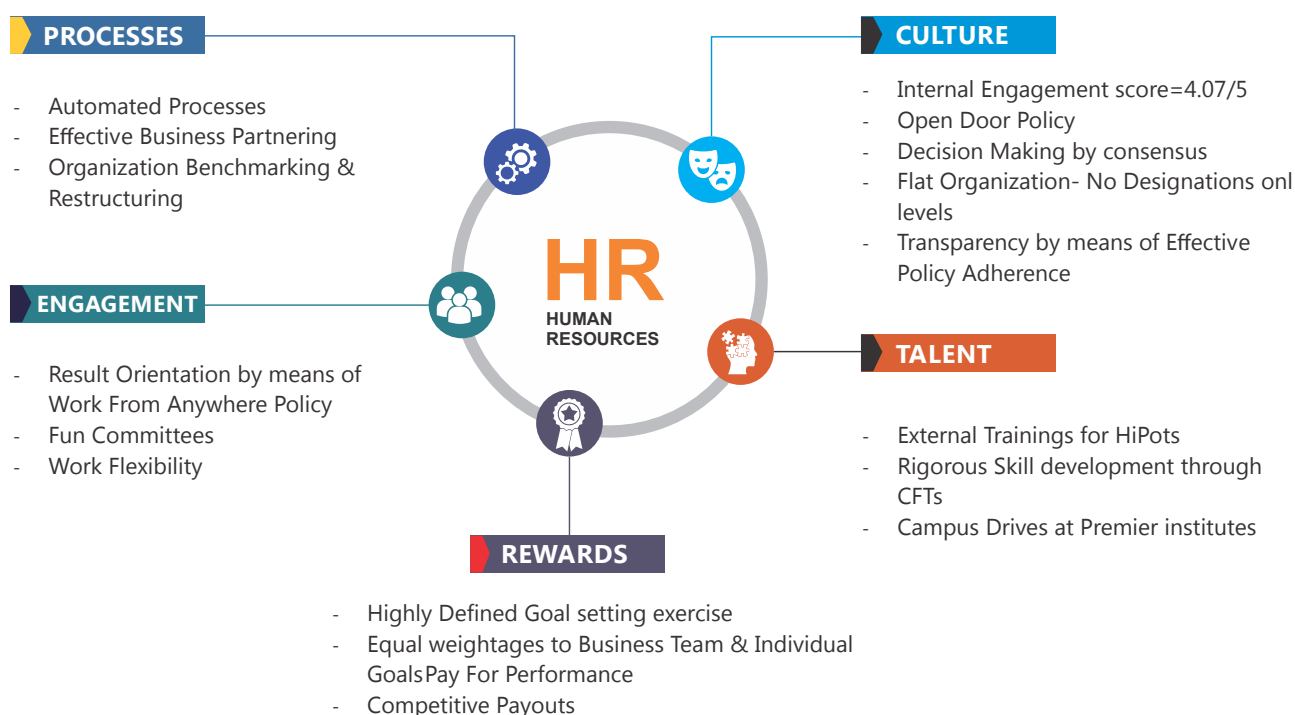
According to the Technavio Research study, expected to grow at a CAGR of 4% until 2024 growing by a value of US \$3.21 billion. Asia-Pacific is one the segments with a huge opportunity owing to number of small and medium scale lens manufacturers and the geography is expected to contribute to almost 43%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

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

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

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

- ✧ Company promotes activities related to leadership development at workplace to build internal talent and leadership pool for future organization requirement.
- ✧ This leadership development is carried out by incorporating various HR interventions at workplace which includes: -
  - Role based training need identification
  - Stringent Succession Planning for the Critical positions in the organization
  - Identification of employees for High Potential Development
  - Promotions of employees to next level in organization as a reward of exemplary performance in the organization
  - Strategic Talent Acquisition at different levels with levels of assessments to filter right candidate
- ✧ Training and Workshops at AKSH Optifibre is carried out keeping in mind the individual development requirement as well as organization requirement from the role. Thus, helps the individual to gain knowledge from varied platforms from External sources, Job enrichment, engagement as well as Team Building activities.
- ✧ We are organization which focus on engaging employees to create high Employee Value Proposition as we believe that an engaged employee is a productive employee.
- ✧ Employees engagement has taken a new direction during pandemic where the employees were not only working from home full time but also their productivity has increased, the work from home and frequent discussions at different level has encouraged our employees to work effectively, comfortably and in a tech savvy manner with confidence.
- ✧ We, with the help of our effective Goal setting process manage the work performance of the employees in a very defined and cascaded manner and to help our employees to keep pace with the changing growth requirement in industry.



## INTERNAL CONTROL AND THEIR ADEQUACY

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

## RISK MANAGEMENT FRAMEWORK

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

## II Financial Performance

### Source of funds

#### 1. Share capital

The Company has only one class of shares – equity shares of par value Rs. 5/- each. Authorized share capital is Rs. 26,005 lakhs, divided into 5,201.00 lakhs equity shares of Rs.5/-each. There has been no change in the Issued, Subscribed and Paid up capital of the Company, which is Rs. 8,134.90 lakhs divided into 1,626.97 lakhs equity shares of Rs.5/-each as at March 31, 2022.

#### 2. Other Equity

##### Capital Reserve

The balance as at March 31, 2022 amounted to Rs. 2,223.35 Lakhs, is same as at March 31, 2021

## Securities Premium

The balance as at March 31, 2022 amounted to Rs. 33,064.11 lakhs, same as at March 31, 2021

## Retained Earnings

There is a net deficit of Rs. 14,970.04 lakhs in the Retained Earnings as at March 31, 2022, as compared to net deficit of Rs 16,724.62 lakhs as at March 31, 2021.

During the year ended March 31, 2022, the Company incurred a net profit after tax of Rs 1,701.85 lakhs, as compared to the net profit after tax of Rs. 222.68 lakhs during the year ended March 31, 2021.

## Shareholder funds

The total shareholder funds increased to Rs. 28,452.32 as at March 31, 2022 as compared to Rs. 26,697.74 lakhs as at March 31, 2021.

The book value per share increased to Rs. 17.49 as on March 31, 2022, as compared to Rs. 16.41 as at March 31, 2021.

## Application of Funds

### 3. Property, Plant and Equipment

#### Addition to gross block

During the year ended March 31, 2022, an amount of Rs. 249.21 lakhs (including Rs. 109.12 Lakhs in Right of use Assets as per Ind AS 116) was added to gross block of fixed assets as compared Rs. 233.84 lakhs, (including Rs 20.25 Lakh in Right to use Assets as per Ind AS 116) during the previous year ended March 31, 2021.

#### Deductions to gross block

During the year ended March 31, 2022, there has been deduction from gross block aggregating Rs. 237.61 Lakhs.

#### Capital work-in- progress

There has been reduction of Rs 53.98 Lakhs in Capital work in progress.



#### Capital expenditure commitments

The Company has a capital commitment (net of advances) of Rs. 138.52 lakhs as at March 31, 2022 as compared to Rs. 138.52 lakhs as at March 31, 2021.

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

Loans includes loan and advances to related party Rs. 2,781.87 lakhs (PY Rs 2,801.23 Lakhs) and loan and advances to others Rs. 350 lakhs (PY Rs 450 Lakhs) as at March 31, 2022.

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

Trade receivables of Rs. 10,643.07 lakhs as at March 31, 2022 as compared to Rs 10,216.01 lakhs as at March 31, 2021, which are considered good and realizable. Debtors are at 35.34 % of gross revenues, representing 129 days of gross revenues for the year ended March 31, 2022, as compared to 40.44% of gross revenues, representing 151 days of the gross revenues for the previous year ended March 31, 2021.

#### 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 153.03 lakhs as at March 31, 2022 as compared to Rs. 118 lakhs as at March 31, 2021. Interest accrued includes Rs. 18.11 lakhs on fixed deposits and Rs. 165.06 lakhs on other deposits as at March 31, 2022, as compared to Rs. 23.35 lakhs and Rs. 156.60 lakhs respectively as at March 31, 2021. Foreign exchange forward contract amounts to Rs. NIL as at March 31, 2022 as compared to Rs. 0.59 lakhs as at March 31, 2021. Security Deposit amounts to Rs. 40.48 Lakhs as at March 31, 2022 as compared to Rs. 26.89 lakhs as at March 31, 2021.

#### 7. Inventories

Inventories amounted to Rs. 3,473.38 Lakhs as at March 31, 2022 as compared to Rs. 3,638.84 lakhs as at March 31, 2021. 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. 612.48 lakhs as at March 31, 2022 as compared to Rs. 234.61 lakhs as at March 31, 2021.

The cash equivalents also include balance in unpaid dividend account amounted to Rs 6.06 lakhs as at March 31, 2022 as compared to Rs. 7.42 lakhs as at March 31, 2021.

Cash on hand amounted to Rs. 9.31 lakhs as at March 31, 2022 as compared to Rs. 4.71 lakhs at March 31, 2021.

Other bank balance amounted to Rs. 1,251.93 lakhs as at March 31, 2022 as compared to Rs. 1,848.59 lakhs at March 31, 2021.

#### Liabilities

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

Trade payables amounted to Rs. 6,959.08 Lakhs as at March 31, 2022, as compared to Rs. 7,390.81 Lakhs as at March 31, 2021.

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

Long term and short-term provisions for employee benefits amounted to Rs. 435.25 lakhs as at March 31, 2022, as compared to Rs. 625.45 lakhs as at March 31, 2021.

#### 11. Short Term Borrowings

Short-term borrowings amounted to Rs. 9,731.83 lakhs as at March 31, 2022, as compared to Rs. 12,812.07 lakhs as at March 31, 2021.

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

Other financial liabilities amounted to Rs. 4,491.87 lakhs as at March 31, 2022, as compared to Rs. 3,710.64 lakhs as at March 31, 2021.

#### 13. Other current liabilities

Other current liabilities amounted to Rs. 929.47 lakhs (including Rs 662.34 lakhs relating to advance from customers) as at March 31, 2022, as compared to Rs. 849.22 lakhs (including Rs 612.78 lakhs relating to advance from customers) as at March 31, 2021.

### III Results of Operations

The Company reported a net profit after tax amounted to Rs. 1,701.85 lakhs during the year ended March 31, 2022, as compared to the profit of Rs. 222.68 lakhs during the previous year ended March 31, 2021.

#### 1. Revenue from Operations

Revenues were generated mainly from sale of finished goods, traded goods and services. During the year ended March 31, 2022, the Company's revenue from operations was Rs 30,119.67 lakhs as compared to Rs. 24,646.49 lakhs during the previous year ended March 31, 2021.

#### 2. Other Income

Other income amounted to Rs. 625.24 lakhs for the year ended March 31, 2022, as compared to Rs. 632.72 lakhs during the previous year ended March 31, 2021.

#### 3. Cost of goods sold

Cost of goods sold amounted Rs. 15,522.11 lakhs (50.49% of gross revenue) during the year ended March 31, 2022 as compared to Rs. 12,650.40 lakhs (50.04% of gross revenue) during the previous year ended March 31, 2021. It includes Rs. 14,116.60 lakhs (previous year Rs 12,243.53 lakhs) relating to raw material consumed, Rs. 748.37 lakhs (previous year Rs. 221.89 lakhs) relating to purchase of traded goods and Rs. 657.14 lakhs (previous year Rs. 184.98 lakhs) relating to increase/ (decrease) in inventories.

#### 4. Employee Benefit Expense

Employee benefit expense amounted to Rs. 2,188.63 lakhs during the year ended March 31, 2022, as compared to Rs. 2,444.74 lakhs during the previous year ended March 31, 2021.

#### 5. Other Expenses

Other expenses amounted to Rs. 7,170.32 lakhs during the year ended March 31, 2022 as compared to Rs. 6,071.20 lakhs during the previous year ended March 31, 2021.

#### 6. Depreciation

Depreciation and amortization amounted to Rs. 1,496.25 lakhs during the year ended March 31, 2022 as compared to Rs. 1,554.17 lakhs during the previous year ended March 31, 2021.

**7. Finance Cost**

Finance Cost amounted to Rs. 1,976.18 lakhs during the year ended March 31, 2022 as compared to Rs. 2,163.27 lakhs during the previous year ended March 31, 2021. Finance cost includes Rs. 569.69 lakhs on interest on Cash credit facility as compared to Rs. 850.99 lakhs, during previous year ended March 31, 2021.

**8. Exceptional (expense)/income**

Exceptional item, Income / (Expense) for the year ended March 31, 2022 represents Provision for impairment related to Lens Division (Rs. 121.97 lakhs), Balances written back Rs. 132.84 lakhs, gain on foreign exchange on items other than operational Rs. 94.70 lakhs, Loss on sale of Property, Plant and Equipment (Rs. 10.49 lakhs), Provision for doubtful debts & balances written off related to operation (Rs. 89.38 lakhs).

**9. Tax Expenses****Income Tax**

During the year ended March 31, 2022, the Company has made tax provision of Rs. 658.77 Lakhs.

**Deferred Tax**

During the year ended March 31, 2022, the Company has created provision for deferred tax by Rs. 36.50 lakhs.

**10. Earnings Per Share (EPS) after exceptional item****Basic and Diluted EPS**

Basic and Diluted EPS after exceptional item increased to Rs. 1.05 per share for the year 2022, from Rs. 0.14 per share for the year ended March 31, 2021. The weighted average shares used in computing EPS is 162,697,971 for the year ending March 31, 2022, same as year ending March, 2021.

**11. Segmental Profitability**

(Rs. in lakhs)

Segment Results	YE Mar 22	YE Mar 21	%age Increase/ (Decrease)
Manufacturing			
Revenues	24,420.82	20,590.27	18.60%
EBIT	3,544.58	1,988.49	78.25%
<b>EBIT (%)</b>	<b>14.51%</b>	<b>9.66%</b>	
Trading			
Revenues	1,006.60	170.26	491.21%
EBIT	296.60	24.74	1098.87%
<b>EBIT (%)</b>	<b>29.47%</b>	<b>14.54%</b>	
Services			
Revenues	4,692.25	3,885.96	20.75%
EBIT	722.62	590.10	22.46%
<b>EBIT (%)</b>	<b>15.40%</b>	<b>15.19%</b>	

**IV Consolidated Financial Performance**

Company's revenue from operations amounted to Rs. 31,635.73 lakhs during the year ended March 31, 2022, as compared to Rs. 27,216.05 lakhs in the previous year ended March 31, 2021.

Manufacturing revenue is Rs. 25,936.88 lakhs during the year ended March 31, 2022 from Rs. 23,159.83 lakhs during the previous year ended March 31, 2021, a increase of 12% as compare with previous year ended on March 31, 2021.

The Profit before interest, depreciation, taxes, amortization and exceptional items amounted to Rs. 5,523.75 lakhs (17.21% of revenue) during the year ended March 31, 2022 as against Rs. 2,979.01 lakhs (10.78% of revenue) in the previous year ended on March 31, 2021.

Profit before tax and exceptional item amounted to Rs. 586.94 lakhs (1.83% of revenue) during the year ended March 31, 2022 as against loss of Rs. 2,418.39 lakhs (8.75% of revenue) in the previous year ended on March 31, 2021.

Loss after tax and exceptional item is Rs 41.53 lakhs (0.13% of revenue) during the year ended March 31, 2022 as against Rs. 2,539.17 lakhs (9.19% of revenue) in the previous year ended March 31, 2021.

**KEY FINANCIAL RATIOS (CONSOLE)**

	Ratios	FY22	FY21	Difference	Reason for Change
a.	Debtors Turnover Ratio	4.07	3.08	31.95%	Ratio is improved due to increase in Turnover and realization from some old Trade receivables of Holding Company.
b.	Inventory turnover Ratio	3.62	2.52	43.37%	Group has significantly reduced the holding period of inventory due to which ratio is improved.
c.	Interest Coverage Ratio	1.23	0.18	589%	Ratio improved due to improved Profit before Interest.
d.	Current Ratio	0.48	0.47	2.49%	
e.	Debt Equity Ratio	1.99	2.22	-10.67%	
f.	Operating Profit Margin %	17.21%	10.78%	59.73%	Ratio improved due to increase Operating Profit.
g.	Net Profit Margin % or Sector - Specific equivalent ratios, as applicable.	-0.13%	-9.19%	-98.59%	Ratio improved due to reduced Net Loss.
h.	RONW%	-0.40%	-24.61%	-98.37%	Ratio improved due to reduced Net Loss.

# 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 31st March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, 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 Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, 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 52A to the standalone financial statement, which states, the Subsidiary Company namely AOL Technologies FZE, Dubai has Capital work in progress as on 31st March 2022 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. 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 52B 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 paucity of funds, however all value in financial statement have been taken at cost and impairment testing has not been carried out by the management of Subsidiary Company. 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 38(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 46 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 foresee any impact arising on account of it.
- c) Note 47 regarding that the Company has foreign currency payable aggregating to Rs.227.48 lakhs and Rs.1,604.52 lakhs which are outstanding for more than six months and three years respectively, as of 31<sup>st</sup> March, 2022. The Company also has foreign currency receivable balances aggregating to Rs.4,000.92 lakhs which are outstanding for more than nine months, as of 31st March, 2022. 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 49 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 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 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.	<p><b>Assessing Impairment of the carrying value of Trade receivable and loan receivable from subsidiary companies</b></p> <p>(Refer note No 52C of the accompanying standalone financial statement)</p> <p>As on 31st March 2022, The Company has exposure in Trade receivable and loan receivable (Including Interest) amounting to Rs.3,792.59 lakhs &amp; Rs.2,781.87 lakhs respectively in subsidiary companies.</p> <p>As on 31st March, 2022 net worth of subsidiary companies is Negative.</p> <p>As above mentioned Trade Receivables and loan receivable are significant to the Company's standalone financial statements. The Collectability of receivables is a key element of the company's working capital management, which is managed on an ongoing basis by its management. Further Company has also applied to RBI for extension of period for realisation of unrealised export proceeds from foreign subsidiaries and the application is currently under process.</p> <p>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.</p>	<p><b>Our audit procedures included the following:</b></p> <ul style="list-style-type: none"> <li>(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.</li> <li>(ii) Obtained trade receivable external confirmation.</li> <li>(iii) Assessed the competence, objectivity, and capabilities of the management staff for the purpose of this assessment.</li> </ul> <p>Furthermore we assessed the adequacy and appropriateness of the disclosures in the standalone financial statements.</p>
2.	<p><b>Litigations – Contingencies</b></p> <p>As described in note 55 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.</p> <p>The Company has filed appeal in Securities Appellate Tribunal (SAT) against such order, the arguments were concluded and the matter is reserved for order by SAT.</p> <p>This matter has been considered as a key audit matter considering that The Company has ongoing litigation with relevant authorities which could have a significant impact on the financial 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.</p>	<p>In view of the significance of the matter, our procedures included, but were not limited to, the following:</p> <ul style="list-style-type: none"> <li>(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.</li> <li>(ii) Discussions with management in respect of appeal filed by Company with Hon'ble Securities Appellate Tribunal against this order.</li> <li>(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.</li> </ul> <p>As a result of the above audit procedures, the management's assessment of provision for contingencies was considered to be appropriate.</p>

### Information other than the 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 any remuneration to its director during the year, hence provisions and limits laid down under Section 197 read with Schedule V to the Act are not applicable.
- 2) As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 3) Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
  - a) We have sought and 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 point (a) & (b) of Basis for 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 Flows dealt with by this Report are in agreement with the relevant books of account.
  - d) Except for the possible 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 director as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the

adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

- g) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in the standalone financial statements- Refer note no 40 of the standalone financial 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 31st March 2022;
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate

Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

- v. During the year the Company has not declared or paid dividend under section 123 of the Companies Act, 2013.

Place: New Delhi  
Date: 13<sup>th</sup> May, 2022

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

Sd/-  
**CA Alok Kumar Bansal**  
Partner  
Membership no.: 092854  
UDIN : 22092854AIXRIC4428

## “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) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment’s and relevant details of right of use- assets.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- b) The Company has a program of physical verification of Property, Plant and Equipment’s (except the assets installed at customer premises) and right of use assets so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment’s were due for verification during the year and were physically verified during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c) According to the information and explanations given to us and from our examination of books of account and other documents, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of theassessee) disclosed in the financial statements are held in the name of the company.
- d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
- e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (A) According to the information & explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the management during the year except for goods in transit. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the book of accounts.  
(B) According to the information & explanation given to us, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Further, the quarterly returns or statements filed by the company with such banks or financial institutions are generally in agreement with the books of account of the Company and no material differences were noticed during its reconciliation with books.
- iii. According to the information and explanation given to us, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year and hence reporting under clause 3(iii) (a) to (f) of the Order is not applicable to the Company.
- iv. According to the information and explanations given to us and examination of books of account, in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act, to the extent applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Section 73 - 76 of the Act and the rules framed there under. Therefore, the provisions of Clause 3(v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub section (1) of section 148 of the Companies, 2013 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- vii. (a) The Company is 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.  
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, 2022 for a period of more than six months from the date they became payable except Service tax of Rs.6.06 lakhs.
- (b) According to the information and explanations given to us, there are no dues of income tax, Goods & Service Tax, service tax, duty of customs, duty of excise which have not been deposited on account of any dispute except of the following amounts: -

Name of Statute	Nature of Dues	Disputed Amount Rs. in Lakhs	Period to which amount relates	Forum where dispute is 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
Central Excise Act, 1944	Excise duty	15.60	June 2016 to June 2017	Asst. Commissioner, Bhiwadi
Finance Act, 1994	Service Tax	0.91	January 2011 to November 2011	Commissioner, Jaipur
Income Tax Act, 1961	Income tax	91.01	A.Y 2010-11	CIT (Appeals), Alwar (Rajasthan)
Income Tax Act, 1961	Income tax	195.46	A.Y 2013-14	CIT (Appeals), Alwar (Rajasthan)
Provident Fund Act	Provident Fund	7.60	2004-05	Hon'ble High Court, Jaipur

- viii According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) According to the information available with us, The Company has outstanding defaultas 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	32.75	6.95	0-90 days
Punjab National Bank	32.75	-	91-180 days
Punjab National Bank	32.75	3.73	181-360 days
Punjab National Bank	-	29.58	More than 360 days
HDFC Bank	130.19	141.22	0-90 days
HDFC Bank	276.19	92.13	91-180 days
HDFC Bank	552.37	231.67	181-360 days
HDFC Bank	1,344.18	602.01	More than 360 days
Union Bank of India	220.25	190.40	0-90 days
Union Bank of India	220.25	104.33	91-180 days
Union Bank of India	440.50	276.70	181-360 days
Union Bank of India	771.00	206.90	More than 360 days

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

Name of Lender	Rs. in Lakhs (Principal)	Rs. in Lakhs (Interest)	Period of Default -in range (Interest)
Punjab National Bank	32.75	11.14	0-90 days
Punjab National Bank	32.75	7.18	91-180 days
Punjab National Bank	-	15.09	181-360 days
Punjab National Bank	-	1.14	More than 360 days
Union Bank of India	-	136.82	0-90 days
Union Bank of India	-	115.02	91-180 days
Union Bank of India	-	90.91	181-360 days
Union Bank of India	2,054.43	118.48	More than 360 days

- (b) In our opinion and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the Company has not taken any term loan during the year, hence reporting of utilisation of fund received from term loan are not applicable and also reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, fund raised on short term basis have, prima facie, not been used during the year for long term purposes by the Company.
- (e) In our opinion and according to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures; hence, reporting under clause 3(ix) (e) of the Order is not applicable.
- (f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year based on the pledge of securities held in its subsidiaries, joint ventures or associate companies, hence, reporting under clause 3(ix)(f) of the Order is not applicable.
- x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable to the Company.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) During the course of our examination of the books and records of the Company, and according to the information's given by the management, the Company has not received any whistle blower complaints during the year.
- xii. The Company is not a Nidhi Company, hence reporting under clause 3 (xii) of the Order is not applicable to the Company.



- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and section 188 of the Companies Act, 2013 where applicable, for all transaction with the related parties and the details of related party transactions have been properly disclosed in the standalone financial statements as required by the applicable Indian accounting standards.
- xiv. (a) In our opinion and according to information and explanations given by the management, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected to its directors. Accordingly, the provision of paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause (xvi) (a), (b) and (c) of the Order are not applicable to the Company.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a fund specified in schedule VII of the Companies Act in compliance with second proviso to sub-section (5) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) (a) of the order is not applicable for the year.
- (b) In our opinion and according to the information and explanation provided to us, the company is not required to spent fund pursuant to any ongoing project, hence, reporting under clause 3(xx)(b) of the Order is not applicable.

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

Place: New Delhi  
Date: 13<sup>th</sup> May, 2022

Sd/-  
**CA Alok Kumar Bansal**  
Partner  
Membership no.: 092854  
UDIN: 22092854AIXRIC4428

**“Annexure B” to the Independent Auditor’s Report**

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

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

We have audited the internal financial controls over financial reporting of Aksh Optifibre Limited (“the Company”) as of 31st March, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

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

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, 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: 13<sup>th</sup> May, 2022

Sd/-  
**CA Alok Kumar Bansal**  
Partner  
Membership no.: 092854  
UDIN : 22092854AIXRIC4428



# Standalone Balance Sheet

for the year ended March 31, 2022

(Rs. in Lakhs)

	Notes	31-Mar-2022	31-Mar-2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property, Plant and Equipments	3(a) (i & ii)	13,433.38	14,804.92
Capital work-in-progress	3(b)	-	53.98
Intangible assets	4	27.17	62.01
Financial assets			
Investments	5	18,485.33	18,248.52
Loans	6	2,392.39	2,439.43
Other Financial Assets	7	311.53	301.79
Deferred Tax Assets (net)	8 (a)	-	208.83
Other non-current assets	9	265.16	274.63
		<b>34,914.96</b>	<b>36,394.11</b>
<b>Current assets</b>			
Inventories	10	3,473.38	3,638.84
Financial Assets			
Trade receivables	11	10,643.07	10,216.01
Cash and cash equivalents	12	627.85	246.74
Other Bank Balances	13	1,251.93	1,848.59
Loans	6	739.48	811.80
Other Financial Assets	7	223.65	207.43
Current tax assets (net)	8 (b)	31.60	99.64
Other current assets	9	1,046.02	1,384.92
		<b>18,036.98</b>	<b>18,453.97</b>
<b>Total Assets</b>		<b>52,951.94</b>	<b>54,848.08</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity Share capital	14	8,134.90	8,134.90
Other Equity	15	20,317.42	18,562.84
		<b>28,452.32</b>	<b>26,697.74</b>
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	16	1,114.20	2,191.11
Lease Liabilities	17	402.96	360.55
Other Financial liabilities	19	15.59	61.79
Deferred tax liabilities (net)	8 (a)	363.85	-
Provisions	20	173.22	149.10
		<b>2,069.82</b>	<b>2,762.55</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	21	9,731.83	12,812.07
Lease Liabilities	17	55.52	39.04
Trade payables	18		
(a) total outstanding dues to micro & small enterprises		9.49	215.21
(b) total outstanding dues other than above		6,949.59	7,175.60
Other financial liabilities	19	4,491.87	3,710.64
Other Current liabilities	22	929.47	849.22
Provisions	20	262.03	476.35
Current tax liabilities (net)	8 (b)	-	109.66
		<b>22,429.80</b>	<b>25,387.79</b>
<b>Total Equity and liabilities</b>		<b>52,951.94</b>	<b>54,848.08</b>
Summary of significant Accounting policies	2.1		
The accompanying notes (1-58) are an integral part of the financial statements			

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

**Sd/-**  
**Dr. Kailash S. Choudhari**  
Chairman  
DIN : 00023824  
Place : Dubai (UAE)

**For and on behalf of the Board of Directors**  
**Sd/-**  
**Gaurav Mehta**  
CEO-Corporate Affairs & Group Company Secretary  
Place : Reengus

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

**Sd/-**  
**Charan Deep Singh**  
Chief Financial Officer  
Place : Reengus

**Sd/-**  
**Anubhav Raizada**  
Company Secretary  
Place : Reengus

Place: New Delhi  
Date: 13-05-2022

# Standalone Statements of Profit and Loss

for the year ended March 31, 2022

(Rs. in Lakhs)

	Notes	31-Mar-2022	31-Mar-2021
<b>Income</b>			
Revenue from operations	23	30,119.67	24,646.49
Other income	24	625.24	632.72
<b>Total Income (I)</b>		<b>30,744.91</b>	<b>25,279.21</b>
<b>Expenses</b>			
Cost of raw material and components consumed	25	14,116.60	12,243.53
Purchase of traded goods	26	748.37	221.89
(Increase)/ decrease in inventories of finished goods,work-in-progress and traded goods	27	657.14	184.98
Employee benefits expense	28	2,188.63	2,444.74
Finance costs	29	1,976.18	2,163.27
Depreciation and amortisation expense	30	1,496.25	1,554.17
Other expense	31	7,170.32	6,071.20
<b>Total expense (II)</b>		<b>28,353.49</b>	<b>24,883.78</b>
<b>Profit before exceptional items and tax, (I) – (II)</b>		<b>2,391.42</b>	<b>395.43</b>
Exceptional item	32	5.70	(87.16)
<b>Profit before tax</b>		<b>2,397.12</b>	<b>308.27</b>
<b>Tax expenses</b>			
Current tax		658.77	-
Deferred tax		36.50	68.09
Adjustment of tax relating to earlier periods		-	17.50
<b>Income tax expense/(Income)</b>		<b>695.27</b>	<b>85.59</b>
<b>Profit for the year</b>		<b>1,701.85</b>	<b>222.68</b>
<b>Other comprehensive income</b>			
i) items that will not be reclassified to Profit or (Loss) in subsequent periods		74.39	27.11
ii) Income Tax relating to these items		(21.66)	(7.90)
<b>Other comprehensive income for the year, net of tax</b>		<b>52.73</b>	<b>19.21</b>
<b>Total comprehensive income for the year</b>		<b>1,754.58</b>	<b>241.89</b>
<b>Earnings per equity share of Rs. 5/- each</b>	<b>37</b>		
Basic earnings per equity share		1.05	0.14
Diluted earnings per equity share		1.05	0.14
Summary of significant Accounting policies	2.1		
The accompanying notes (1-58) are an integral part of the financial statements			

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

Sd/  
CA Alok Kumar Bansal  
Partner  
Membership no.: 092854

Place: New Delhi  
Date: 13-05-2022

Sd/-  
Dr. Kailash S. Choudhari  
Chairman  
DIN : 00023824  
Place : Dubai (UAE)

Sd/-  
Charan Deep Singh  
Chief Financial Officer  
Place : Reengus

For and on behalf of the Board of Directors

Sd/-  
Gaurav Mehta  
CEO-Corporate Affairs & Group Company Secretary  
Place : Reengus

Sd/-  
Anubhnav Raizada  
Company Secretary  
Place : Reengus

# Standalone Cash Flow statements

for the year ended March 31, 2022

(Rs. in Lakhs)

	31-Mar-2022	31-Mar-2021
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>2,397.12</b>	<b>308.27</b>
Adjustment to reconcile profit before tax to net cash flows :		
Depreciation/amortization and impairment of Property, Plant & Equipment	1,618.22	1,554.17
Bad Debts (Net of Provision)	(89.38)	-
Loss on sale of property, plant and equipment	10.49	2.44
Finance Costs	1,976.18	2,163.27
Other comprehensive income	74.39	27.11
Interest income	(405.12)	(430.17)
<b>Operating profit before working capital changes</b>	<b>5,581.90</b>	<b>3,625.09</b>
<b>Movements in working capital:</b>		
Increase / (Decrease) in trade payables, financial and other liabilities	(300.06)	(1,698.88)
Increase / (Decrease) in provisions	(190.20)	(11.25)
Decrease / (Increase) in trade receivable	(337.68)	2,188.21
Decrease / (Increase) in inventories	165.46	532.43
Decrease / (Increase) in other assets	918.47	465.31
<b>Cash generated from operations</b>	<b>5,837.89</b>	<b>5,100.91</b>
Direct taxes paid	(185.88)	(704.86)
<b>Net cash flow from operating activities (A)</b>	<b>5,652.01</b>	<b>4,396.05</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment, including intangible assets and capital work in progress (net)	(84.54)	(42.59)
Decrease / (Increase) in Right to use of assets (lease assets)	(97.85)	(20.24)
Proceeds from sale of property, plant and equipment	14.04	1.99
Decrease / (Increase) in Capital advances/ payable for capex	(178.75)	(47.40)
Investment in Subsidiaries	-	(3,271.44)
Decrease/ (Increase) in loan & advances	100.00	269.99
Decrease / (Increase) in loan & advances (pursuant to Ind AS 109)	(99.41)	(137.08)
Interest received	287.07	484.14
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(59.44)</b>	<b>(2,762.63)</b>
<b>Cash flow from financing activities</b>		
Repayment of Long term borrowings	(153.78)	(487.12)
Repayment of Short-term borrowings	(4,003.37)	(67.41)
Increase / (Decrease) in Lease Liability	58.89	(42.24)
Unpaid dividend transferred to IEPF Fund	(1.36)	-
Interest paid	(1,111.85)	(1,337.96)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(5,211.47)</b>	<b>(1,934.73)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>381.11</b>	<b>(301.31)</b>
Cash and cash equivalents at the beginning of the year	246.74	548.05
<b>Cash and cash equivalents at the end of the year</b>	<b>627.85</b>	<b>246.74</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	9.31	4.71
With banks on current account	612.48	234.61
Unpaid dividend accounts	6.06	7.42
<b>Total cash and cash equivalents</b>	<b>627.85</b>	<b>246.74</b>
Summary of significant Accounting policies		
The accompanying notes (1-58) are an integral part of the financial statements		

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

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

**Sd/-**  
**Dr. Kailash S. Choudhari**  
Chairman  
DIN : 00023824  
Place : Dubai (UAE)

**For and on behalf of the Board of Directors**  
**Sd/-**  
**Gaurav Mehta**  
CEO-Corporate Affairs & Group Company Secretary  
Place : Reengus

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

**Sd/-**  
**Charan Deep Singh**  
Chief Financial Officer  
Place : Reengus

**Sd/-**  
**Anubhav Raizada**  
Company Secretary  
Place : Reengus

Place: New Delhi  
Date: 13-05-2022

# Statement of Changes in Equity

for the year ended March 31, 2022

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

	Nos.	(Rs. in Lakhs)
<b>As at 1 April 2020</b>		
Balance at the beginning of the reporting period	162,697,971	8,134.90
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the reporting period	162,697,971	8,134.90
Changes in equity share capital during the year	-	-
<b>As at 31 March 2021</b>	<b>162,697,971</b>	<b>8,134.90</b>
Balance at the beginning of the reporting period	162,697,971	8,134.90
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of the reporting period	162,697,971	8,134.90
Changes in equity share capital during the year	-	-
<b>As at 31 March 2022</b>	<b>162,697,971</b>	<b>8,134.90</b>

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

	Securities premium	Capital reserve	Remeasurment of defined benefit plans	Retained earnings	(Rs. in Lakhs) Total other equity
<b>As at 1 April 2020</b>	<b>33,064.11</b>	2,223.35	(165.53)	<b>(16,800.98)</b>	<b>18,320.95</b>
Profit for the year	-	-	-	222.68	<b>222.68</b>
Other comprehensive income	-	-	19.21	-	<b>19.21</b>
Total comprehensive income for the year	-	-	19.21	222.68	<b>241.89</b>
<b>Balance as at 31 March 2021</b>	<b>33,064.11</b>	<b>2,223.35</b>	(146.32)	<b>(16,578.30)</b>	<b>18,562.84</b>
<b>Balance as at 1 April 2021</b>	<b>33,064.11</b>	<b>2,223.35</b>	(146.32)	<b>(16,578.30)</b>	<b>18,562.84</b>
Profit for the year	-	-	-	1,701.85	<b>1,701.85</b>
Other comprehensive income	-	-	52.73	-	<b>52.73</b>
Total comprehensive income for the year	-	-	52.73	1,701.85	<b>1,754.58</b>
<b>Balance As at 31 March 2022</b>	<b>33,064.11</b>	<b>2,223.35</b>	(93.59)	<b>(14,876.45)</b>	<b>20,317.42</b>

The accompanying notes (1-58) are an integral part of the financial statements

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

Sd/  
CA Alok Kumar Bansal  
Partner  
Membership no.: 092854

Place: New Delhi  
Date: 13-05-2022

Sd/-  
Dr. Kailash S. Choudhari  
Chairman  
DIN : 00023824  
Place : Dubai (UAE)

Sd/-  
Charan Deep Singh  
Chief Financial Officer  
Place : Reengus

## For and on behalf of the Board of Directors

Sd/-  
Gaurav Mehta  
CEO-Corporate Affairs & Group Company Secretary  
Place : Reengus

Sd/-  
Anubhav Raizada  
Company Secretary  
Place : Reengus

# Notes to standalone financial statements

for the year ended March 31, 2022

## 1. Corporate information

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

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

## 2. Basis of preparation

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

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

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

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

## 3. Summary of significant accounting policies

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

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

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

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

All other assets are classified as non-current.

A liability is current when:

- Expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading

- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

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

### b) Foreign currencies

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

### Transactions and balances

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

### c) Fair value measurement

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

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

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

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

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

All assets and liabilities for which fair value is measured or

## Notes to standalone financial statements

for the year ended March 31, 2022

disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.
- Level 2 — The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable the instrument is included in level 2
- Level 3 — If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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

### d) Revenue recognition

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

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

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

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

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

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

### Interest

Interest income, is recorded using the effective interest rate ("EIR"). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument

or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

### e) Inventories

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

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

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

### f) Borrowing cost

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

### g) Income taxes

#### Current income tax

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

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



# Notes to standalone financial statements

for the year ended March 31, 2022

## 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 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.

## 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.



## Notes to standalone financial statements

for the year ended March 31, 2022

### j) Lease

The Company has adopted Ind AS 116-Leases 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.

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

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

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

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

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

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

### k) Provisions

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

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

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

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

### l) Employee benefits

#### Short term employee benefits

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

#### Defined contribution plan

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

#### Defined benefit plan

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

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

#### Other long-term benefits: Compensated Absences

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

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

# Notes to standalone financial statements

for the year ended March 31, 2022

Actuarial losses/ gains are recognised in the Statement of Profit and Loss in the year in which they arise.

## m) Financial instruments

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

### Financial assets

#### Initial recognition and measurement

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

#### Subsequent measurement

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

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

#### Debt instruments at amortised cost

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

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

This category is most relevant to the Company.

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

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

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

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

### De-recognition

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

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

### Financial guarantee contracts

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

### Financial liabilities

#### Initial recognition and measurement

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

#### Subsequent measurement

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

#### Loans and borrowings

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

#### Financial liabilities at FVTPL

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

### De-recognition

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

# Notes to standalone financial statements

for the year ended March 31, 2022

## 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.

## q) Cash and cash equivalents

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

## r) Equity investment (in subsidiaries)

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

## s) Earnings per share (EPS)

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

Diluted EPS amounts are calculated by dividing the profit attributable to the shareholders of the Company (after adjusting

## Notes to standalone financial statements

for the year ended March 31, 2022

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

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

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

## Notes to standalone financial statements for the year ended March 31, 2022

(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, 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
Additions	-	-	-	61.65	27.35	-	19.48	0.21	3.26	27.68	-	-	139.63
Disposals /adjustments	(1.84)	-	-	(157.97)	-	-	-	-	-	-	-	(11.41)	(171.22)
At March 31, 2022	-	728.06	4,517.81	24,391.13	3,426.01	1,331.44	677.05	341.03	383.55	343.75	22.70	22.78	36,185.31
Accumulated Depreciation													
At April 1, 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	236.48	278.10	22.12	15.27	21,795.09
Charge for the year	-	7.37	149.34	902.23	165.77	46.92	57.51	18.13	53.61	-	-	1.66	1,402.54
Impairment Recognition	-	-	-	121.97	-	-	-	-	-	-	-	-	121.97
Disposals /adjustments	-	-	-	(137.40)	-	-	-	-	-	-	-	(7.47)	(144.87)
At March 31, 2022	-	53.45	1,393.47	16,671.17	2,825.62	914.41	483.94	232.90	290.09	278.10	22.12	9.46	23,174.73
Net Block value													
At March 31, 2022	-	674.61	3,124.34	7,719.96	600.39	417.03	193.11	108.13	93.46	65.65	0.58	13.32	13,010.58
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

### Notes:

- (i) Title Deed of all immovable properties (other than the properties where the company is lessee) are in the name of Company.
- (ii) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

### 3 (a) (ii) Right of Use Assets

(Rs. in Lakhs)		Building	Vehicle
<b>Movements during the year</b>			
At April 1, 2020		458.91	66.39
Addition on account of Transition to Ind AS 116	-	-	-
Addition	20.25	-	-
Deletion	-	-	-
At March 31, 2021		479.16	66.39
Addition	109.12	-	-
Deletion	-	66.39	-
At March 31, 2022		588.28	-
Accumulated Depreciation			
At April 1, 2020		72.02	23.80
Addition	41.12	-	25.50
Deletion	-	-	-
At March 31, 2021		113.14	49.30
Addition	50.62	7.79	9.30
Modification	1.72	-	-
Deletion	-	66.39	-
At March 31, 2022		165.48	-
<b>Net Block value</b>			
At March 31, 2022		422.80	-
At March 31, 2021		366.02	17.09

- (i) The Company incurred Rs 60.17 lakhs for the year ended 31st March, 2022 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 209.45 lakhs for the year ended 31st March, 2022, including cash outflow of short-term leases and leases of low-value assets.
- (ii) The Company's leases mainly comprise of Buildings and Vehicles



## Notes to standalone financial statements

for the year ended March 31, 2022

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

(Rs. in Lakhs)

At 31st March 2022	-
At 31st March 2021	53.98

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

CWIP aging schedule	Mar-21				
CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	4.76	-	49.22	-	53.98
Projects temporarily suspended	-	-	-	-	-

### 4. Intangible assets

(Rs. in Lakhs)

<b>Gross block</b>	
At April 1, 2020	2,783.47
Additions	3.78
Disposals / adjustments	(0.19)
At March 31, 2021	2,787.06
Additions	0.46
Disposals / adjustments	-
At March 31, 2022	2,787.52
<b>Accumulated Amortisation</b>	
At April 1, 2020	2,684.87
Charge for the year	40.37
Disposals / adjustments	(0.19)
At March 31, 2021	2,725.05
Charge for the year	35.30
Disposals / adjustments	-
At March 31, 2022	2,760.35
<b>Net block value</b>	
At March 31, 2022	27.17
At March 31, 2021	62.01

### 5. Financial assets - Investments

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Investment in subsidiaries :</b>		
<b>Equity Instruments (Unquoted)</b>		
586 (March 31, 2021: 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, 2021: 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, 2021 : 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, 2021 : 2,558,053) Equity Shares of MUR 10/- each fully paid up in Aksh Technologies (Mauritius) Limited (Mauritius)	525.27	525.27
Deemed investment in subsidiaries # (refer note no.35(e))	1,043.06	806.25
<b>Total (a)</b>	16,822.83	16,586.02

## Notes to standalone financial statements

for the year ended March 31, 2022

### 5. Financial assets - Investments (Contd..)

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>Preference Instruments (Unquoted)</b>		
26,32,124 (March 31 2021: 9,96,405) 6% non cumulative optionally convertible Preference share of Arab Emirates Dhiram (AED) 10 each in AOL Technologies FZE (Dubai)	5,159.31	1,887.88
538 (March 31, 2021: 538) 6% non cumulative optionally convertible Preference share of Arab Emirates Dhiram (AED) 50,000 each in AOL FZE (Dubai)	5,096.92	5,096.92
AOL Technologies FZE (Dubai) (Investment in preference share, pending for allotment) (refer note no 48) #	-	3,271.43
<b>Total (b)</b>	10,256.23	10,256.23
Less : Provision for Dimnution in value of Investment of AOL FZE (Dubai) (c)	8,593.73	8,593.73
<b>Total (a+b-c)</b>	18,485.33	18,248.52

#The Company has provided corporate guarantee against credit facilities availed by its wholly owned subsidiaries namely AOL FZE & AOL Technologies. As no payment is made by such 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 shown at fair value and has been presented as deemed investment in subsidiary with a corresponding credit in other financial liabilities which is amortised over period of term loan. Also the company has deferred interest receivable from subsidiary and the same is repayable in 8 equal quarterly installment from April 2024 onwards.

### 6. Financial assets - Loans

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>Non-Current</b>		
Loan and advances to related parties ( refer note no.35 (d))	2,392.39	2,439.43
	<b>2,392.39</b>	<b>2,439.43</b>
<b>Current</b>		
Loan and advances to related parties ( refer note no.35 (d))	389.48	361.80
Loan and advances to others	350.00	450.00
	<b>739.48</b>	<b>811.80</b>
<b>Break-up Loan:</b>		
Secured	-	-
Unsecured	3,131.87	3,251.23
Significant increase in credit risk	-	-
Credit impaired	-	-
	<b>3,131.87</b>	<b>3,251.23</b>

#### Loans / advances repayable on demand

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	389.48	12.44%
	<b>389.48</b>	<b>12.44%</b>

\* 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-22	31-Mar-21
<b>Non Current</b>		
Security deposit *	158.50	183.79
Margin Money #	153.03	118.00
	<b>311.53</b>	<b>301.79</b>
<b>Current</b>		
Security deposit*	40.48	26.89
Interest accrued on fixed deposits	18.11	23.35
Interest accrued on other deposits	165.06	156.60
<b>Derivative Instruments</b>		
Foreign exchange forward contracts	-	0.59
	<b>223.65</b>	<b>207.43</b>



## Notes to standalone financial statements

for the year ended March 31, 2022

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

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

### 8 (a) . Deferred Tax

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Deferred Tax Liability</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	1,182.42	1,214.06
<b>Gross deferred tax liability</b>	<b>1,182.42</b>	<b>1,214.06</b>
<b>Deferred tax asset</b>		
Provision for doubtful debts	-	45.99
Carry forward of business Losses	-	491.99
Disallowances under the Income Tax Act, 1961	644.20	196.03
<b>Gross deferred tax asset</b>	<b>644.20</b>	<b>734.01</b>
MAT credit	174.37	688.88
<b>Deferred Tax Assets / (Liability) (net)</b>	<b>(363.85)</b>	<b>208.83</b>

### Reconciliation of deferred tax assets / (liability)

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Opening deferred tax assets / (liability) (net)	208.83	356.02
Deferred tax credit / (charge) recorded in statement of profit & loss	(36.50)	(68.09)
Deferred tax credit / (charge) recorded in OCI	(21.66)	(7.90)
Utilisation of MAT credit	(514.52)	(71.20)
<b>Closing deferred tax assets/(liability) (net)</b>	<b>(363.85)</b>	<b>208.83</b>

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

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Profit before income tax</b>	<b>2,397.12</b>	<b>308.27</b>
Tax at India's statutory income tax rate of 29.120% (31 March 2021: 29.120%)	698.04	89.77
Impact of permanent disallowances under Income Tax Act	7.94	17.95
Impact of Change in rate of tax	-	(24.88)
Others	(10.71)	(14.75)
Tax at the effective income tax rate of 29.005% (31 March 2021: 22.657%)	695.27	68.09
<b>Income tax expense reported in the statement of profit and loss</b>	<b>695.27</b>	<b>68.09</b>

### 8 (b) . Current Tax Assets and Liabilities

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Current tax asset	31.60	99.64
Current tax liability	-	109.66

### 9. Other Assets

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Non-Current</b>		
Capital advances	253.99	254.59
Prepaid expenses	11.17	20.04
<b>Total Other Non-Current Assets</b>	<b>265.16</b>	<b>274.63</b>
<b>Current</b>		
<b>Advances recoverable in cash or kind</b>	<b>406.75</b>	<b>462.56</b>
Prepaid expenses	34.80	46.01
Balances with statutory / government authorities	604.47	876.35
<b>Total Other Current Assets</b>	<b>1,046.02</b>	<b>1,384.92</b>

# Notes to standalone financial statements

for the year ended March 31, 2022

## 10. Inventories

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>(Valued at lower of cost and net realisable value)</b>		
Finished and traded goods (Includes stock in transit Rs. 441.99 lakhs, March 31,2021 : Rs. 1,399.52 lakhs)	1,309.70	2,099.66
Raw material (Includes stock in transit Nil , March 31,2021 : Nil )	1,336.96	752.23
Semi finished goods	494.23	361.41
Stores, spares and others	332.49	425.54
	<b>3,473.38</b>	<b>3,638.84</b>

### Amount recognised in profit and loss

Write-down to inventories to net realisable value amounted to Nil (31st March 2021 : Rs. 34.95 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-22	31-Mar-21
Trade receivables	6,850.48	6,686.33
Trade Receivables from related parties ( refer note no.35 (d))	3,792.59	3,687.60
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	-	-
	<b>10,643.07</b>	<b>10,373.93</b>
Less : Provision for doubtful debts	-	157.92
	<b>10,643.07</b>	<b>10,216.01</b>
<b>Breakup of security details</b>		
Secured, considered good	-	-
Unsecured, considered good	10,643.07	10,216.01
Considered doubtful	-	157.92
	<b>10,643.07</b>	<b>10,373.93</b>

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

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

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Trade receivables	-	58.14
Associated borrowing	-	52.33

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

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

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Trade receivables	499.13	92.99

There are no trade or other receivable due from directors or other officers of the Company either severally or jointly with any other person and from firms or private Companies in which any director is a partner, a director or a member.

Trade receivables are generally non-interest bearing and are generally ranging from 30 to 120 days.

For period wise ageing detail of trade receivable refer note no 11A. Financial assets - Trade Receivables

## Notes to standalone financial statements

for the year ended March 31, 2022

### 11A. Financial assets - Trade Receivables

(Rs. in Lakhs)

		Mar-22					
Particulars		Amount in CWIP for a period of					Total
		Less then 6 months	6 months-1 years	1-2 years	2- 3 years	More than 3 years	
(i)	Undisputed Trade Receivables- Considered Good	5,074.92	338.67	707.93	1,394.76	3,126.79	10,643.07
(ii)	Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables Credit Impaired	-	-	-	-	-	-
(iv)	Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
(v)	Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables Credit Impaired	-	-	-	-	-	-
		Mar-21					
Particulars		Amount in CWIP for a period of					Total
		Less then 6 months	6 months-1 years	1-2 years	2- 3 years	More than 3 years	
(i)	Undisputed Trade Receivables- Considered Good	3,567.10	230.91	2,107.07	1,711.74	2,599.18	10,216.01
(ii)	Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables Credit Impaired	-	-	-	-	-	-
(iv)	Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
(v)	Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	71.56	71.56
(vi)	Disputed Trade Receivables Credit Impaired	-	-	-	-	86.36	86.36

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

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Balances with banks:		
On current accounts*	612.48	234.61
On unpaid dividend account	6.06	7.42
Cash on hand	9.31	4.71
	<b>627.85</b>	<b>246.74</b>

\* Includes earmarked bank balances amounting to Rs 200 lakhs (31st March 2021 : Rs. 3 Lakhs)

### 13. Financial assets - Other Bank Balances

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Deposits with original maturity of less than 12 months	-	-
Margin Money #	1,251.93	1,848.59
	<b>1,251.93</b>	<b>1,848.59</b>

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

## Notes to standalone financial statements

for the year ended March 31, 2022

### 14. Share Capital

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Authorized Shares (Nos)</b>		
520,100,000 (March 31,2021 : 520,100,000) Equity Shares of Rs. 5/- each	26,005.00	26,005.00
<b>Issued, subscribed and fully paid-up shares (Nos.)</b>		
162,697,971 (March 31,2021 : 162,697,971) Equity Shares of Rs. 5/- each	8,134.90	8,134.90
	<b>8,134.90</b>	<b>8,134.90</b>

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

##### Equity Shares

		31-Mar-22	31-Mar-21
At the beginning of the year	Nos.	162,697,971	162,697,971
<b>Outstanding at the end of the year</b>	<b>Nos.</b>	<b>162,697,971</b>	<b>162,697,971</b>
At the beginning of the year	Rs. in Lakhs	8,134.90	8,134.90
<b>Outstanding at the end of the year</b>	<b>Rs. in Lakhs</b>	<b>8,134.90</b>	<b>8,134.90</b>

##### Terms/ rights attached to equity shares

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

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

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

	31-Mar-22		31-Mar-21	
<b>Promoter Name</b>	<b>No. of Shares</b>	<b>% of Total Shares</b>	<b>No. of Shares</b>	<b>% of Total Shares</b>
Kailash Shantilal Choudhari	20,205,678	12.419	20,205,678	12.419

#### (c) Shares held by Promoters at the end of the year ended 31st March 2022

<b>Promoter Name</b>	<b>No. of Shares</b>	<b>% of Total Shares</b>	<b>% Change During the Year</b>
Kailash Shantilal Choudhari	20,205,678	12.419	-
Seema Choudhari	7,000,000	4.302	-
Sharda Popatlal Sundesha	6,969,562	4.284	-
Shailesh Popatlal	6,901,723	4.242	-
Bharti Shailesh Sundesha	4,092,372	2.515	-
Rohan Kailash Choudhari	150,500	0.093	-
Rashi Choudhari	150,500	0.093	-
<b>Total</b>	<b>45,470,335</b>	<b>27.948</b>	<b>-</b>

#### Shares held by Promoters at the end of the year ended 31st March 2021

<b>Promoter Name</b>	<b>No. of Shares</b>	<b>% of Total Shares</b>	<b>% Change During the Year</b>
Kailash Shantilal Choudhari	20,205,678	12.419	-
Seema Choudhari	7,000,000	4.302	-
Sharda Popatlal Sundesha	6,969,562	4.284	-
Shailesh Popatlal	6,901,723	4.242	-
Bharti Shailesh Sundesha	4,092,372	2.515	-
Rohan Kailash Choudhari	150,500	0.093	-
Rashi Choudhari	150,500	0.093	-
<b>Total</b>	<b>45,470,335</b>	<b>27.948</b>	<b>-</b>

## Notes to standalone financial statements

for the year ended March 31, 2022

**(d) During the period of five years immediately preceding to reporting date, the Company has neither issued any bonus shares nor Bought back any shares**

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

Equity Shares	31-Mar-22	31-Mar-21
32,901 No's Fully Paid Up Equity Shares allotted to minority shareholders of erstwhile APaksh Broadband Limited during financial year 2017-18	-	-

### 15. Other Equity

(Rs. in Lakhs)

		31-Mar-22	31-Mar-21
<b>Securities Premium Account</b>	<b>(A)</b>	33,064.11	33,064.11
<b>Capital Reserves</b>	<b>(B)</b>	2,223.35	2,223.35
<b>Retained Earnings</b>			
Balance as per the last financial statements		(16,724.62)	(16,966.51)
Profit for the year		1,701.85	222.68
Add / (Less) : Other Comprehensive expense		52.73	19.21
<b>Closing Balance</b>	<b>(C)</b>	<b>(14,970.04)</b>	<b>(16,724.62)</b>
<b>Total Other Equity</b>	<b>(A+B+C)</b>	<b>20,317.42</b>	<b>18,562.84</b>
<b>Nature and Purpose of reserves other than retained earnings</b>			
<b>Securities premium</b>			

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

### Capital reserve

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

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

(Rs. in Lakhs)

		31-Mar-22	31-Mar-21
<b>Non-Current Borrowings</b>			
<b>Secured Loans</b>			
Foreign Currency Loan from Bank		409.82	505.36
Indian Rupee Loan from Banks		704.38	1,685.75
<b>Total Non-Current long term borrowings</b>		<b>1,114.20</b>	<b>2,191.11</b>
<b>The above amount includes</b>			
Secured borrowings		1,114.20	2,191.11
<b>Current maturities of long term debt</b>			
<b>Term Loans</b>			
<b>Secured Loans</b>			
Foreign Currency Loan from Bank		1,541.67	1,487.34
Indian Rupee Loan from Banks		3,746.72	2,877.92
<b>Total Current Maturities</b>		<b>5,288.39</b>	<b>4,365.26</b>
Secured borrowings		5,288.39	4,365.26
Unsecured borrowings		-	-
Amount disclosed under the head "Short Term Borrowings" (refer note no. 21)		(5,288.39)	(4,365.26)
		-	-

### Nature of Security and Terms of Repayment of Long term borrowings

'Rupee loan from banks amounting to Rs 4,451.10 lakhs (31 March 2021: Rs 4,563.67 lakhs) carries interest rate ranging between 9.45% p.a. to 13.60% p.a. and repayable in 5 years in quarterly installments. These loans are secured by way of first pari passu charge on fixed assets of the 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, 2022

**Foreign currency term loan** from banks amounting to Rs.1,951.49 lakhs (31 March 2021: Rs 1,992.70 lakhs) carries interest rate ranging between 5.30 % to 6.45% p.a. and repayable in 5 years in quarterly installments. These loans are secured by way of first pari passu charge on fixed assets of the Company, second pari passu charge on current assets of the Company and further secured by personal guarantee of Dr. Kailash S Choudhari.

The Company has not taken any fresh loan from Bank or Financial Institution for specific purpose. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

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

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

Rs. in Lakhs

#### Principal Term Loan

Particulars	0-90 days	91-180 days	181-360 days	More than 360 days	Total
<b>Delay in repayment during the year</b>					
Punjab National Bank	32.75	32.75	-	-	65.50
HDFC Bank	-	-	-	-	-
Union Bank of India	-	-	-	-	-
	<b>32.75</b>	<b>32.75</b>	<b>-</b>	<b>-</b>	<b>65.50</b>
<b>Default as at March 31, 2022</b>					
Punjab National Bank	32.75	32.75	32.75	-	98.25
HDFC Bank	130.19	276.19	552.37	1,344.18	2,302.93
Union Bank of India	220.25	220.25	440.50	771.00	1,652.00
	<b>383.19</b>	<b>529.19</b>	<b>1,025.62</b>	<b>2,115.18</b>	<b>4,053.18</b>

#### Interest on Term Loan

Particulars	0-90 days	91-180 days	181-360 days	More than 360 days	Total
<b>Delay in repayment during the year</b>					
Punjab National Bank	11.14	7.18	15.09	1.14	34.55
HDFC Bank	-	-	-	-	-
Union Bank of India	-	-	-	118.48	118.48
	<b>11.14</b>	<b>7.18</b>	<b>15.09</b>	<b>119.62</b>	<b>153.03</b>
<b>Default as at March 31, 2022</b>					
Punjab National Bank	6.95	-	3.73	29.58	40.26
HDFC Bank	112.68	60.97	168.29	341.90	683.84
Union Bank of India	109.36	54.09	156.71	134.19	454.35
	<b>228.99</b>	<b>115.06</b>	<b>328.73</b>	<b>505.67</b>	<b>1,178.45</b>

#### LC Devolvement /Working Capital Loan

Particulars	0-90 days	91-180 days	181-360 days	More than 360 days	Total
<b>Delay in repayment during the year</b>					
Punjab National Bank	-	-	-	-	-
HDFC Bank	-	-	-	-	-
Union Bank of India	136.82	115.02	90.91	-	342.75
	<b>136.82</b>	<b>115.02</b>	<b>90.91</b>	<b>-</b>	<b>342.75</b>
<b>Default as at March 31, 2022</b>					
Punjab National Bank	-	-	-	-	-
HDFC Bank	28.53	31.16	63.38	260.10	383.17
Union Bank of India	81.04	50.24	119.99	2,127.15	2,378.42
	<b>109.58</b>	<b>81.39</b>	<b>183.37</b>	<b>2,387.25</b>	<b>2,761.59</b>



## Notes to standalone financial statements

for the year ended March 31, 2022

### 17. Lease Liabilities

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>Non-Current</b>		
Lease Liabilities	402.96	360.55
	<b>402.96</b>	<b>360.55</b>
<b>Current</b>		
Lease Liabilities	55.52	39.04
	<b>55.52</b>	<b>39.04</b>

### 18. Financial liabilities - Trade Payables

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Trade Payables to micro and small enterprises (refer note no. 43)	9.49	215.21
Trade Payables to others	6,949.59	7,175.60
	<b>6,959.08</b>	<b>7,390.81</b>
<b>Other Details</b>		
Trade payables to related parties (Refer note no. 35 (d))	102.24	98.99
Others	6,856.84	7,291.82

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

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

#### 18A. Financial liabilities - Trade Payables

	(Rs. in Lakhs)				
	Mar-22				
Particulars	Less Than 1 Year	1-2 years	2- 3 years	More than 3 years	Total
MSME	8.30	-	1.19	-	9.49
Others	4,903.19	229.90	298.59	1,517.91	6,949.59
Disputed Dues Others	-	-	-	-	-
	Mar-21				
Particulars	Less Than 1 Year	1-2 years	2- 3 years	More than 3 years	Total
MSME	42.46	172.75	-	-	215.21
Others	4,115.67	816.24	2,030.88	212.81	7,175.60
Disputed Dues Others	-	-	-	-	-

### 19. Financial liabilities - Other Financial Liabilities

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>Non-Current</b>		
Financial guarantee obligation	15.59	61.79
<b>Total Non-Current financial liabilities</b>	<b>15.59</b>	<b>61.79</b>
<b>Current</b>		
Interest accrued and due on borrowings / trade payable	1,889.66	1,025.34
Unclaimed Dividend 2013-14 & 2017-18*	6.06	7.42
Financial guarantee obligation	14.07	34.28
Security Deposits (Interest - 0%)	130.89	326.54
Others	2,451.19	2,317.06
<b>Total Current financial liabilities</b>	<b>4,491.87</b>	<b>3,710.64</b>

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, 2022

### 20. Provisions

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Non-Current</b>		
Provision for Gratuity & Compensated Absences (refer note no. 33)	173.22	149.10
	<b>173.22</b>	<b>149.10</b>
<b>Current</b>		
Provision for Gratuity & Compensated Absences (refer note no. 33)	262.03	476.35
	<b>262.03</b>	<b>476.35</b>

### 21. Short Term Borrowings

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Secured Loans</b>		
Working capital facilities from Banks	4,443.44	8,181.27
<b>Unsecured Loans</b>		
Inter corporate deposit from others	-	200.00
Liability towards bills discounted from Bank/others	-	65.54
Current maturities of long term debt - Secured Long Term Debt (Refer Note no. 16 )	5,288.39	4,365.26
	<b>9,731.83</b>	<b>12,812.07</b>
Total secured loans	9,731.83	12,546.53
Total unsecured loans	-	265.54

**Working capital facilities** includes cash credit, Invoked SBLC from banks (carries interest in the range of 10.85% to 14.70 % p.a.) 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.

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

Inter corporate deposits from other are repayable on demand and carries rate of interest @ 11.50% to 16.00% p.a.

Bills Discounting are unsecured and carries interest @ 3.25% to 4.50% p.a.

LC Discounting are unsecured and carries interest @ 4 to 5% p.a.

### 22. Other Current Liabilities

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Advance from Customers	662.34	612.78
Others	267.13	236.44
	<b>929.47</b>	<b>849.22</b>

### 23. Revenue From Operations

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Revenue from contracts with customers</b>		
Sale of products		
- Finished goods	23,833.21	20,268.09
- Traded goods	1,006.60	170.26
Sale of services	4,692.25	3,818.86
<b>Other operating revenue</b>		
- Scrap sales	45.65	47.28
- Export Incentives	197.52	184.29
- Exchange Fluctuation	207.60	63.66
- Other operating revenue	136.84	94.05
	<b>30,119.67</b>	<b>24,646.49</b>

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

## Notes to standalone financial statements

for the year ended March 31, 2022

### (b) Reconciliation of Revenue from operations with contract price

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Contract price</b>	<b>29,595.41</b>	<b>24,340.78</b>
Less : Liquidation damage charges	-	10.14
Less : Rebate / Discount	17.70	26.15
<b>Total revenue from operations</b>	<b>29,577.71</b>	<b>24,304.49</b>

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

### (c) Contract balances

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Contract Liabilities</b>		
Advance from customers	662.34	612.78
<b>Total</b>	<b>662.34</b>	<b>612.78</b>
<b>Receivables</b>		
Trade receivables	10,643.07	10,373.93
Less: Provision for doubtful debts	-	(157.92)
<b>Total</b>	<b>10,643.07</b>	<b>10,216.01</b>

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

### 24. Other Income

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Interest income		
on deposits	56.84	132.00
on advances to Related parties	30.60	42.36
on other advances	317.67	255.81
Other non-operating income	220.13	202.55
	<b>625.24</b>	<b>632.72</b>

### 25. Cost of raw material and components consumed

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Inventory at the beginning of the year	752.23	984.71
Add: Purchases	14,701.33	12,011.05
	<b>15,453.56</b>	<b>12,995.76</b>
Less: inventory at the end of the year	1,336.96	752.23
<b>Cost of raw material and components consumed</b>	<b>14,116.60</b>	<b>12,243.53</b>

### 26. Details of purchase of traded goods

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Telecom & electronic items	748.37	221.89
	<b>748.37</b>	<b>221.89</b>

### 27. (Increase)/ decrease in inventories

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Inventories at the end of the year</b>		
Finished/Traded goods	1,309.70	2,099.66
Semi Finished goods	494.23	361.41
	<b>1,803.93</b>	<b>2,461.07</b>
<b>Inventories at the beginning of the year</b>		
Finished/traded goods	2,099.66	1,553.10
Semi finished goods	361.41	1,092.95
	<b>2,461.07</b>	<b>2,646.05</b>
	<b>657.14</b>	<b>184.98</b>

# Notes to standalone financial statements

for the year ended March 31, 2022

## 28. Employee benefits expense

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Salaries, wages and bonus	1,872.10	2,101.95
Contribution to provident and other funds	179.98	214.64
Gratuity	75.40	85.73
Staff welfare expenses	45.95	27.17
Directors Sitting Fees	15.20	15.25
	<b>2,188.63</b>	<b>2,444.74</b>

## 29. Finance costs

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Interest on Cash Credit	569.69	850.99
Interest on Term Loan	1,056.95	732.51
Interest Others *	133.44	189.00
Bank Charges	216.10	390.77
	<b>1,976.18</b>	<b>2,163.27</b>

\* Interest on lease liabilities is Rs. 45.73 lakhs for the year ended on 31 March 2022 (31 March 2021 Rs 45.16 Lakhs).

During the year, the Company has capitalised borrowing costs of Nil (31 March 2021: Nil) incurred on the borrowings specifically availed for expansion of production facilities. The interest expense disclosed above is net of the interest amount capitalised.

## 30. Depreciation and amortisation expense

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Depreciation of Property, Plant & Equipment	1,402.54	1,447.18
Depreciation on Right to use of Assets	58.41	66.62
Amortisation of intangible assets	35.30	40.37
	<b>1,496.25</b>	<b>1,554.17</b>

## 31. Other expenses

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Consumption of stores and spares	516.23	377.28
Power & Fuel	799.99	816.24
Packing Material Consumed	956.23	957.92
Repair & Maintenance		
- Plant & Machinery	121.43	139.65
- Buildings	10.00	12.02
- Others	69.44	69.73
Sub-contracting expenses	3,056.87	2,440.09
Marketing & Service Charges	133.46	16.61
Freight & Cartage (Outward)	400.80	374.19
Travelling & Conveyance	83.70	68.67
CSR Expenditure*	22.89	41.54
Postage & Telephone	23.55	21.81
Insurance	98.21	114.18
Rent	13.59	10.35
Professional & Legal Expenses	532.11	331.26
Auditors' Remuneration**	40.91	44.80
Other Expenses	290.91	234.86
	<b>7,170.32</b>	<b>6,071.20</b>

## Notes to standalone financial statements

for the year ended March 31, 2022

### \*Details of CSR Expenditure

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
a) Gross amount required to be spent during the year	19.46	41.25
b) Amount Spent during the year Ending		
i) Construction/acquisition of an asset	-	-
ii) on Purchase other than (i) above	22.89	41.54
c) Shortfall at the end of the Year	-	-
d) Total of previous years shortfall	-	-
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Horticulture and Education	Horticulture and Education
g) Details of related party transactions	Nil	Nil

### \*\* Payment to auditor

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
As auditor:		
Audit fee	35.00	39.00
Tax Audit Fees	5.00	5.00
In other capacity:		
Certification fees	-	-
Reimbursement of expenses	0.91	0.80
	<b>40.91</b>	<b>44.80</b>

### 32. Exceptional Item

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Foreign Exchange Fluctuations - Gain/(Loss)	94.70	(113.35)
Balances written back / (Written-off)	132.84	28.63
Bad Debts (Net of Provision)	(89.38)	-
Loss on sale of Property, Plant and Equipment	(10.49)	(2.44)
Impairment Provision	(121.97)	-
	<b>5.70</b>	<b>(87.16)</b>

### 33. Employee benefits

#### Defined benefit plans

##### Gratuity

Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days basic salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

#### 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 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	<b>498.44</b>	<b>141.73</b>
Interest expense	33.89	9.64
Service cost	42.50	32.97
Past Service Cost including curtailment Gains /Losses	-	-
Benefits paid	(124.51)	(77.76)
Actuarial (gain)/ loss on obligations	(74.39)	(31.54)
Defined benefit obligation at 31 March 2022	<b>375.93</b>	<b>75.04</b>

# Notes to standalone financial statements

for the year ended March 31, 2022

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

(Rs. in Lakhs)

	Gratuity Funded	Compensated absences
Present value of obligation	498.44	141.73
Fair value of plan assets	14.72	-
<b>Net assets / (liability) recognized in balance sheet as provision as at 31 March 2021</b>	<b>(483.72)</b>	<b>(141.73)</b>
Present value of obligation	375.93	75.04
Fair value of plan assets	15.72	-
<b>Net assets / (liability) recognized in balance sheet as provision as at 31 March 2022</b>	<b>(360.21)</b>	<b>(75.04)</b>

## Amount recognised in Statement of Profit and Loss:

(Rs. in Lakhs)

	Gratuity Funded	Compensated absences
Current service cost	51.87	52.75
Net interest expense	33.86	9.44
Net actuarial (gain)/loss recognised during the year	-	(10.32)
<b>Amount recognised in Statement of Profit and Loss for year ended 31 March 2021</b>	<b>85.73</b>	<b>51.87</b>
Current service cost	42.50	32.97
Net interest expense	32.90	9.64
Net actuarial (gain)/loss recognised during the year	-	(31.54)
<b>Amount recognised in Statement of Profit and Loss for year ended 31 March 2022</b>	<b>75.40</b>	<b>11.07</b>

## Amount recognised in Other Comprehensive Income:

(Rs. in Lakhs)

	Gratuity Funded	Compensated absences
Actuarial (gain)/ loss on obligations	27.53	-
Return on plan assets (excluding amounts included in net interest expense)	(0.42)	-
<b>Amount recognised in Other Comprehensive Income for year ended 31 March 2021</b>	<b>27.11</b>	<b>-</b>
Actuarial (gain)/ loss on obligations	74.40	-
Return on plan assets (excluding amounts included in net interest expense)	(0.01)	-
<b>Amount recognised in Other Comprehensive Income for year ended 31 March 2022</b>	<b>74.39</b>	<b>-</b>

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

(Rs. in Lakhs)

	Gratuity Funded	Compensated absences
<b>Fair value of plan assets at 1 April 2020</b>	<b>21.72</b>	<b>-</b>
Actual return on plan assets	1.07	-
Benefits paid	(8.07)	-
Employer contribution	-	-
<b>Fair value of plan assets at 31 March 2021</b>	<b>14.72</b>	<b>-</b>
Actual return on plan assets	1.00	-
Benefits paid	-	-
Employer contribution	-	-
<b>Fair value of plan assets at 31 March 2022</b>	<b>15.72</b>	<b>-</b>

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

	31-Mar-22	31-Mar-21
<b>Investment Details</b>	<b>Gratuity</b>	<b>Gratuity</b>
Funds Managed by Insurer	100%	100%



## Notes to standalone financial statements

for the year ended March 31, 2022

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

	31-Mar-22	31-Mar-21
Average Past Service	2.06	1.33
Average Age	37.88	37.07
Average remaining working life	17.12	17.93
Discounting rate	7.23%	6.80%
Future salary Increase	7.00%	7.00%

### Sensitivity Analysis of the defined benefit obligation - Gratuity Plan

	31-Mar-22	31-Mar-21
<b>Impact on defined benefit obligation</b>	<b>375.93</b>	<b>498.44</b>
Delta effect of +0.5% change in discount rate	(4.92)	(3.89)
Delta effect of -0.5% change in discount rate	5.28	4.19
Delta effect of +0.5% change in salary increase	4.85	3.73
Delta effect of -0.5% change in salary increase	(4.56)	(3.49)

### Sensitivity Analysis of the defined benefit obligation - Compensated absences

	31-Mar-22	31-Mar-21
<b>Impact on defined benefit obligation</b>	<b>75.04</b>	<b>141.73</b>
Delta effect of +0.5% change in discount rate	(3.41)	(3.59)
Delta effect of -0.5% change in discount rate	3.65	3.87
Delta effect of +0.5% change in salary increase	3.64	3.83
Delta effect of -0.5% change in salary increase	(3.43)	(3.59)

### Maturity Profile of Defined Benefit Obligation (Gratuity)

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
0 to 1 Year	273.50	420.71
1 to 2 Year	5.40	0.52
2 to 3 Year	6.56	0.49
3 to 4 Year	6.15	7.78
4 to 5 Year	6.30	5.01
6 Year onwards	78.02	63.94

### Defined contribution plans

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Employer's Contribution to Provident Fund	152.73	176.28
Employer's Contribution to ESI	3.03	3.73
Employer's Contribution to NPS	24.22	34.63
	179.98	214.64

### 34. Segment information

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company's operations pre-dominantly relate to manufacturing, services and trading of goods. The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on analysis of various performance indicators pertaining to business. The accounting principles used in preparation of the financial statements are consistently applied to record revenue and expenditure in segment information, and are as set out in the significant accounting policies. The information about business segments are given below:

# Notes to standalone financial statements

for the year ended March 31, 2022

## (A) Primary segment

(Rs. in Lakhs)

Particulars	Manufacturing		Services		Trading		Total	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
<b>Segment Revenue</b>								
External Turnover	24,420.82	20,590.27	4,692.25	3,885.96	1,006.60	170.26	30,119.67	24,646.49
Inter Segment Turnover	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>24,420.82</b>	<b>20,590.27</b>	<b>4,692.25</b>	<b>3,885.96</b>	<b>1,006.60</b>	<b>170.26</b>	<b>30,119.67</b>	<b>24,646.49</b>
<b>Segment Results before Interest and Taxes</b>	<b>3,544.58</b>	<b>1,988.49</b>	<b>722.62</b>	<b>590.10</b>	<b>296.60</b>	<b>24.74</b>	<b>4,563.80</b>	<b>2,603.33</b>
Less : Finance Costs							1,976.18	2,163.27
Add : Interest Income							405.11	430.17
Add : Exceptional Items							5.70	(87.16)
Add/(Less): Unallocated (Expenses)/ Income							(601.31)	(474.80)
<b>Profit before Tax</b>							<b>2,397.12</b>	<b>308.27</b>
<b>Other Information</b>								
Segment Assets	26,206.33	28,850.19	4,245.08	3,029.02	280.27	698.81	30,731.68	32,578.02
Unallocated Assets							22,220.26	22,270.06
<b>Total Assets</b>	<b>26,206.33</b>	<b>28,850.19</b>	<b>4,245.08</b>	<b>3,029.02</b>	<b>280.27</b>	<b>698.81</b>	<b>52,951.94</b>	<b>54,848.08</b>
Segment Liabilities	22,003.38	25,399.48	1,757.86	1,408.80	10.04	179.10	23,771.28	26,987.38
Unallocated Liabilities							728.34	1,162.96
Share Capital & reserves							28,452.32	26,697.74
<b>Total Liabilities</b>	<b>22,003.38</b>	<b>25,399.48</b>	<b>1,757.86</b>	<b>1,408.80</b>	<b>10.04</b>	<b>179.10</b>	<b>52,951.94</b>	<b>54,848.08</b>
Depreciation and Amortization	1,230.65	1,273.63	265.60	280.54	-	-	1,496.25	1,554.17

### Note :-

Total Revenue is after elimination of inter segment turnover 31.03.2022 : Nil (31.03.2021 : Nil)

## (B) Secondary segment

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Revenue from external customer *</b>		
Within India	18,074.47	17,279.43
Outside India	12,045.20	7,367.06
<b>Total Revenue as per statement of profit and loss</b>	<b>30,119.67</b>	<b>24,646.49</b>

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

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Non-Current Operating Assets **</b>		
Within India	13,460.55	14,920.91
Outside India	-	-
<b>Total</b>	<b>13,460.55</b>	<b>14,920.91</b>

\*\* Non-Current Operating Assets for this purpose consist of Property, Plant & Equipment, Right of Use Asset, Capital work in progress and Intangible Assets.

## (C) Revenue from one customer in India more than 10% amounted to Nil (31.03.2021 : Nil)

## Notes to standalone financial statements

for the year ended March 31, 2022

### 35. Related party transactions

In accordance with the requirements of Indian Accounting Standard (Ind AS) - 24 'Related Party Disclosures' the names of the related party where control exists/ able to exercise significant influence along with the aggregate transactions and year end balance with them as identified by the management in the ordinary course of business and on arms' length basis are given below:

#### (a) Subsidiary Companies/ Step Down Subsidiary :

- AOL FZE, (Dubai)
- AOL Composites (Jiangsu) Co. Limited, (China) (step down subsidiary)
- Aksh Composites Private Limited, (India)
- 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)
- Mr. Harvinder Singh (Independent Director)- w.e.f 10.02.2021)
- Mr. Sunil Puri (Independent Director)- w.e.f 10.02.2021)
- Mr Sanjay Katyal (Independent Director From 09.06.2020
- Ms. Anuja Bansal (Independent Director from 09.06.2020)
- Mr Rikhab Chand Mogha (Non-Executive-Non-Independent Director)
- Mr Rahul Mogha (Relative of Non-Independent Director)
- Mr. Ankit Rawat ((Independent Director From 01.11.2019 till 08.08.2020)
- 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. Charan Deep Singh (Chief Financial Officer from 06.08.2021 till 13.05.2022)
- Mr. Gaurav Mehta (Chief- Corporate Affairs & Company Secretary till 03.02.2022 and elevated as Chief Executive Officer- Corporate Affairs & Group Company Secretary w.e.f. 04.02.2022)
- Mr. Anubhnav Raizada (Company Secretary w.e.f. 13.05.2022)
- Mr. Pramod Kumar Srivastava (Chief Executive Officer from 01.04.2020 till 06.08.2021)
- Mr. Sudhir Kumar Jain (Chief Financial Officer from 29.05.2020 till 14.08.2020)
- 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)

#### (c) Transaction with related parties

	(Rs. in Lakhs)		
	Subsidiaries	KMP	Total
Re-imbursement of expenses	1.92		1.92
	-	-	-
Interest income on Loan	30.60		30.60
	42.36		42.36
Short term employee benefits	-	150.46	150.46
		198.36	198.36
Post employment benefits #	-	-	-
	-	-	-
Purchase / Services Received	225.73	66.00	291.73
	92.12	22.00	114.12
Sale (including capital goods) (net of returns)	6.90	-	6.90
	(713.20)		(713.20)
Advance received back	-	-	-
	270.00		270.00
Investments in Equity (including loan converted into equity)	-	-	-
	3,271.43		3,271.43
Sitting Fees	-	15.20	15.20
		15.25	15.25

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.

## Notes to standalone financial statements

for the year ended March 31, 2022

### (d) Balance due (to)/ from

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>Subsidiaries</b>		
Trade Receivables	3,792.59	3,687.60
Loan and advances receivable	2,781.87	2,801.23
Advance for supplies	8.12	-
Trade and other Payables	(102.24)	(98.99)
<b>KMP</b>		
Trade and other Payables	(49.33)	(38.81)

### (e) Deemed investment in subsidiaries\*

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
AOL FZE (Dubai)	868.99	643.32
AOL Technologies FZE (Dubai)	174.07	162.93
	<b>1,043.06</b>	<b>806.25</b>

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 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2021: Nil)

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

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>(a) Loan given by the Company for general business purposes during the year :</b>		
AOL FZE (Dubai)	-	-
Aksh Composite Private Limited	-	-
AOL Technologies FZE (Dubai)	-	-
Aksh Technologies (Mauritius) Limited, (Mauritius)	-	-
<b>(b) Investment made are given under respective head (refer note no 5)</b>		
AOL Technologies FZE, (Dubai) #	-	3,271.43
AOL FZE (Dubai)	-	-
Aksh Technologies (Mauritius) Limited, (Mauritius)	-	-
<b>(c) Corporate guarantee given by the Company during the year</b>		
AOL FZE (Dubai)	-	-

# ( investment by way of conversion of loan into 6% non cumulative optionally convertible Preference share)

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

### 37. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit for the year attributable to the equity shareholders of the company by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

#### The following reflects the income and share data used in the basic and diluted EPS computations:

	31-Mar-22	31-Mar-21
Profit for the year (Rs. in lakh)	1,701.85	222.68
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	1.05	0.14
Diluted EPS (on nominal value of Rs. 5 per share) Rs./share	1.05	0.14

## Notes to standalone financial statements

for the year ended March 31, 2022

### 38. Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### (a) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

#### (b) Income taxes

The Company is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

In assessing the realisability of deferred tax assets, management considers whether it is probable, that some portion, or all, of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable incomes over the periods in which the deferred tax assets are deductible, management believes that it is probable that the Company will be able to realise the benefits of those deductible differences in future.

#### (c) Employee benefit obligations

The cost of the defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 33.

#### (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.

### 39. Capital & other commitments

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Estimated amount of contracts remaining to be executed on capital	138.52	138.52
Outstanding export obligation under EPCG scheme	2,168.32	2,168.32

The Company has other commitments for purchase orders which are issued after considering requirements as per operating cycle for purchase of services, employee benefits. The Company does not have any long term commitment or material non-cancellable contractual commitments/contracts with respect to contractual expenditure which might have a material impact on the financial statements.

# Notes to standalone financial statements

for the year ended March 31, 2022

## 40. Contingent liabilities

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>(a) Disputed Liabilities in appeal</b>		
Sales tax matters	123.09	123.09
Service tax	19.40	11.45
Excise / custom duty	159.36	159.36
Income tax matters	429.62	215.62
Others	1,151.42	1,151.42
<b>(b) Outstanding amount of duty saved against advance license</b>	939.29	699.88
<b>(c) Outstanding amount of duty saved against EPCG scheme</b>	361.39	361.39
<b>(d) Corporate guarantees given</b>	6,252.43	5,427.22

## 41. Derivatives Instruments

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

		(Amount in Lakhs)	
	Currency	31-Mar-22	31-Mar-21
Forward contracts to sell	USD	-	1.50
	EURO	-	-
Forward contracts to buy	USD	-	-
	GBP	-	-

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

		(Amount in Lakhs)	
	Currency	31-Mar-22	31-Mar-21
Export of goods	USD	68.65	54.55
	EURO	11.58	5.53
Advance to Vendor	USD	0.49	0.85
	EURO	0.16	0.22
	AED	0.05	0.03
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-22	31-Mar-21
Import of goods and services	USD	47.62	47.84
	EURO	2.11	2.14
	GBP	-	0.91
Advance from customers	USD	14.73	11.12
	EURO	-	0.01
Bill Discounting	USD	-	0.96
Term Loan	USD	14.44	14.44
	EURO*	-	11.28

\*During the year a EURO loan has been converted into INR.

## 42. Details of Loans and Advances given to Subsidiaries

The details are provided as required by regulation 53 (f) read with Para A of Schedule V to SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.



## Notes to standalone financial statements

for the year ended March 31, 2022

### A. Outstanding amount

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>Name of Subsidiary</b>		
AOL FZE (Dubai)	2,279.95	2,324.77
Aksh Composites Private Limited	384.98	357.44
AOL Technologies, FZE	112.44	114.65
Aksh Technologies (Mauritius) Limited	4.50	4.37

### B. Maximum Balance during the year

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>AOL FZE (Dubai)</b>		
AOL FZE (Dubai)	2,324.77	2,324.77
Aksh Composites Private Limited	384.98	602.81
AOL Technologies, FZE	114.65	114.65
Aksh Technologies (Mauritius) Limited	4.50	4.37

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

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>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.</b>		
Principal amount due to micro and small enterprises	9.49	215.21
Interest due on above	4.36	94.40
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
The amount of interest accrued and remaining unpaid at the end of each accounting year.	26.52	109.38
'The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprise Development Act, 2006	26.52	109.38

### 44. Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and trade payables. The main purpose of these financial liabilities is to raise finance for the Company's operations. The Company has various financial assets such as trade receivables, bank balances and short-term deposits, which arise directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is responsible to ensure that Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All activities

# Notes to standalone financial statements

for the year ended March 31, 2022

for risk management purposes are carried out by teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

## A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, foreign currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments and derivative financial instruments.

### (i) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate primarily relates to the Company's long-term debt obligations with floating interest rates.

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings with floating interest rates. The Company's policy is to manage its interest cost using a mix of fixed, floating rate borrowings.

### Interest rate sensitivity

(Rs. in Lakhs)		
	Increase /Decrease in Basis points	Effect on profit before tax
<b>31-Mar-22</b>		
Base Rate	+50	(49.93)
Base Rate	-50	49.93
<b>31-Mar-21</b>		
Base Rate	+50	(68.80)
Base Rate	-50	68.80

Sensitivity is calculated based on the assumption that amount outstanding as at reporting dated were utilised for the whole financial year.

### (ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company has sales and purchases from outside India. The Company has transactional currency exposures arising from sales and purchases by an operating unit in currencies other than the unit's functional currency. Accordingly, the Company's financial state of affairs can be affected significantly by movements in the USD or any other currency exchange rates. The Company enters into derivative transactions, primarily in the nature of forward currency contracts on import payables. The purpose is to manage currency risks arising from the Company's operations.

### Unhedged foreign currency sensitivity

(Rs. in Lakhs)				
	Changes in USD	Effect on profit before tax	Changes in Euro	Effect on profit before tax
<b>31-Mar-22</b>				
	+5%	113.79	+5%	40.59
	-5%	(113.79)	-5%	(40.59)
<b>31-Mar-21</b>				
	+5%	63.39	+5%	15.41
	-5%	(63.39)	-5%	(15.41)

## 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.

## Notes to standalone financial statements

for the year ended March 31, 2022

### (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 2022 and 31 March 2021 is the carrying amounts of each class of financial assets except for financial guarantees and derivative financial instruments. The Company's maximum exposure relating to financial derivative instruments is noted in note no 41 and the liquidity table below:

### C. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligation associated with its Financial Liabilities that are settled by delivering cash or another Financial Assets. The Company's approach to manage Liquidity is to have sufficient liquidity to meet its liabilities when 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
<b>As at 31 March 2022</b>					
Borrowings	4,443.44	5,288.39	1,114.20	-	10,846.03
Trade payables	-	6,959.08	-	-	6,959.08
Other financial liabilities (including lease liabilities)	-	4,562.98	283.18	119.78	4,965.94
	<b>4,443.44</b>	<b>16,810.45</b>	<b>1,397.38</b>	<b>119.78</b>	<b>22,771.05</b>
<b>As at 31 March 2021</b>					
Borrowings	8,381.27	4,430.80	2,191.11	-	15,003.18
Trade payables	-	7,390.81	-	-	7,390.81
Other financial liabilities (including lease liabilities)	-	3,710.64	242.82	179.52	4,132.98
	<b>8,381.27</b>	<b>15,532.25</b>	<b>2,433.93</b>	<b>179.52</b>	<b>26,526.97</b>

### 45. Code on Social Security, 2020

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The draft rules for the Code on Social Security, 2020 have been released by the Ministry of Labour and Employment on November 13, 2020. The Company and its Indian subsidiary are in the process of assessing the additional impact on Provident Fund contributions and on

## Notes to standalone financial statements

for the year ended March 31, 2022

Gratuity liability contributions and will complete their evaluation and give appropriate impact in the financial statements in the period in which the rules are notified become effective and the related rules to determine the financial impact are published.

### 46. Balance receivable / 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.

### 47. Overdue outstanding foreign currency receivable and payable

The Company has foreign currency payable aggregating to Rs 227.48 lakhs and Rs 1,604.52 lakhs which are outstanding for more than six months and three years respectively, as of March 31, 2022. The Company also has foreign currency receivable balances aggregating to Rs 4,000.92 lakhs which are outstanding for more than nine months, as of March 31, 2022. 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.

### 48. Investment in non cumulative optionally convertible Preference share, pending for allotment

A Stand by Letter of credit (SBLC) of USD 44.57 lakhs (equivalent to Rs. 3,271.44 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 in financial year 2020-21, UBI has paid the SBLC amount to Foreign bank as demanded by them, upon which the company has convert such amount to non-cumulative optionally convertible preference shares and disclosed the same under the Investments.

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

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

### 50. 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 2022, 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.

### 51. Disclosure regarding relationship with Struck-off Companies

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

### 52A. Impairment testing of Optical Fibre Manufacturing Plant of foreign subsidiar

The Foreign Subsidiary Company namely AOL Technologies FZE, Dubai (wholly owned subsidiary company) has Capital work in progress as on 31st March 2022 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.

### 52B. 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.

### 52C. 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. 3,792.59 lakhs & Rs. 2,781.87 lakhs respectively. As on 31st March, 2022 net worth of subsidiary companies is Negative. The Company is in the process of applying for necessary extension in consultation with RBI Consultant.. 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.

## Notes to standalone financial statements

for the year ended March 31, 2022

### 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 2022, WDV (including capital work in progress) of Ophthalmic Lens Plant is Rs 3,170.21 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 of Rs. 121.97 lakhs 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.

### 54. Financial Ratios

(Rs. in Lakhs)					
Particulars	Numerator	Denominator	31-Mar-22	31-Mar-21	Variance (%)
Current Ratio	Current Assets	Current Liabilities	0.80	0.73	10.63%
Debt-Equity	Total Debt	Shareholder's Equity	0.45	0.60	-25.44%
Debt Service Coverage Ratio	EBITDA	Debt Service (Interest+Principal Repayment)	0.80	0.58	37.00%
Return on Equity (ROE)	Net Income after Tax	Shareholder's Equity	6.17%	0.84%	636.59%
Inventory Turnover ratio	Cost of Goods Sold	Average Inventory	4.36	3.24	34.74%
Trade Receivables turnover ratio	Revenue from Operations	Average Trade Receivables	2.89	2.18	32.52%
Trade Payable turnover ratio	Purchases	Average Trade Payables	2.35	1.69	38.69%
Net capital turnover ratio	Revenue	Working Capital	-6.86	-3.55	92.90%
Net profit ratio	Net Profit	Total Revenue	5.54%	0.88%	528.40%
Return on Capital Employed (ROCE)	EBIT	Capital Employed	15.35%	9.58%	60.17%
Return on Investment (ROI)	Return	Investment	4.05%	6.71%	-39.73%

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

1. Debt-Equity Ratio: Ratio improved due to improved Cash Profit and consequently repayment of Total Debts.
2. Debt Service Coverage Ratio: Ratio improved due to improved Cash Profit before Interest.
3. Return on Equity (ROE): Ratio improved due to improved Net Profit.
4. Inventory Turnover Ratio: Company has significantly reduced the holding period of inventory due to which ratio is improved.
5. Trade Receivables turnover ratio: Ratio is improved due to increase in Turnover and realization from some old Trade receivables.
6. Trade Payable turnover ratio: Ratio is improved due to increase in Purchase and repayment of some old Trade payables.
7. Net capital turnover ratio: Ratio improved due to improved Cash Profit and consequently repayment of Total Debts resulting in decrease in Working Capital Liability.
8. Net profit ratio: Ratio improved due to improved Net Profit.
9. Return on Capital Employed (ROCE): Ratio improved due to improved Net Profit.
10. Return on Investment (ROI): Ratio declined due to Investment in short term FDR having low rate of Interest.

### 55. Matter on SEBI Order

The Company in September 2010 successfully closed its Global Depository Receipt (GDR) issue of USD 25 Million with all the requisite approvals from all the regulatory authorities. In respect of the above said GDR issue SEBI initiated enquiry and issued two show cause notices (SCN) dated May 23, 2018 and June 8 2018.

Against the first SCN, SEBI vide its order dated June 28, 2019 under Section 11 B of SEBI Act, 1992 restrained the Company and Dr. Kailash S. Choudhari for a period of five years and other Directors for a period of six months, from the date of order, from accessing the securities market and further prohibiting them from buying, selling or otherwise dealing in securities including units of mutual funds, directly or indirectly, or being associated with the securities market in any manner. The Company and Directors have filed an appeal against the order in Securities Appellate Tribunal. Further, the Company has also filed a writ petition in Hon'ble High Court at Jaipur, Rajasthan.

Against the second SCN, SEBI vide its order dated February 28, 2020, imposed monetary penalty of Rs.10.75 Crores (Jointly on Company and Directors).

Subsequently, Aksh has filed an appeal with Hon'ble Securities Appellate Tribunal, Mumbai for challenging order against letter dated May 23, 2018 on August 8, 2019 and Order against letter dated June 08, 2018 on October 27, 2020. SEBI Recovery Officer, Ahmedabad, issued Notice of demand (Certificate No. 3148 of 2020) dated November 11, 2020 asking to deposit the amount of penalty (Rs. 10.15 Crore principle and Rs. 85 Lacs interest) imposed on Company, which was replied by the Company mentioning that Company has already filed an appeal against the order in SAT. As there was no stay granted by SAT, SEBI recovery officer again sent a letter dated January 6, 2021, asking to deposit the amount of penalty or to satisfy SEBI by offering any security or asset that may cover dues otherwise they shall proceed with recovery proceedings. Accordingly, Dr. Kailash S Choudhari submitted an undertaking to the SEBI and offered his 1,77,09,218 Equity Shares as a security till the appeal before SAT is pending. SEBI Recovery Officer has accepted the shares offered by Dr. Choudhari and issued the Notice of attachment of DEMAT account on January 20, 2021 in favor of the NSDL. The arguments were concluded by both the sides on SAT Appeal hearings and matter is reserved for order by SAT.

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

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

(Amount in Rs.)

Name of Lender	Loan Sanctioned	Charge Created	Difference	Remarks
HDFC Bank Limited	690,000,000	1,380,000,000	690,000,000	Twice charged created first by HDFC and secondly by UBI as lead bank.

## 57. Capital management

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

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

(Amount in Rs)

	31-Mar-22	31-Mar-21
Borrowings	10,846.03	15,003.18
Less: Cash and cash equivalents	627.85	246.74
<b>Net debt</b>	<b>10,218.18</b>	<b>14,756.44</b>
Total equity	28,452.32	26,697.74
<b>Gearing ratio</b>	<b>35.91%</b>	<b>55.27%</b>

No changes were made in the objectives, processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

## 58. Fair Values

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Derivative instruments		
Carrying value	-	0.59
Fair Value	-	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:** 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 2022 and 31 March 2021



**Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2022 and 31 March 2021**

	Level 1	Level 2	Level 3
Derivative			
At 31 March 2022	-	-	-
At 31 March 2021	-	0.59	-
There are no transfers among levels 1, 2 and 3 during the year.			
The accompanying notes (1-58) are an integral part of the financial statements			

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

**Sd/-**  
**Dr. Kailash S. Choudhari**  
Chairman  
DIN : 00023824  
Place : Dubai (UAE)

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

**Sd/-**  
**Gaurav Mehta**  
CEO-Corporate Affairs & Group Company Secretary  
Place : Reengus

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

**Sd/-**  
**Charan Deep Singh**  
Chief Financial Officer  
Place : Reengus

**Sd/-**  
**Anubhnav Raizada**  
Company Secretary  
Place : Reengus

Place: New Delhi  
Date: 13-05-2022

# 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 31st March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, 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 read with the Companies (Indian Accounting Standards) Rules 2015, as amended (Ind AS), of the consolidated state of affairs of the Group as at 31st March 2022, and its consolidated profit (including other comprehensive income), consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

## Basis for Qualified Opinion

- a) We draw your attention to note 49A to the consolidated financial statements, which states, the Subsidiary Company namely AOL Technologies FZE, Dubai has Capital work in progress as on 31st March 2022 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. 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 49B 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 paucity of funds, however all value in financial statement have been taken at cost and impairment testing has not been carried out by the management of 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.

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 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 44 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 foresee any impact arising on account of it.
- c) Note 45 regarding the Holding Company has foreign currency payable aggregating to Rs.227.48 lakhs and Rs. 1,604.52 lakhs which are outstanding for more than six months and three years respectively, as of 31st March, 2022. The Holding Company also has foreign currency receivable balances aggregating to Rs. 4,000.92 lakhs which are outstanding for more than nine months, as of 31st March, 2022. 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 46 regarding all secured lenders have classified bank account of the Group with them as Non-Performing Assets (NPA) as per prescribed norms issued by Reserve Bank of India (RBI), although provision of interest in respect of such borrowings has been accounted for in books of accounts.

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.

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.	<b>Litigations – Contingencies</b>  As described in note 51 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 filed appeal in Securities Appellate Tribunal (SAT) against such order, the arguments were concluded and the matter is reserved for order by SAT.  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 filed 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:

- 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.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate

in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for explaining our opinion on whether the holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. Conclude on the appropriateness of management's and Board of Directors of the Holding Company use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Holding Company and subsidiaries) to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- vi. Obtain sufficient appropriate audit evidence regarding the financial information of such entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of the entities included in the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a

matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

- (i) The Consolidated Financial Statements include the audited financial statement of two subsidiaries whose Financial statement reflect total assets of Rs. 1,834.41 lakhs as at 31st March, 2022, total revenue of Rs.558.19 lakhs and Rs.1,328.77 lakhs, total net profit/(loss) after tax of Rs.14.08 lakhs and Rs.(68.37) lakhs, total comprehensive loss of Rs.8.09 lakhs and Rs.77.67 lakhs for the quarter ended 31st March 2022 and for the period from 01st April, 2021 to 31st March, 2022 respectively, and net cash outflow of Rs.6.36 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.18,997.80 lakhs as at 31st March, 2022, total revenue of Rs.26.01 lakhs and Rs. 451.33 lakhs, total net loss after tax of Rs.316.85 lakhs and Rs.1,559.22 lakhs, total comprehensive loss of Rs.308.44 lakhs and Rs.1,529.98 lakhs for the quarter ended 31st March, 2022 and for the period from 01st April, 2021 to 31st March, 2022 respectively and net cash outflow of Rs.1.84 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 matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

- 1) As required by Section 197(16) of the Act, we report that the Holding Company has not paid any remuneration to its directors during the year hence the provisions of Section 197 read with Schedule V to the Act are not applicable.
- 2) As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - a) We have sought and 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 2022 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 Director of the Group companies incorporated in India is disqualified as on 31st March 2022 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 31st March 2022.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding company and its subsidiary company incorporated in India during the year ended 31st March 2022.

- (iv) (a) The respective Managements of the Company and its subsidiary which is company incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiary to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

- (v) During the year the Holding Company has not declared or paid dividend under section 123 of the Companies Act, 2013.

**For B G G & Associates**  
 Chartered Accountants  
 Firm Registration Number: 016874N  
 Sd/-  
**CA Alok Kumar Bansal**  
 Partner  
 Membership no.: 092854  
 UDIN: 22092854AIXRVR4811

Place: New Delhi  
 Date: 13<sup>th</sup> May, 2022



## Annexure A" to the Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of Aksh Optifibre Limited ('the Holding Company') and its subsidiary companies which incorporated in India as at 31st March 2022, as of that date. In conjunction with our audit of the consolidated financial statements of the Company for the year ended and as on that date.

#### Management's Responsibility for Internal Financial Controls

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

#### Auditors' Responsibility

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

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

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

#### Meaning of Internal Financial Controls over Financial Reporting

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

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

#### Opinion

In our opinion to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, 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

Sd/-

**CA Alok Kumar Bansal**

Partner

Membership no.: 092854

UDIN: 22092854AIXRVR4811

Place: New Delhi  
Date: 13<sup>th</sup> May, 2022



# Consolidated Balance Sheet

for the year ended March 31, 2022

(Rs. in Lakhs)

	Notes	31-Mar-2022	31-Mar-2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	3 (a) (i) & (ii)	21,469.74	23,733.22
Capital work-in-progress	3 (b)	9,160.51	9,214.49
Intangible assets	4	27.17	62.06
Financial assets			
Investments	5	-	-
Loans	6	-	-
Other Financial Assets	7	368.30	356.28
Deferred tax assets (net)	8 (a)	474.99	718.36
Other non-current assets	9	339.83	344.54
		<b>31,840.54</b>	<b>34,428.95</b>
<b>Current assets</b>			
Inventories	10	4,239.41	4,869.23
Financial Assets			
Trade receivables	11	7,851.08	7,713.70
Cash and cash equivalents	12	631.79	258.89
Other Bank Balances	13	1,274.51	1,874.82
Loans	6	350.00	450.00
Other Financial Assets	7	263.90	285.05
Current tax assets	8 (c)	34.55	100.02
Other current assets	9	1,475.68	1,306.36
		<b>16,120.92</b>	<b>16,858.07</b>
<b>Total Assets</b>		<b>47,961.46</b>	<b>51,287.02</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity Share capital	14	8,134.90	8,134.90
Other Equity	15	2,222.21	2,181.21
<b>Equity attributable to equity holders of the parent</b>		<b>10,357.11</b>	<b>10,316.11</b>
Non-controlling interest		-	-
<b>Total Equity</b>		<b>10,357.11</b>	<b>10,316.11</b>
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	16	1,114.20	2,191.11
Lease Liability	17	2,347.29	2,422.33
Deferred tax liabilities (net)	8 (b)	263.39	-
Provisions	20	354.23	324.84
		<b>4,079.11</b>	<b>4,938.28</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	21	17,056.48	19,679.32
Lease Liability	17	236.61	219.84
Trade Payables	18		
(a) total outstanding dues to micro & small enterprises		22.37	253.83
(b) total outstanding dues other than above		8,586.15	8,860.84
Other financial liabilities	19	6,209.55	5,313.32
Other Current liabilities	22	1,141.33	1,110.05
Provisions	20	272.75	485.77
Current tax liabilities	8 (b)	-	109.66
		<b>33,525.24</b>	<b>36,032.63</b>
<b>Total Equity and liabilities</b>		<b>47,961.46</b>	<b>51,287.02</b>
Summary of significant Accounting policies	2.1		
The accompanying notes (1-54) are an integral part of the financial statements			

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

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

**Sd/-**  
**Dr. Kailash S. Choudhari**  
Chairman  
DIN : 00023824  
Place : Dubai (UAE)

**Sd/-**  
**Charan Deep Singh**  
Chief Financial Officer  
Place : Reengus

**For and on behalf of the Board of Directors**  
**Sd/-**  
**Gaurav Mehta**  
CEO-Corporate Affairs & Group Company Secretary  
Place : Reengus

**Sd/-**  
**Anubhav Raizada**  
Company Secretary  
Place : Reengus

Place: New Delhi  
Date: 13-05-2022

# Consolidated statements of Profit and Loss

for the year ended March 31, 2022

(Rs. in Lakhs)

	Notes	31-Mar-2022	31-Mar-2021
<b>Income</b>			
Revenue from operations	23	31,635.73	27,216.05
Other income	24	454.21	427.30
<b>Total revenue (I)</b>		<b>32,089.94</b>	<b>27,643.35</b>
<b>Expenses</b>			
Cost of raw material and components consumed	25	14,704.84	12,916.23
Purchase of traded goods	26	748.37	221.89
(Increase) in inventories of finished goods, work-in-progress and traded goods	27	1,019.83	1,477.81
Employee benefit expenses	28	2,334.62	3,268.34
Finance costs	29	2,554.14	2,943.84
Depreciation and amortisation expense	30	2,382.67	2,453.56
Other expenses	31	7,758.53	6,780.07
<b>Total expense (II)</b>		<b>31,503.00</b>	<b>30,061.74</b>
<b>Profit / (Loss) before exceptional items and tax, (I) – (II)</b>		<b>586.94</b>	<b>(2,418.39)</b>
Exceptional (expense)/income	32	1.13	(87.16)
<b>Profit / (Loss) before tax</b>		<b>588.07</b>	<b>(2,505.55)</b>
<b>Tax expenses</b>			
Current tax		658.78	-
Deferred tax		(29.18)	15.91
Adjustment of tax relating to earlier periods		-	17.71
<b>Income tax expense/(Income)</b>		<b>629.60</b>	<b>33.62</b>
<b>Loss for the year</b>		<b>(41.53)</b>	<b>(2,539.17)</b>
<b>Other comprehensive income</b>			
i) items that will not be reclassified to Profit or (Loss) in subsequent periods		73.52	27.30
Income Tax relating to these items		(21.44)	(7.95)
ii) items that may be reclassified to Profit or (Loss) in subsequent periods			
Exchange differences on translation of foreign operations		30.45	90.83
<b>Other comprehensive income for the year, net of tax</b>		<b>82.53</b>	<b>110.18</b>
<b>Total comprehensive income for the year</b>		<b>41.00</b>	<b>(2,428.99)</b>
<b>Earnings per equity share</b>			
<b>36</b>			
Basic earnings per equity share		(0.03)	(1.56)
Diluted earnings per equity share		(0.03)	(1.56)
Summary of significant Accounting policies	2.1		

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

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

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

Place: New Delhi  
Date: 13-05-2022

**Sd/-**  
**Dr. Kailash S. Choudhari**  
Chairman  
DIN : 00023824  
Place : Dubai (UAE)

**Sd/-**  
**Charan Deep Singh**  
Chief Financial Officer  
Place : Reengus

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

**Sd/-**  
**Gaurav Mehta**  
CEO-Corporate Affairs & Group Company Secretary  
Place : Reengus

**Sd/-**  
**Anubhava Raizada**  
Company Secretary  
Place : Reengus

## Consolidated Cash Flow statements

for the year ended March 31, 2022

	(Rs. in Lakhs)	
	31-Mar-2022	31-Mar-2021
<b>Cash flow from operating activities</b>		
<b>Profit / (Loss) before tax</b>	<b>588.07</b>	<b>(2,505.55)</b>
Adjustment to reconcile profit / (Loss) before tax to net cash flows :		
Depreciation/amortization and impairment of Property, Plant & Equipment	2,504.64	2,453.56
Bad Debts (Net of Provision)	(275.95)	7.41
Loss on sale of property, plant and equipment	14.86	2.44
Interest expense	2,554.14	2,943.84
Other comprehensive income	103.97	118.13
Interest income	(203.30)	(214.69)
<b>Operating profit before working capital changes</b>	<b>5,286.43</b>	<b>2,805.14</b>
<b>Movements in working capital:</b>		
Increase / (Decrease) in trade payables and other liabilities	(441.65)	(816.15)
Increase / (Decrease) in in provisions	(183.63)	14.28
Decrease / (Increase) in trade receivable	138.57	2,233.77
Decrease / (Increase) in inventories	629.82	1,848.16
Decrease / (Increase) in other assets	452.21	1,160.92
<b>Cash generated from operations</b>	<b>5,881.75</b>	<b>7,246.12</b>
Direct taxes paid	(188.45)	(705.07)
<b>Net cash flow from operating activities (A)</b>	<b>5,693.30</b>	<b>6,541.05</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment, including intangible assets and capital work in progress	(83.34)	(29.20)
Decrease/(Increase) in Right to use of assets (Lease Assets)	(97.85)	(41.17)
Proceeds from sale of property, plant and equipment	14.04	1.99
Decrease/(Increase) in Capital advances / payable for capex	(4.16)	358.41
Decrease/ (Increase) in loan & advances	100.00	-
Interest received	200.08	160.16
<b>Net cash flow from investing activities (B)</b>	<b>128.77</b>	<b>450.19</b>
<b>Cash flow from financing activities</b>		
Repayment of long term borrowings	(469.83)	(5,013.08)
Repayment of short-term borrowings	(3,807.88)	(785.36)
Increase / (Decrease) in Lease Liability	(58.27)	(151.01)
Unpaid dividend transferred to IEPF Fund	(1.36)	-
Interest paid	(1,111.83)	(1,337.99)
<b>Net cash flow (used in) financing activities (C)</b>	<b>(5,449.17)</b>	<b>(7,287.44)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>372.90</b>	<b>(296.20)</b>
Cash and cash equivalents at the beginning of the year	258.89	555.09
<b>Cash and cash equivalents at the end of the year</b>	<b>631.79</b>	<b>258.89</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	9.94	7.75
With banks on current account	615.79	243.72
Unpaid dividend accounts	6.06	7.42
<b>Total cash and cash equivalent</b>	<b>631.79</b>	<b>258.89</b>
Summary of significant Accounting policies		
The accompanying notes (1-54) are an integral part of the financial statements		

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

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

**Sd/-**  
**Dr. Kailash S. Choudhari**  
Chairman  
DIN : 00023824  
Place : Dubai (UAE)

**For and on behalf of the Board of Directors**  
**Sd/-**  
**Gaurav Mehta**  
CEO-Corporate Affairs & Group Company Secretary  
Place : Reengus

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

**Sd/-**  
**Charan Deep Singh**  
Chief Financial Officer  
Place : Reengus

**Sd/-**  
**Anubhav Raizada**  
Company Secretary  
Place : Reengus

Place: New Delhi  
Date: 13-05-2022

# Statement of Changes in Equity

for the year ended March 31, 2022

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

	Nos.	(Rs. in Lakhs)
<b>As at 1 April 2020</b>	162,697,971	8,134.90
Changes in Equity Share Capital due to Prior Period Error	-	-
Reinstated Balances as at the Beginning of the year	162,697,971	8,134.90
Changes in Equity Share Capital during the Year	-	-
<b>As at 31 March 2021</b>	<b>162,697,971</b>	<b>8,134.90</b>
Changes in Equity Share Capital due to Prior Period Error	-	-
Reinstated Balances as at the Beginning of the year	162,697,971	8,134.90
Changes in Equity Share Capital during the Year	-	-
<b>As at 31 March 2022</b>	<b>162,697,971</b>	<b>8,134.90</b>

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

	Securities premium	Capital reserve	Foreign Currency Translation Reserve	Remeasurment of defined benefit plans	Retained earnings	Total other equity
<b>Balance as at 1 April 2020</b>	33,064.11	2,223.35	896.20	(164.36)	(31,409.10)	4,610.20
Loss for the year	-	-	-	-	(2,539.17)	(2,539.17)
Other comprehensive income	-	-	90.83	19.35	-	110.18
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>90.83</b>	<b>19.35</b>	<b>(2,539.17)</b>	<b>(2,428.99)</b>
<b>As at 31 March 2021</b>	<b>33,064.11</b>	<b>2,223.35</b>	<b>987.03</b>	<b>(145.01)</b>	<b>(33,948.27)</b>	<b>2,181.21</b>
<b>Balance as at 1 April 2021</b>	<b>33,064.11</b>	<b>2,223.35</b>	<b>987.03</b>	<b>(145.01)</b>	<b>(33,948.27)</b>	<b>2,181.21</b>
Loss for the year	-	-	-	-	(41.53)	(41.53)
Other comprehensive income	-	-	30.45	52.08	-	82.53
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>30.45</b>	<b>52.08</b>	<b>(41.53)</b>	<b>41.00</b>
<b>As at 31 March 2022</b>	<b>33,064.11</b>	<b>2,223.35</b>	<b>1,017.48</b>	<b>(92.93)</b>	<b>(33,989.80)</b>	<b>2,222.21</b>

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

Sd/  
CA Alok Kumar Bansal  
Partner  
Membership no.: 092854

Place: New Delhi  
Date: 13-05-2022

Sd/-  
Dr. Kailash S. Choudhari  
Chairman  
DIN : 00023824  
Place : Dubai (UAE)

Sd/-  
Charan Deep Singh  
Chief Financial Officer  
Place : Reengus

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

Sd/-  
Gaurav Mehta  
CEO-Corporate Affairs & Group Company Secretary  
Place : Reengus

Sd/-  
Anubhavg Raizada  
Company Secretary  
Place : Reengus

# Notes to consolidated financial statements

for the year ended March 31, 2022

## 1. Corporate information

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

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

## 2. Basis of preparation

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

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

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

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

## 3. Summary of significant accounting policies

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

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

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

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

All other assets are classified as non-current.

A liability is current when:

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

The Group classifies all other liabilities as non-current.

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

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

## b) Foreign currencies

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

### Transactions and balances

Transactions in foreign currencies are initially recorded by the Group at the functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. 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, 2022

## c) Fair value measurement

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

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

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

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

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

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

- Level 1 — Level 1 hierarchy includes financial instruments measured using quoted prices, for example listed equity instruments, traded bonds and mutual funds that have quoted prices.
- Level 2 — The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable the instrument is included in level 2
- Level 3 — If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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

## d) Revenue recognition

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

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

customer terms.

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

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

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

## Interest

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

## e) Inventories

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

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

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

## f) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period



# Notes to consolidated financial statements

for the year ended March 31, 2022

of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that Group incurs in connection with the borrowing of funds. .

## g) Income taxes

### Current income tax

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

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

### Deferred tax

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

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss i.e., either in other comprehensive income or in equity. Deferred tax items are recognised

## 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

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

## i) Intangible assets

On transition to Ind AS, the Group has elected to continue with the carrying value of its intangible asset recognised as at 1 April, 2016

# Notes to consolidated financial statements

for the year ended March 31, 2022

measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible asset.

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

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

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

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

## j) Lease

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

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

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

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

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

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

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

## k) Provisions

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

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

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

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

## l) Employee benefits

### Short term employee benefits

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

### Defined contribution plan

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

# Notes to consolidated financial statements

for the year ended March 31, 2022

## Defined benefit plan

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

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

## Other long term benefits: Compensated Absences

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

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

## m) Financial instruments

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

### Financial assets

#### Initial recognition and measurement

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

#### Subsequent measurement

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

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

## Debt instruments at amortised cost

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

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

This category is most relevant to the Group.

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

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

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

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

## De-recognition

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

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

## Financial guarantee contracts

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

# Notes to consolidated financial statements

for the year ended March 31, 2022

## Financial liabilities

### Initial recognition and measurement

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

### Subsequent measurement

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

### Loans and borrowings

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

### Financial liabilities at FVTPL

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

### De-recognition

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

### Offsetting of financial instruments

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

## n) Impairment

### (i) Financial assets

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

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

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial

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

### (ii) Non- financial assets

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

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

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

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

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

### o) Derivative financial instrument

The Group uses derivative financial instruments i.e., forward currency contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as

# Notes to consolidated financial statements

for the year ended March 31, 2022

financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss. The Group has not applied hedge accounting.

## p) Share capital

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

## q) Cash and cash equivalents

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

## r) Earnings per share (EPS)

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

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

## s) Segment reporting

### Identification of segments

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

### Segment accounting policies

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

## t) Contingencies

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the

control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the financial statements

## u) Dividends

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

## v) Export incentive

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

## w) Recent accounting pronouncements

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

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



# Notes to consolidated financial statements

for the year ended March 31, 2022

(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, 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)
<b>At March 31, 2021</b>	<b>1.84</b>	<b>728.06</b>	<b>6,474.83</b>	<b>31,826.43</b>	<b>3,398.66</b>	<b>1,334.75</b>	<b>659.86</b>	<b>386.19</b>	<b>420.87</b>	<b>325.87</b>	<b>87.19</b>	<b>34.19</b>	<b>45,678.74</b>
Additions	-	-	-	61.25	27.35	-	19.48	0.21	3.26	27.68	-	-	139.23
Disposals / adjustments	(1.84)	-	-	(167.71)	-	-	-	-	-	-	-	(11.41)	(180.96)
<b>At March 31, 2022</b>	<b>-</b>	<b>728.06</b>	<b>6,474.83</b>	<b>31,719.97</b>	<b>3,426.01</b>	<b>1,334.75</b>	<b>679.34</b>	<b>386.40</b>	<b>424.13</b>	<b>353.55</b>	<b>87.19</b>	<b>22.78</b>	<b>45,637.01</b>
<b>Accumulated Depreciation</b>													
At April 1, 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
Disposals / adjustments	-	-	-	(30.40)	-	(3.79)	(0.03)	(1.69)	(5.75)	(1.17)	(0.02)	(6.34)	(49.19)
<b>At March 31, 2021</b>	<b>-</b>	<b>46.08</b>	<b>1,529.94</b>	<b>17,915.98</b>	<b>2,659.85</b>	<b>868.40</b>	<b>427.25</b>	<b>228.45</b>	<b>250.13</b>	<b>287.20</b>	<b>67.49</b>	<b>15.28</b>	<b>24,296.05</b>
Charge for the year	-	7.37	221.68	1,465.71	165.77	47.13	57.74	22.90	58.74	0.89	7.29	1.66	2,056.88
Impairment Recognition	-	-	-	121.97	-	-	-	-	-	-	-	-	121.97
Disposals / adjustments	-	-	-	(141.93)	-	-	-	-	-	-	-	(7.47)	(149.40)
<b>At March 31, 2022</b>	<b>-</b>	<b>53.45</b>	<b>1,751.62</b>	<b>19,361.73</b>	<b>2,825.62</b>	<b>915.53</b>	<b>484.99</b>	<b>251.35</b>	<b>308.87</b>	<b>288.09</b>	<b>74.78</b>	<b>9.47</b>	<b>26,325.50</b>

Net Block value

<b>At March 31, 2022</b>	<b>-</b>	<b>674.61</b>	<b>4,723.21</b>	<b>12,358.24</b>	<b>600.39</b>	<b>419.22</b>	<b>194.35</b>	<b>135.05</b>	<b>115.26</b>	<b>65.46</b>	<b>12.41</b>	<b>13.31</b>	<b>19,311.51</b>
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

## Notes:

- Title Deed of all immovable properties (other than the properties where the company is lessee) are in the name of Company.
- No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(Rs. in Lakhs)

3 (a) (ii) Right of Use Assets	Right to use of Building	Right to use of Vehicle
<b>Movements during the year</b>		
At April 1, 2020	2,881.59	66.39
Addition	32.76	-
Modification	8.41	-
Deletion	-	-
<b>Balance as on March 31, 2021</b>	<b>2,922.76</b>	<b>66.39</b>
Addition	109.12	-
Modification	0.04	-
Deletion	-	(66.39)
<b>Balance as on March 31, 2022</b>	<b>3,031.92</b>	<b>-</b>
<b>Accumulated Depreciation</b>		
At April 1, 2020	312.75	23.80
Addition	276.57	25.50
Deletion	-	-
<b>Balance as on March 31, 2021</b>	<b>589.33</b>	<b>49.30</b>
Addition	282.65	7.79
Modification	1.71	9.30
Deletion	-	(66.39)
<b>Balance as on March 31, 2022</b>	<b>873.69</b>	<b>-0.00</b>
Net Block value		
<b>At March 31, 2022</b>	<b>2,158.23</b>	<b>0.00</b>
At March 31, 2021	2,333.44	17.09



## Notes to consolidated financial statements

for the year ended March 31, 2022

- (ii) The Group incurred Rs 215.12 lakhs ( 31st March, 2021 Rs 195.50 lakhs) for the year ended 31st March, 2022 towards expenses relating to short-term leases and leases of low-value assets. The total cash outflow for leases is Rs 670.41 Lakhs (31st March, 2021 Rs 598.27 lakhs) for the year ended 31st March, 2022, 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 2022	9,160.51
At 31st March 2021	9,214.49

#### CWIP aging schedule

Mar-22

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

#### CWIP aging schedule

Mar-21

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	4.76	-	49.22	-	53.98
Projects temporarily suspended	-	1,284.43	7,168.44	707.64	9,160.51

(Rs. in Lakhs)

### 4. Intangible assets

Other intangible assets

Goodwill  
(Consolidation)

Total

#### Gross block

At April 1, 2020	2,783.96	6.01	2,789.97
Additions	3.78	-	3.78
Disposals / adjustments	(0.19)	-	(0.19)
<b>At March 31, 2021</b>	<b>2,787.55</b>	<b>6.01</b>	<b>2,793.56</b>
Additions	0.46	-	0.46
Disposals / adjustments	-	-	-
<b>At March 31, 2022</b>	<b>2,788.01</b>	<b>6.01</b>	<b>2,794.02</b>
<b>Amortisation</b>			
At April 1, 2020	2,685.16	6.01	2,691.17
Charge for the year	40.52	-	40.52
Disposals / adjustments	(0.19)	-	(0.19)
<b>At March 31, 2021</b>	<b>2,725.49</b>	<b>6.01</b>	<b>2,731.50</b>
Charge for the year	35.35	-	35.35
Disposals / adjustments	-	-	-
<b>At March 31, 2022</b>	<b>2,760.84</b>	<b>6.01</b>	<b>2,766.85</b>
<b>Net block value</b>			
At March 31, 2022	27.17	-	27.17
At March 31, 2021	62.06	-	62.06

### 5. Financial assets - Investments

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Investment others :</b>		
1 (31 March, 2021: 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. 75.51 equivalent to 4 AED (31.03.2021 Rs. 73.115)

# Notes to consolidated financial statements

for the year ended March 31, 2022

## 6. Financial assets - Loans

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>Non-Current</b>		
Others	-	-
<b>Current</b>		
Loan and advances to others	350.00	450.00
	<b>350.00</b>	<b>450.00</b>

### Loans / advances repayable on demand

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	-	-
	-	<b>0.00%</b>

## 7. Other Financial Assets

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>Non Current</b>		
Security deposit *	215.27	238.28
Margin Money #	153.03	118.00
	<b>368.30</b>	<b>356.28</b>
<b>Current</b>		
Security deposit	78.57	102.35
Interest accrued on fixed deposits	20.27	25.51
Interest accrued on other deposits	165.06	156.60
<b>Derivative Instruments</b>		
Foreign exchange forward contracts	-	0.59
	<b>263.90</b>	<b>285.05</b>

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

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

## 8a Deferred Tax Assets (net)

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>Deferred Tax Liability</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	97.42	1,324.06
<b>Gross deferred tax liability</b>	<b>97.42</b>	<b>1,324.06</b>
<b>Deferred tax asset</b>		
Provision for doubtful debts	261.09	45.99
Impact of brought forward losses	125.22	801.31
Disallowances under the Income Tax Act, 1961	179.48	499.62
<b>Gross deferred tax asset</b>	<b>565.79</b>	<b>1,346.92</b>
MAT credit	6.62	695.50
<b>Deferred Tax Assets (net)</b>	<b>474.99</b>	<b>718.36</b>

## Notes to consolidated financial statements

for the year ended March 31, 2022

### 8 (b) Deferred Tax Liabilities (net)

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Fixed assets: Impact of difference between tax depreciation and depreciation/amortisation charged for the financial reporting	1,182.42	-
<b>Gross deferred tax liability</b>	<b>1,182.42</b>	-
<b>Deferred tax asset</b>		
Provision for doubtful debts	-	-
Impact of Brought forward losses	-	-
Disallowances under the Income Tax Act, 1961	744.66	-
<b>Gross deferred tax asset</b>	<b>744.66</b>	-
MAT credit *	174.37	-
<b>Deferred Tax (Liabilities) (net)</b>	<b>(263.39)</b>	-

### Reconciliation of deferred tax assets / (liabilities)

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Opening deferred tax assets / (liabilities) (net)	718.36	813.45
Deferred tax credit / (charge) recorded in statement of profit & loss	29.18	(15.91)
Deferred tax credit/(charge) recorded in Other Comprehensive Income (Utilisation) of MAT credit	(21.44)	(7.95)
	(514.50)	(71.23)
<b>Closing deferred tax assets / (liabilities) (net)</b>	<b>211.60</b>	<b>718.36</b>

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

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>Loss before income tax</b>	<b>588.07</b>	<b>(2,505.55)</b>
Tax at India's statutory income tax rate of 29.120% (31 March 2021: 29.120%)	171.25	(729.62)
Impact of permanent disallowances	8.27	20.20
Impact due to change in rate of tax	-	(24.88)
Foreign Entities with no tax	454.05	738.70
Difference in tax rates for certain entities of the group	7.86	27.91
Others	(11.83)	1.31
Tax at the effective income tax rate of (98.41%) (31 March 2021: 0.97%)	629.60	33.62
<b>Total tax expense reported in the statement of profit and loss</b>	<b>629.60</b>	<b>33.62</b>

### 8 (c) . Current Tax Assets and Liabilities

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Current tax asset	34.55	100.02
Current tax liability	-	109.66

### 9. Other Assets

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>Non-Current</b>		
Capital advances	328.66	324.50
Prepaid expenses	11.17	20.04
<b>Total Other Non-Current Assets</b>	<b>339.83</b>	<b>344.54</b>
<b>Current</b>		
Advances recoverable in cash or kind	15,895.06	15,492.78
Prepaid expenses	118.50	68.12
Balances with statutory / government authorities	894.19	1,177.53
<b>Total Other Current Assets</b>	<b>16,907.75</b>	<b>16,738.43</b>
Less:-Provision agst doubtful advance*	15,432.07	15,432.07
	<b>1,475.68</b>	<b>1,306.36</b>

\*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.

# Notes to consolidated financial statements

for the year ended March 31, 2022

## 10. Inventories

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>(Valued at lower of cost and net realisable value)</b>		
Finished and traded goods (Includes stock in transit Rs. 441.99 lakhs, March 31,2021 : Rs. 1,399.52)	1,770.12	2,899.05
Raw material (Includes stock in transit Nil, March 31,2021 : Nil)	1,468.90	922.55
Semi finished goods	608.86	499.76
Stores, spares and others	391.53	547.87
	<b>4,239.41</b>	<b>4,869.23</b>

### Amount recognised in profit and loss

Write-down to inventories to net realisable value amounted to Nil (31 March 2021 : Rs. 34.95 Lakhs). Such write-downs were recognised as an expense and included in 'changes in inventories of finished goods,work-in-progress and traded goods' in the statement of Profit and Loss.

## 11. Financial assets - Trade Receivables

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>Trade receivables</b>	7,851.08	10,338.90
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - Credit Impaired	-	-
	<b>7,851.08</b>	<b>10,338.90</b>
Less : Provision for doubtful debts*	-	2,625.20
	<b>7,851.08</b>	<b>7,713.70</b>
<b>Breakup of security details</b>		
Secured, considered good	-	-
Unsecured, considered good	7,851.08	7,713.70
Considered doubtful	-	2,625.20
	<b>7,851.08</b>	<b>10,338.90</b>

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

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

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

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Trade receivables	-	58.14
Associated borrowing	-	52.33

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

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

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Trade receivables	499.13	92.99

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

Trade receivables are generally non-interest bearing and are generally on credit ranging from 30 to 120 days.

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

# Notes to consolidated financial statements

for the year ended March 31, 2022

## 11A. Financial assets - Trade Receivables

(Rs. in Lakhs)

		Mar-22					
Particulars		Amount in CWIP for a period of					Total
		Less then 6 months	6 months-1 years	1-2 years	2- 3 years	More than 3 years	
(i)	Undisputed Trade Receivables- Considered Good	4,829.28	338.67	428.80	143.75	2,110.58	7,851.08
(ii)	Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables Credit Impaired	-	-	-	-	-	-
(iv)	Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
(v)	Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(vi)	Disputed Trade Receivables Credit Impaired	-	-	-	-	-	-

(Rs. in Lakhs)

		Mar-21					
Particulars		Amount in CWIP for a period of					Total
		Less then 6 months	6 months-1 years	1-2 years	2- 3 years	More than 3 years	
(i)	Undisputed Trade Receivables- Considered Good	3,390.25	270.12	434.03	106.71	3,512.59	7,713.70
(ii)	Undisputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	-	-
(iii)	Undisputed Trade Receivables Credit Impaired	-	-	-	-	-	-
(iv)	Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
(v)	Disputed Trade Receivables-which have significant increase in credit risk	-	-	-	-	71.56	71.56
(vi)	Disputed Trade Receivables Credit Impaired	-	-	-	-	2,553.64	2,553.64

## 12. Financial assets - Cash and Cash equivalents

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Balances with banks:		
On current accounts *	615.79	243.72
On unpaid dividend account	6.06	7.42
Cash on hand	9.94	7.75
	631.79	258.89

\* Includes earmarked bank balances amounting to Rs 200 lakhs (31 March 2021 : Rs. 3 Lakhs)

## 13. Financial assets - Other Bank Balances

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Deposits with original maturity of less than 12 months	-	-
Margin Money #	1,274.51	1,874.82
	1,274.51	1,874.82

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

# Notes to consolidated financial statements

for the year ended March 31, 2022

## 14. Share Capital

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Authorized Shares (Nos)</b>		
520,100,000 (March 31, 2021 : 520,100,000) Equity Shares of Rs. 5/- each	26,005.00	26,005.00
<b>Issued, subscribed and fully paid-up shares (No.)</b>		
162,697,971 (March 31, 2021 : 162,697,971) Equity Shares of Rs. 5/- each	8,134.90	8,134.90
	<b>8,134.90</b>	<b>8,134.90</b>

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

<b>Equity Shares</b>		31-Mar-22	31-Mar-21
At the beginning of the year	Nos.	162,697,971	162,697,971
<b>Outstanding at the end of the year</b>	<b>Nos.</b>	<b>162,697,971</b>	<b>162,697,971</b>
At the beginning of the year	Rs. in Lakhs	8,134.90	8,134.90
<b>Outstanding at the end of the year</b>	<b>Rs. in Lakhs</b>	<b>8,134.90</b>	<b>8,134.90</b>

#### Terms/ rights attached to equity shares

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

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

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

	31-Mar-22		31-Mar-21	
<b>Promoter Name</b>	<b>No. of Shares</b>	<b>% of Total Shares</b>	<b>No. of Shares</b>	<b>% of Total Shares</b>
Kailash Shantilal Choudhari	20,205,678	12.419	20,205,678	12.419

### (c) Shares held by Promoters at the end of the year ended 31st March 2022

<b>Promoter Name</b>	<b>No. of Shares</b>	<b>% of Total Shares</b>	<b>% Change During the Year</b>
Kailash Shantilal Choudhari	20,205,678	12.419	-
Seema Choudhari	7,000,000	4.302	-
Sharda Popatlal Sundesha	6,969,562	4.284	-
Shailesh Popatlal	6,901,723	4.242	-
Bharti Shailesh Sundesha	4,092,372	2.515	-
Rohan Kailash Choudhari	150,500	0.093	-
Rashi Choudhari	150,500	0.093	-
<b>Total</b>	<b>45,470,335</b>	<b>27.948</b>	<b>-</b>

### Shares held by Promoters at the end of the year ended 31st March 2021

<b>Promoter Name</b>	<b>No. of Shares</b>	<b>% of Total Shares</b>	<b>% Change During the Year</b>
Kailash Shantilal Choudhari	20,205,678	12.419	-
Seema Choudhari	7,000,000	4.302	-
Sharda Popatlal Sundesha	6,969,562	4.284	-
Shailesh Popatlal	6,901,723	4.242	-
Bharti Shailesh Sundesha	4,092,372	2.515	-
Rohan Kailash Choudhari	150,500	0.093	-
Rashi Choudhari	150,500	0.093	-
<b>Total</b>	<b>45,470,335</b>	<b>27.948</b>	<b>-</b>



## Notes to consolidated financial statements

for the year ended March 31, 2022

**(d) During the period of five years immediately preceding to reporting date, the Group has neither issued any bonus shares nor bought back any shares**

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

Equity Shares	31-Mar-22	31-Mar-21
32,901 No's Fully Paid Up Equity Shares allotted to minority shareholders of erstwhile APaksh Broadband Limited during financial year 2017-18	-	-

### 15. Other Equity

		(Rs. in Lakhs)
	31-Mar-22	31-Mar-21
<b>Securities Premium Account</b>		
Balance as per the last financial statements	33,064.11	33,064.11
<b>Closing Balance (A)</b>	<b>33,064.11</b>	<b>33,064.11</b>
<b>Capital Reserves</b>		
Balance as per the last financial statements	2,223.35	2,223.35
<b>Closing Balance (B)</b>	<b>2,223.35</b>	<b>2,223.35</b>
<b>Foreign Currency Translation Reserve</b>		
Balance as per the last financial statements	987.03	896.20
Addition during the year	30.45	90.83
<b>Total Foreign Currency Translation Reserve (C)</b>	<b>1,017.48</b>	<b>987.03</b>
<b>Retained Earnings</b>		
Balance as per the last financial statements	(34,093.28)	(31,573.46)
Loss for the year	(41.53)	(2,539.17)
Add : Other Comprehensive Income	52.08	19.35
<b>Closing Balance (D)</b>	<b>(34,082.73)</b>	<b>(34,093.28)</b>
<b>Total Other Equity (A+B+C+D)</b>	<b>2,222.21</b>	<b>2,181.21</b>

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

##### Securities premium

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

##### Capital reserve

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

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

		(Rs. in Lakhs)
	31-Mar-22	31-Mar-21
<b>Non-Current Borrowings</b>		
<b>Secured Loans</b>		
Foreign Currency Loan from Banks	409.82	505.36
Indian Rupee Loan from Banks	704.38	1,685.75
<b>Total Non-Current long term borrowings</b>	<b>1,114.20</b>	<b>2,191.11</b>
<b>The above amount includes</b>		
Secured borrowings	1,114.20	2,191.11
<b>Current maturities of long term debt</b>		
<b>Term Loans</b>		
<b>Secured Loans</b>		
Foreign Currency Loan from Banks	6,262.77	5,946.53
Indian Rupee Loan from Banks	3,746.72	2,877.92
	<b>10,009.49</b>	<b>8,824.45</b>
<b>Total Current Maturities</b>	<b>10,009.49</b>	<b>8,824.45</b>

# Notes to consolidated financial statements

for the year ended March 31, 2022

<b>The above amount includes</b>		
Secured borrowings	10,009.49	8,824.45
Amount disclosed under the head "Short Term Borrowing" (refer note no.21)	(10,009.49)	(8,824.45)
	-	-

**Rupee loan from bank** amounting to Rs 4,451.10 lakhs (31 March 2021: Rs 4,563.67 lakhs) carries interest rate ranging between 9.45% p.a. to 13.60% p.a. and repayable in 5 years in quarterly instalments. These loans are secured by way of first pari passu charge on fixed assets of the Group, second pari passu charge on current assets of the Group and further secured by personal guarantee of Dr. Kailash S Choudhari.

**Foreign currency term loan** from bank amounting to Rs. 6,672.59 lakhs (31 March 2021: Rs. 6,451.89 lakhs) carries interest rate ranging between 5.30% to 7.75% p.a. and repayable in 5 years in quarterly installments. These loans are secured by way of first pari passu charge on fixed assets of the Group, second pari passu charge on current assets of the Group and further secured by personal guarantee of Dr. Kailash S Choudhari.

The Group has not taken any fresh loan from Bank or Financial Institution for specific purpose.

The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

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

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

Rs. in Lakhs

### Principal Term Loan

Particulars	0-90 days	91-180 days	181-360 days	More than 360 days	Total
Delay in repayment during the year					
Punjab National Bank	32.75	32.75	-	-	65.50
HDFC Bank	-	-	-	-	-
Union Bank of India	-	-	-	-	-
Bank of Baroda	-	-	-	-	-
	<b>32.75</b>	<b>32.75</b>	<b>-</b>	<b>-</b>	<b>65.50</b>
<b>Default as at March 31, 2022</b>					
Punjab National Bank	32.75	32.75	32.75	-	98.25
HDFC Bank	130.19	276.19	552.37	1,344.18	2,302.93
Union Bank of India	220.25	220.25	440.50	771.00	1,652.00
Bank of Baroda	196.35	195.45	385.80	3,483.77	4,261.37
	<b>579.54</b>	<b>724.64</b>	<b>1,411.42</b>	<b>5,598.95</b>	<b>8,314.55</b>

### Interest on Term Loan

Particulars	0-90 days	91-180 days	181-360 days	More than 360 days	Total
" Delay in repayment during the year "					
Punjab National Bank	11.14	7.18	15.09	1.14	34.55
HDFC Bank	-	-	-	-	-
Union Bank of India	-	-	-	118.48	118.48
Bank of Baroda	-	-	-	-	-
	<b>11.14</b>	<b>7.18</b>	<b>15.09</b>	<b>119.62</b>	<b>153.03</b>
<b>Default as at March 31, 2022</b>					
Punjab National Bank	6.95	-	3.73	29.58	40.26
HDFC Bank	112.68	60.97	168.29	341.90	683.84
Union Bank of India	109.36	54.09	156.71	134.19	454.35
Bank of Baroda	61.57	59.99	113.63	275.02	510.21
	<b>290.56</b>	<b>175.05</b>	<b>442.36</b>	<b>780.69</b>	<b>1,688.66</b>

## Notes to consolidated financial statements

for the year ended March 31, 2022

### LC Devolvement /Working Capital Loan

(Rs. in Lakhs)

Particulars	0-90 days	91-180 days	181-360 days	More than 360 days	Total
Delay in repayment during the year					
Punjab National Bank	-	-	-	-	-
HDFC Bank	-	-	-	-	-
Union Bank of India	136.82	115.02	90.91	-	342.75
Bank of Baroda	-	-	-	5.63	5.63
	<b>136.82</b>	<b>115.02</b>	<b>90.91</b>	<b>5.63</b>	<b>348.38</b>
<b>Default as at March 31, 2022</b>					
Punjab National Bank	-	-	-	-	-
HDFC Bank	28.53	31.16	63.38	260.10	383.17
Union Bank of India	81.04	50.24	119.99	2,127.15	2,378.42
Bank of Baroda	15.16	22.04	42.51	864.33	944.04
	<b>124.73</b>	<b>103.44</b>	<b>225.88</b>	<b>3,251.58</b>	<b>3,705.63</b>

### 17. Lease Liabilities

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Non-Current</b>		
Lease Liabilities	2,347.29	2,422.33
	<b>2,347.29</b>	<b>2,422.33</b>
<b>Current</b>		
Lease Liabilities	236.61	219.84
	<b>236.61</b>	<b>219.84</b>

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

### 18. Financial liabilities - Trade Payables

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Trade Payables to micro and small enterprises (refer note no. 41)</b>	22.37	253.83
Trade Payables to others	8,586.15	8,860.84
	<b>8,608.52</b>	<b>9,114.67</b>

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

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

### 18A. Financial liabilities - Trade Payables

(Rs. in Lakhs)

Particulars	Mar-22				Total
	Less Than 1 Year	1-2 years	2- 3 years	More than 3 years	
MSME	8.30	6.99	5.96	1.12	22.37
Others	5,029.64	328.62	606.78	2,621.11	8,586.16
Disputed Dues Others	-	-	-	-	-
Particulars	Mar-21				Total
	Less Than 1 Year	1-2 years	2- 3 years	More than 3 years	
MSME	62.42	181.86	9.55	-	253.84
Others	4,422.61	1,315.42	2,909.40	213.41	8,860.84
Disputed Dues Others	-	-	-	-	-

# Notes to consolidated financial statements

for the year ended March 31, 2022

## 19. Other Financial Liabilities

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Interest accrued and due on borrowings / trade payables	2,399.86	1,025.31
Unclaimed Dividend 2013-14 & 2017-18*	6.06	7.42
0 % Security Deposits	130.89	326.54
Others	3,672.73	3,954.05
<b>Total Current financial liabilities</b>	<b>6,209.54</b>	<b>5,313.32</b>

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

## 20. Provisions

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>Non-Current</b>		
Provision for Gratuity & Compensated Absences	354.23	324.84
	<b>354.23</b>	<b>324.84</b>
<b>Current</b>		
Provision for Gratuity & Compensated Absences	272.75	485.77
	<b>272.75</b>	<b>485.77</b>

## 21. Short Term Borrowings

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>Secured Loans</b>		
Working capital facilities from Banks	5,361.94	9,123.84
Liability towards bills discounted from Bank	124.59	89.27
<b>Current maturities of long term debt (Refer Note No. 16 )</b>	<b>10,009.49</b>	<b>8,824.45</b>
<b>Unsecured Loans</b>		
Inter corporate deposit from others	-	200.00
Loan from related party	237.64	209.21
Loan from others	1,322.82	1,167.01
Liability towards bills discounted from Bank/others	-	65.54
	<b>17,056.48</b>	<b>19,679.32</b>
Total secured loans	15,496.02	18,037.56
Total unsecured loans	1,560.46	1,641.76

**Working capital facilities** includes cash credit, Invoked SBLC from banks (carries interest in the range of 9.5% to 14.70 % p.a) are secured by way of first pari-passu charge on hypothecation of raw materials, work-in-progress, finished goods and trade receivables both present and future and second pari-passu charge on the fixed assets of the Company. These facilities are further secured by way of first pari-passu charge on the immovable properties of the respective Company and personal guarantee of Dr. Kailash S. Choudhari. The cash credit is repayable on demand.

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

**Inter corporate deposits** from other are repayable on demand.

**Bills Discounting** are unsecured and carries interest @ 3.25% to 7.50% p.a.

**LC Discounting** are unsecured and carries interest @ 4 to 5% p.a.

## 22. Other Current Liabilities

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Advance from Customers	846.27	739.31
Others	295.06	370.74
	<b>1,141.33</b>	<b>1,110.05</b>

## Notes to consolidated financial statements

for the year ended March 31, 2022

### 23. Revenue From Operations

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>Revenue from contracts with customers</b>		
Sale of products		
- Finished goods	25,328.83	22,847.74
- Traded goods	1,006.60	170.26
Sale of services	4,717.49	3,818.86
<b>Other operating revenue</b>		
- Scrap sales	55.93	52.46
- Export Incentives	206.48	190.90
- Exchange Fluctuation	183.56	41.78
- Other operating revenue	136.84	94.05
	<b>31,635.73</b>	<b>27,216.05</b>

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

#### (b) Reconciliation of Revenue from operations with contract price

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>Contract price</b>	31,126.55	26,952.70
Less : Liquidation damage charges	-	15.74
Less : Rebate / Discount	17.70	47.64
<b>Total revenue from operations</b>	<b>31,108.85</b>	<b>26,889.32</b>

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

#### (c) Contract balances

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>Contract Liabilities</b>		
Advance from customers	846.27	739.31
<b>Total</b>	<b>846.27</b>	<b>739.31</b>
<b>Receivables</b>		
Trade receivables	7,851.08	10,338.90
Less: Provision for doubtful debts	-	2,625.20
<b>Total</b>	<b>7,851.08</b>	<b>7,713.70</b>

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

### 24. Other Income

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Interest income		
on deposits	57.46	139.43
on other advances	145.84	75.26
Other non-operating income	250.91	212.61
	<b>454.21</b>	<b>427.30</b>

# Notes to consolidated financial statements

for the year ended March 31, 2022

## 25. Cost of raw material and components consumed

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Inventory at the beginning of the year	922.55	1,216.50
Add: Purchases	15,251.19	12,622.28
	16,173.74	13,838.78
Less: inventory at the end of the year	1,468.90	922.55
<b>Cost of raw material and components consumed</b>	<b>14,704.84</b>	<b>12,916.23</b>

## 26. Details of purchase of traded goods

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Telecom & electronic items	748.37	221.89
	<b>748.37</b>	<b>221.89</b>

## 27. (Increase)/ decrease in inventories

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
<b>Inventories at the end of the year</b>		
Finished/Traded goods	1,770.12	2,899.05
Semi Finished goods	608.86	499.76
	<b>2,378.98</b>	<b>3,398.81</b>
<b>Inventories at the beginning of the year</b>		
Finished/traded goods	2,899.05	3,529.87
Semi finished goods	499.76	1,346.75
	<b>3,398.81</b>	<b>4,876.62</b>
	<b>1,019.83</b>	<b>1,477.81</b>

## 28. Employee benefits expense

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Salaries, wages and bonus	2,008.85	2,475.40
Contribution to provident and other funds	184.92	220.15
Gratuity	77.54	114.88
Staff welfare expenses	48.11	32.50
Directors' Remuneration	15.20	425.41
	<b>2,334.62</b>	<b>3,268.34</b>

## 29. Finance costs

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Interest on Cash Credit	576.27	871.62
Interest on Term Loan	1,291.47	1,196.76
Interest Others*	466.65	468.84
Bank Charges	219.75	406.62
	<b>2,554.14</b>	<b>2,943.84</b>

\* Interest on lease liabilities is Rs. 175.87 lakhs for the year ended on 31 March 2022. (31 March 2021 : Rs 188.21 lakhs)

During the year, the Group has capitalised borrowing costs of Nil (31 March 2021: Nil) incurred on the borrowings specifically availed for expansion and modernisation of production facilities. The interest expense disclosed above is net of the interest amount capitalised.



## Notes to consolidated financial statements

for the year ended March 31, 2022

### 30. Depreciation and amortisation expense

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Depreciation of Property, Plant & Equipment	2,056.88	2,110.97
Depreciation on Right to use of Assets	290.44	302.07
Amortisation of intangible assets	35.35	40.52
	<b>2,382.67</b>	<b>2,453.56</b>

### 31. Other expenses

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Consumption of stores and spares	591.24	393.39
Power & Fuel	852.27	903.02
Packing Material Consumed	985.04	1,003.80
Repair & Maintenance		
- Plant & Machinery	119.43	142.92
- Buildings	12.26	12.99
- Others	69.92	74.13
Sub-contracting expenses	3,101.84	2,485.37
Marketing & Service Charges	136.14	19.53
Freight & Cartage (Outward)	575.22	536.89
Travelling & Conveyance	95.20	48.00
CSR Expenditure*	22.89	41.54
Postage & Telephone	25.05	27.29
Insurance	103.00	161.99
Rent	168.54	183.69
Professional & Legal Expenses	539.32	342.63
Auditors' Remuneration**	46.96	57.78
Other Expenses	314.21	345.11
	<b>7,758.53</b>	<b>6,780.07</b>

### \*Details of CSR Expenditure

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
a) Gross amount required to be spent during the year	19.46	41.25
b) Amount Spent during the year Ending		
i) Construction/acquisition of an asset	-	-
ii) on Purchase other than (i) above	22.89	41.54
c) Shortfall at the end of the Year	-	-
d) Total of previous years shortfall	-	-
e) Reason for shortfall	NA	NA
f) Nature of CSR activities	Horticulture and Education	Horticulture and Education
g) Details of related party transactions	Nil	Nil

# Notes to consolidated financial statements

for the year ended March 31, 2022

## \*\*Payment to auditor

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>As auditor:</b>		
Audit fee	41.16	51.98
Tax Audit Fees	5.00	5.00
<b>In other capacity:</b>		
Certification fees	-	-
Reimbursement of expenses	0.80	0.80
	<b>46.96</b>	<b>57.78</b>

## 32. Exceptional (expenses)/income

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Foreign Exchange Fluctuations	94.70	(113.35)
Balances written back / (Written-off)	319.21	28.63
Bad Debts (Net of Provision)	(275.95)	
Loss on sale of Property, plant and equipments	(14.86)	(2.44)
Impairment Provision	(121.97)	-
	<b>1.13</b>	<b>(87.16)</b>

## 33. Employee benefits

### Defined benefit plans

#### Gratuity:

The Group provides for gratuity for employees in India as per Payment of gratuity act, 1972 and Provision for gratuity in case of employees worked in India determined based on actuarial valuation using projected unit credit method. However, Liability of gratuity on employees worked outside India determined as per applicable laws in relevant countries.

Group has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days basic salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for the respective plans:

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

	(Rs. in Lakhs)	
	Gratuity Funded	Compensated absences
<b>Defined benefit obligation at 1 April 2020</b>	<b>520.06</b>	<b>140.95</b>
Interest expense	35.36	9.58
Service cost	53.27	54.04
Benefits paid	(80.89)	(50.15)
Actuarial (gain)/ loss on obligations	(27.71)	(11.22)
<b>Defined benefit obligation at 31 March 2021</b>	<b>500.09</b>	<b>143.20</b>
Interest expense	34.01	9.74
Service cost	44.78	34.50
Past Service Cost including curtailment Gains /Losses	-	-
Benefits paid	(125.50)	(78.42)
Actuarial (gain)/ loss on obligations	(73.52)	(31.42)
<b>Defined benefit obligation at 31 March 2022</b>	<b>379.86</b>	<b>77.60</b>

## Notes to consolidated financial statements

for the year ended March 31, 2022

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

	(Rs. in Lakhs)	
	Gratuity Funded	Compensated absences
Present value of obligation	500.09	143.20
Fair value of plan assets	14.72	-
<b>Net assets / (liability) recognized in balance sheet as provision as at 31 March 2021</b>	<b>(485.37)</b>	<b>(143.20)</b>
Present value of obligation	379.86	77.60
Fair value of plan assets	15.72	-
<b>Net assets / (liability) recognized in balance sheet as provision as at 31 March 2022</b>	<b>(364.14)</b>	<b>(77.60)</b>

### Amount recognised in Statement of Profit and Loss:

	(Rs. in Lakhs)	
	Gratuity Funded	Compensated absences
Current service cost	53.27	54.04
Net interest expense	33.89	9.58
Net actuarial (gain)/loss recognised	-	(11.22)
<b>Amount recognised in Statement of Profit and Loss for year ended 31 March 2021</b>	<b>87.16</b>	<b>52.40</b>
Current service cost	44.78	34.50
Net interest expense	33.01	9.74
Net actuarial (gain)/loss recognised	-	(31.42)
<b>Amount recognised in Statement of Profit and Loss for year ended 31 March 2022</b>	<b>77.79</b>	<b>12.82</b>

### Amount recognised in Other Comprehensive Income:

	(Rs. in Lakhs)	
	Gratuity Funded	Compensated absences
Actuarial (gain)/ loss on obligations	27.71	-
Return on plan assets (excluding amounts included in net interest expense)	(0.41)	-
<b>Amount recognised in Other Comprehensive Income for year ended 31 March 2021</b>	<b>27.30</b>	<b>-</b>
Actuarial (gain)/ loss on obligations	73.53	-
" Return on plan assets (excluding amounts included in net interest expense) "	(0.01)	-
<b>Amount recognised in Other Comprehensive Income for year ended 31 March 2022</b>	<b>73.52</b>	<b>-</b>

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

	(Rs. in Lakhs)	
	Gratuity Funded	Compensated absences
<b>Fair value of plan assets at 1 April 2020</b>	<b>21.72</b>	<b>-</b>
Actual return on plan assets	1.07	-
Benefits paid	-	-
Employer contribution	(8.07)	-
<b>Fair value of plan assets at 31 March 2021</b>	<b>14.72</b>	<b>-</b>
Actual return on plan assets	1.00	-
Benefits paid	-	-
Employer contribution	-	-
<b>Fair value of plan assets at 31 March 2022</b>	<b>15.72</b>	<b>-</b>

# Notes to consolidated financial statements

for the year ended March 31, 2022

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

Investment Details	31-Mar-22 Gratuity	31-Mar-21 Gratuity
Funds Managed by Insurer	100%	100%

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

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Average Past Service	2.06	1.33
Average Age	37.88	37.07
Average remaining working life	17.12	17.93
Discounting rate	7.23%	6.80%
Future salary Increase	7.00%	7.00%

## Sensitivity analysis:

### Sensitivity Analysis of the defined benefit obligation - Gratuity Plan

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Impact on defined benefit obligation	379.86	500.09
Delta effect of +0.5% change in discount rate	(5.17)	(4.00)
Delta effect of -0.5% change in discount rate	5.55	4.31
Delta effect of +0.5% change in salary increase	5.12	(3.62)
Delta effect of -0.5% change in salary increase	(4.81)	3.39

### Sensitivity Analysis of the defined benefit obligation - Compensated absences

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Impact on defined benefit obligation	77.60	143.20
Delta effect of +0.5% change in discount rate	(3.55)	(3.67)
Delta effect of -0.5% change in discount rate	3.81	3.96
Delta effect of +0.5% change in salary increase	3.79	3.92
Delta effect of -0.5% change in salary increase	(3.57)	(3.67)

### Defined contribution plans

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
Employer's Contribution to Provident Fund	157.67	181.79
Employer's Contribution to ESI	3.03	3.73
Employer's Contribution to NPS	24.22	34.62
	184.92	220.14

## 34. Segment information

Ind AS 108 establishes standards for the way that companies report information about operating segments and related disclosures about products and services, geographic areas, and major customers. The Company's operations pre-dominantly relate to manufacturing, services and trading of goods. The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on analysis of various performance indicators pertaining to business. The accounting principles used in preparation of the financial statements are consistently applied to record revenue and expenditure in segment information, and are as set out in the significant accounting policies. The information about business segments are given below:

## Notes to consolidated financial statements

for the year ended March 31, 2022

### (A) Primary segment

#### Summary of segment information :

(Rs. in Lakhs)							
	Manufacturing		Services		Trading		Total
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22 31-Mar-21
<b>Segment Revenue (net)</b>							
External Turnover	25,936.88	23,159.83	4,692.25	3,885.96	1,006.60	170.26	31,635.73 27,216.05
Inter Segment Turnover	-	-	-	-	-	-	- -
<b>Total Revenue</b>	<b>25,936.88</b>	<b>23,159.83</b>	<b>4,692.25</b>	<b>3,885.96</b>	<b>1,006.60</b>	<b>170.26</b>	<b>31,635.73 27,216.05</b>
<b>Segment Results before Interest and Taxes</b>	<b>2,489.07</b>	<b>165.02</b>	<b>722.62</b>	<b>590.10</b>	<b>296.60</b>	<b>24.74</b>	<b>3,508.29 779.86</b>
Less : Finance Costs							2,554.14 2,943.84
Add : Interest Income							228.86 217.71
Add : Exceptional Items							187.70 (87.16)
Add: Other Income							5.23 7.03
Add/(Less): Unallocated (Expenses)/ Income							(601.30) (479.15)
<b>Profit before Tax</b>							<b>774.64 (2,505.55)</b>
<b>Other Information</b>							
Segment Assets	41,202.05	44,921.80	4,245.08	3,029.02	1,125.28	1,636.20	46,572.41 49,587.02
Unallocated Assets	-	-	-	-	-	-	1,389.05 1,700.00
<b>Total Assets</b>	<b>41,202.05</b>	<b>44,921.80</b>	<b>4,245.08</b>	<b>3,029.02</b>	<b>1,125.28</b>	<b>1,636.20</b>	<b>47,961.46 51,287.02</b>
Segment Liabilities	35,241.04	37,792.75	1,757.86	1,408.80	271.90	938.28	37,270.80 40,139.83
Unallocated Liabilities							333.55 831.08
Share Capital & reserves							10,357.11 10,316.11
<b>Total Liabilities</b>	<b>35,241.04</b>	<b>37,792.75</b>	<b>1,757.86</b>	<b>1,408.80</b>	<b>271.90</b>	<b>938.28</b>	<b>47,961.46 51,287.02</b>
Depreciation and Amortization	2,112.95	2,168.90	265.60	280.54	4.12	4.12	2,382.67 2,453.56

Note :-

Total Revenue is after elimination of inter segment turnover of Nil (31 March 2021 : Nil)

### (B) Secondary segment

#### Geographical Information

(Rs. in Lakhs)		
	31-Mar-22	31-Mar-21
<b>(1) Revenue from external customer</b>		
Within India	14,402.20	9,742.47
Outside India	17,233.53	17,473.58
<b>Total Revenue as per statement of profit and loss</b>	<b>31,635.73</b>	<b>27,216.05</b>

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

<b>(2) Non current Operating assets</b>		
Within India	14,160.83	15,737.94
Outside India	16,496.59	17,271.83
<b>Total</b>	<b>30,657.42</b>	<b>33,009.77</b>

\*\* Non-Current Operating Assets for this purpose consist of Property, Plant & Equipment, Capital work in progress and Intangible Assets.

(C) Revenue from one customer in India amounted to Nil (31 March 2021 : Nil)

### 35. Related party transactions

In accordance with the requirements of Indian Accounting Standard (Ind AS) - 24 'Related Party Disclosures' the names of the related party where control exists/ able to exercise significant influence along with the aggregate transactions and year end balance with them as identified by the

# Notes to consolidated financial statements

for the year ended March 31, 2022

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)
- Mr. Harvinder Singh (Independent Director)- w.e.f 10.02.2021)
- Mr. Sunil Puri (Independent Director)- w.e.f 10.02.2021)
- Mr Sanjay Katyal (Independent Director From 09.06.2020)
- Ms. Anuja Bansal (Independent Director from 09.06.2020)
- Mr Rikhab Chand Mogha (Non-Executive-Non-Independent Director)
- Mr Rahul Mogha ( Relative of Non-Executive-Non-Independent Director)
- Mr. Ankit Rawat ((Independent Director From 01.11.2019 till 08.08.2020)
- 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. Charan Deep Singh (Chief Financial Officer from 06.08.2021 till 13.05.2022)
- Mr. Gaurav Mehta (Chief- Corporate Affairs & Company Secretary till 03.02.2022 and elevated as Chief Executive Officer- Corporate Affairs & Group Company Secretary w.e.f. 04.02.2022)
- Mr. Anubhnav Raizada (Company Secretary w.e.f. 13.05.2022)
- Mr. Pramod Kumar Srivastava (Chief Executive Officer from 01.04.2020 till 06.08.2021)
- Mr. Sudhir Kumar Jain (Chief Financial Officer from 29.05.2020 till 14.08.2020)
- 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 of Indian wholly owned subsidiary)
- Mr. Munesh Chandra (Director of Indian wholly owned subsidiary)
- Mr. Chandra Shekhar Gupta (Director of Indian wholly owned subsidiary till 18.08.2021)
- Ms. Savita Pandey (Director of Indian wholly owned subsidiary w.e.f. 09.06.2021)

## (b) Transaction with related parties

	(Rs. in Lakhs)		
	KMP	Others	Total
Short term employee benefits	150.46		150.46
	608.52		608.52
Sitting fees	15.20		15.20
	15.25		15.25
Services received	66.00		66.00
	22.00		22.00
Unsecured Loan taken Dr. Kailash Shantilal Choudhari( Director)	21.07		21.07
	156.96		156.96
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.

## (d) Balance due (to)/ from

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>KMP</b>		
Unsecured Loan Payable Dr. Kailash Shantilal Choudhari( Director)	(237.64)	(216.57)
Trade and other Payables	(368.25)	(347.40)



# Notes to consolidated financial statements

for the year ended March 31, 2022

## 36. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the Loss for the year attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the Loss for the year attributable to the equity shareholders of the Group by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

**The following reflects the income and share data used in the basic and diluted EPS computations:**

	31-Mar-22	31-Mar-21
Loss for the year (Rs. in Lakh)	(41.53)	(2,539.17)
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	(0.03)	(1.56)
Diluted EPS (on nominal value of Rs. 5 per share) Rs./share	(0.03)	(1.56)

## 37. Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accounting disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

### (a) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

### (b) Income taxes

The Group is subject to income tax laws as applicable in India. Significant judgment is required in determining provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

In assessing the realisability of deferred tax assets, management considers whether it is probable, that some portion, or all, of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical data and projections for future taxable incomes over the periods in which the deferred tax assets are deductible, management believes that it is probable that the Group will be able to realise the benefits of those deductible differences in future.

### (c) Employee benefit obligations

The cost of the defined benefit obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 33.

# Notes to consolidated financial statements

for the year ended March 31, 2022

## (d) 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.

## (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-22	31-Mar-21
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	524.10	524.10
Outstanding export obligation under EPCG scheme	2,168.32	2,168.32

The Group has other commitments for purchase orders which are issued after considering requirements as per operating cycle for purchase of services, employee benefits. The Group does not have any long term commitment or material non-cancellable contractual commitments/contracts with respect to contractual expenditure which might have a material impact on the consolidated financial statements.

## 39. Contingent liabilities

	(Rs. in Lakhs)	
	31-Mar-22	31-Mar-21
<b>(a) Disputed Liabilities in appeal</b>		
Sales tax matters	123.09	123.09
Service tax	19.40	11.45
Excise / custom duty	159.36	159.36
Income tax matters	429.62	215.62
Others	1,151.42	1,151.42
<b>(b) Outstanding amount of duty saved against advance license</b>	939.29	699.88
<b>(c) Outstanding amount of duty saved against EPCG scheme</b>	361.39	361.39

## 40. Derivatives Instruments

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

		(Amount in Lakhs)	
	Currency	31-Mar-22	31-Mar-21
Forward contracts to sell	USD	-	1.50
	EURO	-	-
Forward contracts to buy	USD	-	-

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

		(Amount in Lakhs)	
	Currency	31-Mar-22	31-Mar-21
Export of goods	USD	19.05	4.33
	EURO	11.58	5.53
Advance to Vendor	USD	0.49	0.85
	EURO	0.16	0.22
	AED	0.05	0.03

## Notes to consolidated financial statements

for the year ended March 31, 2022

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

(Amount in Lakhs)

	Currency	31-Mar-22	31-Mar-21
Import of goods and services	USD	52.80	53.02
	EURO	2.11	2.14
	GBP	-	0.91
Advance from customers	USD	16.45	11.12
	EURO	-	0.01
Bill Discounting	USD	-	0.96
Term Loan	USD	14.44	14.44
	EURO*	-	11.28

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

(Rs. in Lakhs)

Descriptions	31-Mar-22	31-Mar-21
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year.		
Principal amount due to micro and small enterprises	22.37	253.84
Interest due on above	6.89	100.44
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
The amount of interest accrued and remaining unpaid at the end of each accounting year.	36.15	115.42
'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	36.15	115.42

### 42. Financial risk management objectives and policies

The Group's principal financial liabilities, other than derivatives, comprise loans and trade payables. The main purpose of these financial liabilities is to raise finance for the Group's operations. The Group has various financial assets such as trade receivables, bank balances and short-term deposits, which arise directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is responsible to ensure that Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

#### A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and 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, 2022

## (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

Descriptions	(Rs. in Lakhs)	
	Increase /Decrease in Basis points	Effect on profit before tax
<b>31-Mar-22</b>		
Base Rate	+50	(82.43)
Base Rate	-50	82.43
<b>31-Mar-21</b>		
Base Rate	+50	(100.98)
Base Rate	-50	100.98

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
<b>31-Mar-22</b>				
	+5%	(242.22)	+5%	40.59
	-5%	242.22	-5%	(40.59)
<b>31-Mar-21</b>				
	+5%	(266.38)	+5%	(32.95)
	-5%	266.38	-5%	32.95

## 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.

## Notes to consolidated financial statements

for the year ended March 31, 2022

The Group's maximum exposure to credit risk for the components of the balance sheet at 31 March 2022 and 31 March 2021 is the carrying amounts of each class of financial assets except for financial guarantees and derivative financial instruments. The Group's maximum exposure relating to financial derivative instruments is noted in note no. 40 and the liquidity table below:

### C. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligation associated with its Financial Liabilities that are settled by delivering cash or another Financial Assets. The Group approach to manage Liquidity is to have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed circumstances, without incurring unacceptable losses or risking damage to the Group Company's reputation. The Group has been experiencing liquidity problems due to delayed in realisation of receivables. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

The Group liquidity management process as monitored by management includes the following:-

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

### Foreign currency sensitivity

	(Rs. in Lakhs)				
	Payable on demand	0-12 months	1-5 years	> 5 years	Total
<b>As at 31 March 2022</b>					
Borrowings	5,361.94	11,694.54	1,114.20	-	18,170.68
Trade payables	-	8,608.52	-	-	8,608.52
Other financial liabilities (including lease liabilities)	-	6,483.33	905.39	1,404.72	8,793.45
	<b>5,361.94</b>	<b>26,786.39</b>	<b>2,019.59</b>	<b>1,404.72</b>	<b>35,572.65</b>
<b>As at 31 March 2021</b>					
Borrowings	9,323.84	10,339.56	2,247.42	-	21,910.82
Trade payables	-	9,114.67	-	-	9,114.67
Other financial liabilities (including lease liabilities)	-	5,610.38	933.17	1,411.93	7,955.48
	<b>9,323.84</b>	<b>25,064.61</b>	<b>3,180.59</b>	<b>1,411.93</b>	<b>38,980.97</b>

### 43. Code on Social Security, 2020

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

### 44. Balance receivable / 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.

### 45. Overdue outstanding foreign currency receivable and payable

The Holding Company has foreign currency payable aggregating to Rs 227.48 lakhs and Rs 1,604.52 lakhs which are outstanding for more than six months and three years respectively, as of March 31, 2022. The Holding Company also has foreign currency receivable balances aggregating to Rs 4,000.92 lakhs which are outstanding for more than nine months, as of March 31, 2022. 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.

# Notes to consolidated financial statements

for the year ended March 31, 2022

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

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

## 47. 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 2022, however in respect of pending all three licenses on which duty saved amounting to Rs 786.69 lakhs, required export obligation not fulfilled by the Holding Company during the validity period of license. The Holding Company has already filled application under PRC for extension period of above-mentioned license and the same is currently pending in PRC due to pandemic of COVID 19. Management is of the view that extension will be granted and required export obligation will be fulfilled in the extended period of advance license.

## 48A. Disclosure regarding relationship with Struck-off Companies

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

## 48B. Registration of charges or satisfaction with Registrar of Companies (ROC)

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

(Amount in Rs.)

Name of Lender	Loan Sanctioned	Charge Created	Difference	Remarks
HDFC Bank Limited	690,000,000	1,380,000,000	690,000,000	Twice charged created first by HDFC and secondly by UBI as lead bank.

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

The Foreign Subsidiary Company namely AOL Technologies FZE, Dubai (wholly owned subsidiary company) has Capital work in progress as on 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.

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

The Foreign Subsidiary Company namely AOL FZE, Dubai (wholly owned subsidiary company) has been incurring losses from last few years, resulting in erosion of net worth. The 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.

## 49C. Impairment testing of Ophthalmic lens Plant

The Holding Company has started lens plant in financial year 2017-18 for production of ophthalmic lens but the Holding Company has not achieved desired production capacity due to technical constraint and pandemic of COVID-19 situation in current year as well as in previous year, resulting fixed cost increase of the lens plant with low contribution, hence cash loss incurred in lens plant in current year as well as in previous years. As on 31st March 2022, WDV (including capital work in progress) of Ophthalmic Lens Plant is Rs 3,170.21 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 of Rs. 121.97 lakhs 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.



## Notes to consolidated financial statements

for the year ended March 31, 2022

### 50. Financial Ratios

Particulars	Numerator	Denominator	31-Mar-22	31-Mar-21	Variance (%)
Current Ratio	Current Assets	Current Liabilities	0.48	0.47	2.78%
Debt-Equity	Total Debt	Shareholder's Equity	1.99	2.22	-10.51%
Debt Service Coverage Ratio	EBITDA	Debt Service (Interest+Principal Repayment)	0.44	0.25	78.96%
Return on Equity (ROE)	Net Income after Tax	Shareholder's Equity	-0.40%	-22.02%	-98.18%
Inventory Turnover ratio	Cost of Goods Sold	Average Inventory	3.62	2.52	43.37%
Trade Receivables turnover ratio	Revenue from Operations	Average Trade Receivables	4.07	3.08	31.95%
Trade Payable turnover ratio	Purchases	Average Trade Payables	1.97	1.45	35.13%
Net capital turnover ratio	Revenue	Working Capital	-1.82	-1.42	28.06%
Net profit ratio	Net Profit/(Loss)	Total Revenue	-0.13%	-9.19%	-98.59%
Return on Capital Employed (ROCE)	EBIT	Capital Employed	30.34%	4.25%	614.09%
Return on Investment (ROI)	Return	Investment	4.03%	7.00%	-42.47%

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

1. Debt Service Coverage Ratio: Ratio improved due to improved Cash Profit before Interest.
2. Return on Equity (ROE): Ratio improved due to reduced Net Loss.
3. Inventory Turnover Ratio: Group has significantly reduced the holding period of inventory due to which ratio is improved.
4. Trade Receivables turnover ratio: Ratio is improved due to increase in Turnover and realization from some old Trade receivables of Holding Company.
5. Trade Payable turnover ratio: Ratio is improved due to increase in Purchase and repayment of some old Trade payables of Holding Company.
6. Net capital turnover ratio: Ratio improved due to improved Cash Profit and consequently repayment of Total Debts resulting in decrease in Working Capital Liability.
7. Net profit ratio: Ratio improved due to reduced Net Loss.
8. Return on Capital Employed (ROCE): Ratio improved due to reduced Net Loss.
9. Return on Investment (ROI): Ratio declined due to Investment in short term FDR having low rate of Interest.

### 51. 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 filed appeal in Securities Appellate Tribunal (SAT) against such order. SEBI Recovery Officer, Ahmedabad, issued Notice of demand (Certificate No. 3148 of 2020) dated November 11, 2020 asking to deposit the amount of penalty (Rs. 10.15 Crore principle and Rs. 85 Lacs interest) imposed on Holding Company, which was replied by the Holding Company mentioning that the Holding Company has already filed an appeal against the order in SAT. As there was no stay granted by SAT, SEBI recovery officer again sent a letter dated January 6, 2021, asking to deposit the amount of penalty or to satisfy SEBI by offering any security or asset that may cover dues otherwise they shall proceed with recovery proceedings. Accordingly, Dr. Kailash S Choudhari submitted an undertaking to the SEBI and offered his 1,77,09,218 Equity Shares as a security till the appeal before SAT is pending. SEBI Recovery Officer has accepted the shares offered by Dr. Choudhari and issued the Notice of attachment of DEMAT account on January 20, 2021 in favor of the NSDL. The arguments were concluded by both the sides on SAT Appeal hearings and matter is reserved for order by SAT.

### 52. Capital management

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

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

# Notes to consolidated financial statements

for the year ended March 31, 2022

(Rs. in Lakhs)

	31-Mar-22	31-Mar-21
Descriptions		
Borrowings	18,170.68	21,870.43
Less: Cash and cash equivalents	631.79	258.89
<b>Net debt</b>	<b>17,538.89</b>	<b>21,611.54</b>
Total equity	10,357.11	10,316.11
<b>Gearing ratio</b>	<b>169.34%</b>	<b>209.49%</b>

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2022 and 31 March 2021.

## 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 2021-22

(Rs. in Lakhs)

	Net Assets, i.e., total assets minus total liabilities	
	As % of consolidated net assets	"Amount (Rs. in lakhs)"
<b>Parent</b>		
Aksh Optifibre Limited	36.63%	3,793.59
<b>Subsidiaries</b>		
<b>Indian</b>		
Aksh Composites Private Limited	-0.31%	(32.12)
<b>Foreign</b>		
AOL FZE, (Dubai) *	13.79%	1,427.85
AOL Technologies FZE, (Dubai)	46.63%	4,829.50
Aksh Technologies (Mauritius) Limited, (Mauritius)	3.27%	338.29
<b>Total</b>	<b>100.00%</b>	<b>10,357.11</b>

	Share in Profit or Loss		Share in other comprehensive income		Share in other comprehensive income	
	As % of consolidated net assets	Amount (Rs. in lakhs)	As % of consolidated other comprehensive income	Amount (Rs. in lakhs)	As % of consolidated other comprehensive income	Amount (Rs. in lakhs)
<b>Parent</b>						
Aksh Optifibre Limited	(4,253.48)	1,766.39	63.89	52.73	4,436.88	1,819.12
<b>Subsidiaries</b>						
<b>Indian</b>						
Aksh Composites Private Limited	582.05	(241.72)	(0.78)	(0.64)	(591.12)	(242.36)
<b>Foreign</b>						
AOL FZE, (Dubai) *	2,976.83	(1,236.22)	277.16	228.75	(2,457.24)	(1,007.47)
AOL Technologies FZE, (Dubai)	758.78	(315.11)	(229.77)	(189.64)	(1,231.11)	(504.75)
Aksh Technologies (Mauritius) Limited, (Mauritius)	35.82	(14.87)	(10.50)	(8.67)	(57.41)	(23.54)
<b>Total</b>	<b>100.00</b>	<b>(41.53)</b>	<b>100.00</b>	<b>82.53</b>	<b>100.00</b>	<b>41.00</b>

\* Figures for AOL FZE, (Dubai) are figures after consolidation with its subsidiary AOL Composite Jiangsu Co. Ltd.

## 54. Fair Values

## Notes to consolidated financial statements

for the year ended March 31, 2022

	31-Mar-22	31-Mar-21
Derivative instruments		
Carrying value	-	0.59
Fair Value	-	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 2022 and 31 March 2021

### Quantitative disclosures fair value measurement hierarchy for assets as at 31 March 2022 and 31 March 2021

	Level 1	Level 2	Level 3
Derivative instruments			
At 31 March 2022	-	-	-
At 31 March 2021	-	0.59	-

There are no transfers among levels 1, 2 and 3 during the year.

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

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

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

Place: New Delhi  
Date: 13-05-2022

Sd/-  
**Dr. Kailash S. Choudhari**  
Chairman  
DIN : 00023824  
Place : Dubai (UAE)

Sd/-  
**Charan Deep Singh**  
Chief Financial Officer  
Place : Reengus

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

Sd/-  
**Gaurav Mehta**  
CEO-Corporate Affairs & Group Company Secretary  
Place : Reengus


Sd/-  
**Anubhav Raizada**  
Company Secretary  
Place : Reengus

## This image shows a full page of blank, lined paper. It features approximately 28 horizontal black lines spaced evenly across the page, typical of standard notebook paper. The lines are thin and extend from the left edge to the right edge. There are no margins, text, or other markings on the page.



# AKSH OPTIFIBRE LIMITED

## Corporate Office

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