



P.C. BINDAL & CO.
Chartered Accountants

101, Sita Ram Mansion, 718/21, Joshi Road,
Karol Bagh, New Delhi-110 005
☎ 45073430 / 31
e-mail : pcbindalco@gmail.com

Independent Auditors' Report

To the Members of Aksh Composites Private Limited

Report on the Financial statements

Opinion

We have audited the accompanying Ind AS financial statements of **Aksh Composites Private Limited** (the 'Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit of the 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 Ind AS 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 Ind AS financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Material Uncertainty Related to Going Concern

We draw your attention to Note No. 42 of financial statement, which indicates that the company has accumulated losses exceeding the share capital and reserves and its Net worth has been fully eroded. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern, however the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of this matter.



Emphasis of Matter

We draw your attention to;

- a) Note 44 to financial statement regarding the non-settlement of foreign currency payable as at 31st March 2023 amounting to Rs. 537.09 lakhs outstanding for a period of more than 3 years from the date of import and No foreign currency outstanding for a period of more than 6 months from the date of import, being the time permitted under the RBI Master Direction on Import of Goods and Services vide FED Master Direction No 17/2016-17 dated 01st January 2016 (as amended) issued by Reserve Bank of India. The Company has filed an application with Authorized Dealer seeking permission for extension of period for settlement of payable.
- b) Note 45 to financial statement regarding the export receivable of Rs.51.79 lakhs which are outstanding for a period of more than 9 months from the date of Invoice, being the time permitted under Foreign Exchange Management Act (FEMA), or such extended time as permitted by Reserve Bank of India (RBI). The Company has filed an application with RBI for extension of period for realisation of unrealised export proceeds within the prescribed time.

Our opinion is not modified in respect of these matters.

Other Information - Board of Directors' Report

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

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

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

Management's Responsibility for the Ind AS Financial Statements

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

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



Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS 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 Ind AS 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.



Report on Other Legal and Regulatory Requirements

1. As the Company is a Private Limited Company, hence disclosures as required by Section 197(16) of the Act relating to remuneration to its director 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. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of written representations received from the directors as on 31 March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. During the year the Company has not declared or paid dividend under section 123 of the Companies Act, 2013.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

Place of Signature: New Delhi
Date: 17.05.2023

For P. C. Bindal & Co.
Chartered Accountants
Firm Registration No.: 003824N



CA K. C. Gupta
Partner
M. No. 088638
UDIN-23088638BGSQPE6863

Annexure A to the Independent Auditors' Report

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

Based on the audit procedures performed for the purpose of reporting a true and fair view on the 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. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
- a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment and relevant details of right of use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.
 - b) According to the Information and explanation given to us, Property, Plant and Equipment have been physically verified by the management during the year. To the best of our knowledge, no discrepancies have been noticed on such verification. In our opinion, periodicity of physical verification of Property, Plant and Equipment is reasonable.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) 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) during the year.
 - e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. a) According to the information and explanation given to us, physical verification of inventory has been conducted at reasonable intervals by the management. The discrepancies noticed on verification between the physical stocks and the books records were not material and have been properly dealt with books of accounts.

b) According to the information and explanation given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence this clause of the Order is not applicable.
- 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 & Explanation given to us, the company has not given any loans, investments, guarantees and securities, to parties covered under section 185 and 186 of the Companies Act, 2013.
- 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. To the best of our knowledge and as explained to us, the Central Government has not prescribed maintenance of cost records under clause of sub section (1) of section 148 of the Companies Act, 2013 for the products of the company.
- vii. (a) According to the information and explanation given to us and according to the books and records produced before us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, goods & service tax, value added tax, cess and any other statutory dues with the appropriate authority, as applicable to it.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, goods & service tax, cess were in arrears, as at 31 March, 2023 for a period of more than six months from the date they become payable.
- (b) According to the books and records produced before us, there are no dues of income tax or sales tax or service tax or goods & service tax, value added tax or cess which have not been deposited on account of any dispute.
- 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) In our opinion and according to the information and explanations given to us and our examination of the records of the Company, the Company does not have any loans or borrowings from any banks and financial institutions. The Company did not have any outstanding loans or borrowings from the Government and did not have any dues to debenture holders during the year. Accordingly, the paragraph 3(ix)(a) of the Order is not applicable
- b) The Company has not been declared willful 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 and reporting of utilization of fund received from term loan are not applicable, hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d) According to the information and explanations given to us and our examination of the records of the Company, the company is not having any short-term loans from any banks and financial institutions . Accordingly, the paragraph 3(ix)(d) of the Order is not applicable.
- 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 any fraud on the Company has been noticed or reported during the course of our audit.

b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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 a not a Nidhi Company. Hence clause (xii) of Companies (Auditor's Report) Order, 2020 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 Ind AS financial statements as required by the applicable Indian accounting standards.

xiv. In our opinion and based on our examination, the company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act 2013.

xv. In our opinion and according to the information and explanation given to us, the company has not entered into any non-cash transaction with directors or persons under the provisions of section 192 of Companies Act-2013. Accordingly, paragraph 3(xv) of the Order is 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. According to the information and explanations given to us and our examination of the records of the Company, the company has incurred cash losses during the current the financial year amounting Rs. 7.61 Lakhs and incurred cash losses in the immediately preceding financial year amounting Rs. 8.53 Lakhs.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly this clause is not applicable.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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, except current liabilities are more than current assets which causes us to believe that any material uncertainty exists as on the date of the audit report 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. However, as per the current projections of the management, demand in the market and other various factors, Company are expecting to generate profit in the coming year, hence, company will be 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. According to the information and explanations given to us and our examination of the records of the Company, the provision in section 135 of the act is not applicable. Accordingly, paragraph 3(xx) of the Order is not applicable.

Place of Signature: New Delhi
Date: 17.05.2023

For P. C. Bindal & Co.
Chartered Accountants
Firm Registration No.: 003824N



CA K. C. Gupta
Partner

M. No. 088638
UDIN-23088638BGSQPE6863

"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 Composites Private Limited of even date)

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

We have audited the internal financial controls with reference to financial statements of Aksh Composites Private Limited ("the Company") as of 31 March, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements of the Company.



Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to financial statements


Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March, 2023, based on internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place of Signature: New Delhi
Date: 17.05.2023

For P. C. Bindal & Co,
Chartered Accountants
Firm Registration No.: 003824N



CA K. C. Gupta
Partner
M. No. 088638
UDIN-23088638BGSQPE6863

Assets	Notes	31-Mar-23	31-Mar-22
Non-current assets			
Property, Plant and Equipment	3(a) (i & ii)		
Intangible assets	3 (b)	619.23	735.38
Financial assets			
Other Financial Assets	4	38.32	44.82
Deferred tax assets (net)	5 (a)	251.32	237.49
		<u>908.87</u>	<u>1,017.69</u>
Current assets			
Inventories			
Financial Assets	7	25.21	129.27
Trade receivables			
Cash and cash equivalents	8	63.16	47.61
Other Financial Assets	9	1.98	0.95
Current tax assets (net)			
Other current assets	5 (b)	5.71	2.95
	6	<u>80.90</u>	<u>152.34</u>
Total Assets		<u>1,76.96</u>	<u>333.13</u>
		<u>1,085.84</u>	<u>1,350.82</u>
Equity and liabilities			
Equity			
Equity Share capital	10	360.00	360.00
Other Equity	11	(739.66)	(688.80)
		<u>(379.66)</u>	<u>(328.80)</u>
Non-current liabilities			
Financial Liabilities			
Lease Liabilities			
Trade payables	12		
(a) total outstanding dues to micro & small enterprises	16	70.20	139.62
(b) total outstanding dues other than above			
Deferred tax liabilities (net)		96.22	-
Other Financial liabilities	5 (a)	-	-
Provisions	13	9.25	9.25
	14	4.02	6.34
		<u>179.69</u>	<u>155.21</u>
Current liabilities			
Financial liabilities			
Borrowings			
Lease Liabilities	15	412.52	384.98
Trade payables	12	71.19	70.74
(a) total outstanding dues to micro & small enterprises	16	-	12.88
(b) total outstanding dues other than above			
Other financial liabilities		737.89	841.94
Other Current liabilities	17	48.12	64.19
Provisions	18	16.03	149.56
	14	0.06	0.12
		<u>1,285.81</u>	<u>1,524.41</u>
Total Equity and liabilities		<u>1,085.84</u>	<u>1,350.82</u>
Summary of significant Accounting policies	2.1		
The accompanying notes (1-49) are an integral part of the financial statements			

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

CA K.C. GUPTA
Partner
Membership No.: 888638

Place: New Delhi
Date:

17 MAY 2023



For and on behalf of the Board of Directors

Prashant Kumar Agrawal
Director
DIN : 07592212

Munesh Chandra
Director
DIN : 03447737

Place: New Delhi
Date: 17.5.2023

Place: New Delhi
Date: 17.5.2023



Income	Notes	INR in Lakhs	
		31-Mar-23	31-Mar-22
Revenue from operations	19		
Other income	20	880.05	836.70
Total Income (I)		29.24	32.89
		909.30	869.59
Expenses			
Cost of raw material and components consumed	21		
Purchase of traded goods	22	472.06	503.67
(Increase)/ decrease in inventories of finished goods, work-in-progress and	23	-	7.59
Employee benefits expense	24	95.30	(26.33)
Finance costs	25	93.62	96.55
Depreciation and amortisation expense	26	40.24	47.84
Other expense	27	116.53	111.18
Total expense (II)		158.76	195.64
Profit/(Loss) before exceptional items and tax, (I) - (II)		976.50	936.14
Exceptional (expense)/income	28	(67.21)	(66.55)
Profit/(Loss) before tax		-	(4.37)
Tax expenses		(67.21)	(70.92)
Current tax			
Deferred tax			
Income tax expense/(Income)		(14.48)	(17.44)
Profit/(Loss) for the year		(14.48)	(17.44)
Other comprehensive income		(52.72)	(53.48)
i) items that will not be reclassified to Profit or (Loss) in subsequent periods			
ii) Income Tax relating to these items		2.52	(0.87)
Other comprehensive income for the period, net of tax		(0.66)	0.23
Total comprehensive income for the period		1.87	(0.64)
Earnings per equity share	31	(50.86)	(54.12)
Basic earnings per equity share			
Diluted earnings per equity share		(1.46)	(1.49)
Summary of significant Accounting policies	2.1	(1.46)	(1.49)
The accompanying notes (1-49) are an integral part of the financial statements			

As per our report of even date

For P.C.BINDAL & CO.

Chartered Accountants

Firm Registration Number: 003824N.D.

CA K.C. GUPTA

Partner

Membership No.: 088638

Place: New Delhi

Date: 17 MAY 2023



For and on behalf of the Board of Directors

Prashant Kumar Agrawal
Director
DIN : 07592212

Munesh Chandra
Director
DIN : 03447737

Place: New Delhi
Date: 17.5.2023

Place: New Delhi
Date: 17.5.2023



AKSH COMPOSITES PRIVATE LIMITED

CIN : U74999MH2013PTC249575

Statement of Cash Flows For The Year Ended March 31, 2023

Particular	31-Mar-23	INR in Lakhs 31-Mar-22
A. Cash flow from operating activities		
Profit before tax		
Non-cash adjustment to reconcile profit before tax to net cash flows	(67.21)	(70.92)
Depreciation/amortization of Property, Plant & Equipment	116.53	111.18
Loss on sale of property, plant and equipment	-	4.37
Interest expense	39.75	46.25
Other comprehensive income	2.52	(0.87)
Interest income	(0.43)	(0.63)
Operating profit before working capital changes	91.16	89.38
Movements in working capital :		
Increase in trade payables, financial and other liabilities	(170.29)	72.49
Increase / (decrease) in long term provisions	(2.32)	2.33
Increase / (decrease) in short-term provisions	(0.06)	1.02
(Increase) / decrease in trade receivables	(15.55)	19.46
(Increase) / decrease in inventories	104.06	55.87
(Increase) / decrease in other assets	77.94	27.92
Cash generated from operations	84.94	268.46
Direct taxes paid	(2.77)	(2.57)
Net cash flow / (Used in) from operating activities (A)	82.17	265.89
B. Cash flows from investing activities		
Purchase of property, plant and equipment, including CWIP	-	(2.00)
Proceeds from sale of property, plant and equipment	(0.38)	3.20
Interest income	0.43	0.63
Net cash flow from / (used in) investing activities (B)	0.05	1.83
C. Cash flows from financing activities		
Proceeds / (repayments) from / of short-term borrowings	27.54	(163.26)
Increase / (Decrease) in Lease Liability	(68.98)	(64.57)
Finance cost	(39.75)	(46.25)
Net cash from / (used in) financing activities (C)	(81.19)	(274.08)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	1.03	(6.36)
Cash and cash equivalents at the beginning of the year	0.95	7.31
Cash and cash equivalents at the end of the year	1.98	0.95
Components of cash and cash equivalents		
Cash on hand	-	0.01
With banks- on current account	1.98	0.94
Total cash and cash equivalents (refer note no. 9)	1.98	0.95
Summary of significant accounting policies		
The accompanying notes (1-49) are an integral part of the financial statements		

As per our report of even date

For P.C.BINDAL & CO.

Chartered Accountants

Firm Registration Number: 003824N

CA K.C. GUPTA

Partner

Membership no.: 088638



Place: New Delhi

Date: 17 MAY 2023

For and on behalf of the Board of Directors

Prashant Kumar Agrawal
Prashant Kumar Agrawal
Director
DIN : 07592212

Munesh Chandra
Munesh Chandra
Director
DIN : 03447737



Place: New Delhi

Date: 17-5-2023

Place: New Delhi
Date: 17-5-2023

Aksh Composites Private Limited

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

1. Corporate information

Aksh Composites Private Limited is a private Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The registered office of the Company is located at 222 Creative Industrial Estate, N.M.Joshi Marg, Mumbai, Mumbai City, Maharashtra, India, 400011.

The Company is engaged in the manufacturing of Fibre Reinforced Plastic Rods and Impregnated Glass Roving Reinforcement. The Company caters to both domestic and international markets.

The Company's financial statements are approved for issue by the Company's Board of Directors on 17th May 2023.

2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to section 133 of Companies Act, 2013 (Act) read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provision of the Act.

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 (INR) and all values are rounded to the nearest lakhs, except otherwise stated.

2.1 Summary of significant accounting policies

2.1.1 Current v/s non-current Classification

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.



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Aksh Composites Private Limited

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

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.

2.1.2 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.

2.1.3 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received from sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell an asset or transfer the liability takes place either:

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

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

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

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

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



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Aksh Composites Private Limited

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

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.

2.1.4 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.

2.1.5 Inventories

Inventories are valued at the lower of cost or 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.



Sham *DRP*

A circular corporate stamp for Aksh Composites Private Limited. The stamp includes the company name and a central logo. Handwritten signatures "Sham" and "DRP" are written over the stamp.

Aksh Composites Private Limited

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

2.1.6 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.

2.1.7 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.

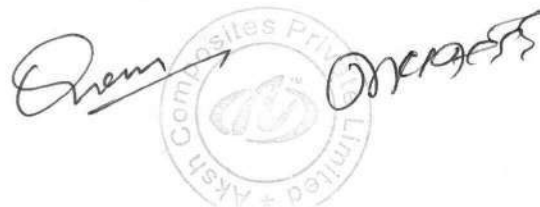
Deferred tax liabilities are recognised for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses if any. 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, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted as at the reporting date.

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.



Aksh Composites Private Limited

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

2.1.8 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 carrying value has been assumed to be 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 Company 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.

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 as defined in the Scheduled II of Companies act, 2013..

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.

2.1.9 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. 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.



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Aksh Composites Private Limited

Aksh Composites Private Limited

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

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.

2.1.10 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.

2.1.11 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 plan is a post-employment benefit plan under which an entity pays fixed contributions to a statutory authority and will have no legal or constructive obligation to pay further amounts.

The Company's contributions towards pension fund are deposited with the Regional Provident Fund Commissioner. Pension fund is considered to be a defined contribution plan and the Company's contribution paid/payable under the scheme is recognised as an expense in the period in which the employee renders the related service.

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, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Other long term benefits: Compensated Absences

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

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

2.1.12 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



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Aksh Composites Private Limited

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

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.

2.1.13 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.

2.1.14 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.

2.1.15 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.



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2.1.16 Earnings per share (EPS)

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

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

2.1.17 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.

2.1.18 Dividends

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

2.1.19 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.

2.1.20 Recent accounting pronouncements

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

Ind AS 1 - Presentation of Financial Statements -

This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors -

This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes -

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.



Shruti
Manager

AKSH COMPOSITES PRIVATE LIMITED
Notes to financial statements for the year ended March 31, 2023

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

	Leasehold Improvement	Plant and equipment	Testing Instruments	Air Conditioners	Furniture and fixtures	Office Equipment	Data Processing System	INR in Lakhs Total
Cost								
At 1 April 2021	11.78	711.25	3.32	2.29	3.30	9.33	6.50	747.77
Additions	-	2.00	-	-	-	-	-	2.00
Disposals / adjustments	-	(9.74)	-	-	-	-	-	(9.74)
At 31 March 2022	11.78	703.51	3.32	2.29	3.30	9.33	6.50	740.03
Additions	-	-	-	-	-	-	-	-
Disposals / adjustments	-	-	-	-	-	-	0.39	0.39
At 31 March 2023	11.78	703.51	3.32	2.29	3.30	9.33	6.89	740.41
Accumulated Depreciation								
At 1 April 2021	6.22	149.18	1.03	0.83	1.03	4.51	5.66	168.45
Charge for the year	0.62	43.86	0.21	0.23	0.31	1.84	0.41	47.47
Disposals / adjustments	-	(2.17)	-	-	-	-	-	(2.17)
At 31 March 2022	6.84	190.86	1.24	1.06	1.34	6.35	6.07	213.75
Charge for the year	1.56	43.50	0.21	0.23	0.31	1.80	0.23	47.84
Disposals / adjustments	-	-	-	-	-	-	-	-
At 31 March 2023	8.40	234.36	1.45	1.29	1.65	8.15	6.30	261.59
Net Block								
At 31 March 2023	3.38	469.15	1.87	1.00	1.65	1.18	0.59	478.82
At 31 March 2022	4.94	512.65	2.08	1.23	1.96	2.98	0.43	526.28

3(a) (ii) Right to use of Assets

	Right to use of Building
Opening Balance as on 01 April 2021	405.11
Addition on Transition date	-
Addition	-
Deletion on account of modification	-
Opening Balance as on 01 April 2022	405.11
Addition	-
Deletion	-
Total	405.11
Accumulated Depreciation	
Opening Balance as on 01 April 2021	132.36
During the year	63.66
Opening Balance as on 01 April 2022	196.02
During the year	68.69
Total	264.71
Net block value	
At 31 March 2023	140.41
At 31 March 2022	209.10

Notes:

(i) The total cash outflow for leases is Rs 77.14 Lakhs for the year ended 31st March, 2023 (Previous Year-Rs.72.09 Lakhs).

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

3(b) Intangible assets

INR in Lakhs

Gross block	
At 1 April 2021	0.48
Additions	-
Disposals / adjustments	-
At 31 March 2022	0.48
Additions	-
Disposals / adjustments	-
At 31 March 2023	0.48
Accumulated Amortisation	
At 1 April 2021	0.43
Charge for the year	0.05
Disposals / adjustments	-
At 31 March 2022	0.48
Charge for the year	-
Disposals / adjustments	-
At 31 March 2023	0.48
Net block value	
At 31 March 2023	-
At 31 March 2022	-



Signature
Aksh Composites Private Limited
Signature

	31-Mar-23	31-Mar-22
(Unsecured, Considered Good, unless otherwise stated)		
Non-Current		
Security deposit, Considered good	38.32	44.82
Security deposit, Considered doubtful	7.69	-
Less: Provision for Doubtfull Assets	(7.69)	-
	38.32	44.82

5 (a) . Deferred Tax Liabilities/(Assets) net

	31-Mar-23	31-Mar-22
Deferred Tax Liability		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	74.80	90.22
Gross deferred tax liability	74.80	90.22
Deferred tax asset		
Impact of carried forward losses	280.58	261.09
Adjustment in accordance with Ind AS	37.68	57.36
Employee benefit expenses	1.25	2.64
Gross deferred tax asset	319.50	321.10
MAT credit	6.62	6.62
Deferred Tax Liabilities/(Assets) (net)	(251.32)	(237.49)

Reconciliation of deferred tax liabilities / (assets)

	31-Mar-23	31-Mar-22
Opening deferred tax liabilities / (assets) (net)	(237.49)	(219.83)
(Deferred tax credit) / charge recorded in statement of profit & loss	(14.48)	(17.44)
(Deferred tax credit) / charge recorded in OCI	0.66	(0.23)
Utilisation of MAT credit	-	-
Closing deferred tax liabilities / (assets) (net)	(251.32)	(237.49)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2022 and 31 March 2023:

	31-Mar-23	31-Mar-22
Accounting profit before income tax		
At India's statutory income tax rate of 26%. (31 March 2022: 26%)	(67.21)	(70.92)
Impact of future tax rate change for deferred tax	(17.47)	(18.44)
Impact of permanent disallowances under Income Tax Act	-	-
Others	2.53	0.91
At the effective income tax rate of 21.55% (31 March 2022: 24.59%)	1.12	0.19
Income tax expense reported in the statement of profit and loss	(13.83)	(17.34)
	(14.48)	(17.44)

5 (b) . Current Tax Assets and Liabilities

	31-Mar-23	31-Mar-22
Current tax asset		
Current tax liability	5.71	2.95

6. Other Assets

	31-Mar-23	31-Mar-22
(Unsecured, Considered Good, unless otherwise stated)		
Current		
Advances recoverable in cash or kind	29.99	29.48
Prepaid expenses	0.21	3.48
Balances with statutory / government authorities	50.71	119.38
Total Other Current Assets	80.90	152.34

7. Inventories

	31-Mar-23	31-Mar-22
(Valued at lower of cost and net realisable value)		
Finished and traded goods	4.12	100.61
Raw material	2.60	4.86
Semi finished goods	2.77	1.59
Stores, spares and others	15.72	22.22
	25.21	129.27

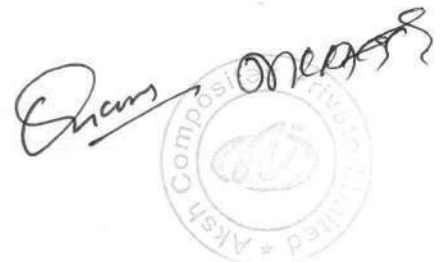
8. Financial assets - Trade Receivables

	31-Mar-23	31-Mar-22
Trade receivables		
Receivables from related parties	11.37	-
Trade receivables which have significant increase in credit risk	51.79	47.61
Trade Receivables - Credit Impaired	-	-
Less : Provision for doubtful debts	63.16	47.61
	63.16	47.61
Breakup of security details		
Secured, considered good	63.16	47.61
Unsecured, considered good	-	-
Considered doubtful	63.16	47.61

There are no trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any Trade receivables are generally non-interest bearing and are generally on terms of 0 to 30 days.

Ageing for trade receivables as at March 31, 2023 & March 31, 2022 is as follows:

Outstanding for following periods from due date of Payment						
Particulars						Total
	Less then 6 months	6 months-1 years	1-2 years	2- 3 years	More than 3 years	
As at March 31, 2023						
(i) Undisputed Trade Receivables- Considered Good	11.37	-	-	-	-	-
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	51.79	63.16
(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	-	-	-	-	-	-
As at March 31, 2022						
(i) Undisputed Trade Receivables- Considered Good	-	-	-	-	-	-
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	47.61	-	47.61
(iii) Undisputed Trade Receivables Credit Impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- Considered Good	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables Credit Impaired	-	-	-	-	-	-



9. Financial assets - Cash and Cash equivalents

	31-Mar-23	31-Mar-22
Balances with banks:		
On current accounts		
Cash on hand	1.98	0.94
	-	0.01
	1.98	0.95

10. Share Capital

	31-Mar-23	31-Mar-22
Authorized Shares (Nos)		
4,000,000 (March 31, 2022 : 4,000,000) Equity Shares of Rs. 10/- each		
Issued, subscribed and fully paid-up shares (Nos.)	400.00	400.00
3,600,000 (March 31, 2022 : 3,600,000) Equity Shares of Rs. 10/- each		
	360.00	360.00
	360.00	360.00

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

		31-Mar-23	31-Mar-22
At the beginning of the year	Nos.	36,00,000	36,00,000
Outstanding at the end of the year	Nos.	36,00,000	36,00,000
At the beginning of the year	Rs.. in Lakhs	360.00	360.00
Outstanding at the end of the year	Rs.. in Lakhs	360.00	360.00

Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting.

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

(b) Shares held by Promoters at the end of the year ended 31st March, 2023 & 31st March, 2022

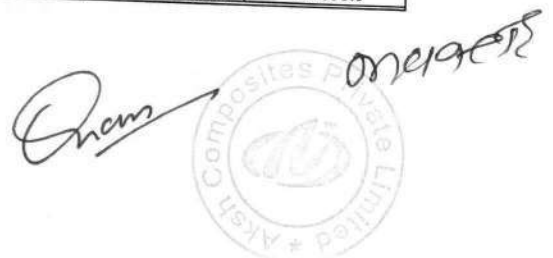
Promoter Name	31-Mar-2023		31-Mar-2022		% Change During the Year
	No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
Aksh Optifibre Limited (including its Nominee)	36,00,000	100.00%	36,00,000	100.00%	-
Total	36,00,000	100.00%	36,00,000	100.00%	-

(c) Other detail of equity Share for a period of five years immediately preceding 31st March, 2023

Particulars	As at 31st March, 2023	As at 31st March, 2022
- Aggregate number of Share allotted as fully paid up pursuant to contract without being received in cash	Nil	Nil
- Aggregate number of Share allotted as fully paid bonus Share	Nil	Nil
- Aggregate number of Share bought back	Nil	Nil

(d) Details of shareholders holding more than 5%

Name of Shareholders	As at 31st March, 2023		As at 31st March, 2022	
	No.	% holding in the class	No.	% holding in the class
Equity Shares of Rs. 10/- each fully paid				
- Aksh Optifibre Limited	36,00,000	100.00%	36,00,000	100.00%
	36,00,000	100.00%	36,00,000	100.00%



11. Other Equity

	31-Mar-23	31-Mar-22
Retained Earnings		
Balance as per the last financial statements		
Loss for the year	(688.80)	(634.68)
Less Other Comprehensive Income	(52.72)	(53.48)
Closing Balance	1.87	(0.64)
	(739.66)	(688.80)

12. Lease Liabilities

	31-Mar-23	31-Mar-22
Non-Current Lease Liabilities	70.20	139.62
Current Lease Liabilities	70.20	139.62
	71.19	70.74
	71.19	70.74

13. Other Financial liabilities

	31-Mar-23	31-Mar-22
Non-Current Security Deposit	9.25	9.25
	9.25	9.25

14. Provisions

	31-Mar-23	31-Mar-22
Non-Current Provision for Gratuity & Compensated Absences (refer note no. 29)	4.02	6.34
Current Provision for Gratuity & Compensated Absences (refer note no. 29)	4.02	6.34
	0.06	0.12
	0.06	0.12

15. Short Term Borrowings

	31-Mar-23	31-Mar-22
Unsecured Loans		
Indian Rupee Loan from Holding Company*	412.52	384.98
* Interest on loan is Charged @ 12% p.a	412.52	384.98
Total secured loans	-	-
Total unsecured loans	412.52	384.98

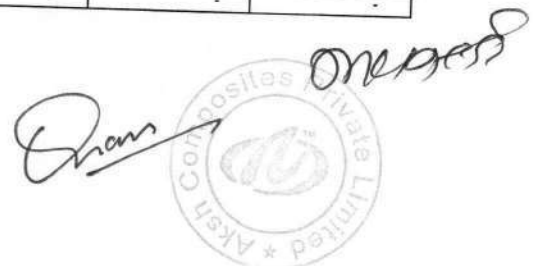
16. Financial liabilities - Trade Payables

	31-Mar-23	31-Mar-22
Non-Current Trade Payables to micro and small enterprises (refer note no. 37)	96.22	-
Trade Payables to others	96.22	-
Current Trade Payables to micro and small enterprises (refer note no. 37)	-	12.88
Trade Payables to others	737.89	841.94
Other Details	737.89	854.81
Trade payables to related parties (refer note no. 30 (e))	47.41	17.13
Others	786.70	837.68

Trade payables are generally non-interest bearing and are generally on terms of 15 to 30 days.

Ageing for trade payables outstanding as at March 31, 2023 & March 31, 2022 is as follows:

Particulars	Outstanding for following periods from due date of Payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023					
MSME	-	-	-	-	-
Others	93.74	12.99	4.61	722.76	834.10
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
As at March 31, 2022					
MSME	-	6.99	4.76	1.12	12.88
Others	113.95	6.10	55.18	666.71	841.94
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-



17. Financial liabilities - Other Financial Liabilities

	31-Mar-23	31-Mar-22
Current		
Others	48.12	64.19
	48.12	64.19

18. Other Current Liabilities

	31-Mar-23	31-Mar-22
Advance from Customers	10.21	140.73
Others	5.83	8.84
	16.03	149.56

19. Revenue From Operations

	31-Mar-23	31-Mar-22
Revenue from contracts with		
Sale of products		
- Finished goods	896.75	793.29
- Traded goods	-	12.40
Sale of Services	1.75	23.45
Other operating revenue		
- Scrap sales	3.09	10.28
- Export Incentives	14.69	8.96
- Exchange Fluctuation	(36.23)	(11.68)
	880.05	836.70

(a) Disaggregation of revenue has been disclosed on the basis business segment and geography (refer note no. 40)

(b) Reconciliation of Revenue from operations with contract price

	31-Mar-23	31-Mar-22
Contract price	901.59	839.42
Less : Liquidation damage charges	-	-
Less : Rebate / Discount	-	-
Total revenue from operations	901.59	839.42

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

(c) Contract balances

	31-Mar-23	31-Mar-22
Contract Liabilities		
Advance from customers	10.21	140.73
Total	10.21	140.73
Receivables		
Trade receivables	63.16	47.61
Less: Provision for doubtful debts	-	-
Total	63.16	47.61

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.

20. Other Income

	31-Mar-23	31-Mar-22
Interest income		
on deposits	0.43	0.63
Other Income	28.82	32.26
	29.24	32.89

21. Cost of raw material and components consumed

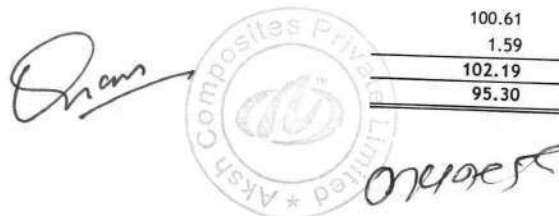
	31-Mar-23	31-Mar-22
Inventory at the beginning of the year	4.86	22.37
Add: Purchases	469.80	486.16
	474.66	508.53
Less: inventory at the end of the year	2.60	4.86
Cost of raw material and components consumed	472.06	503.67

22. Details of purchase of traded goods

	31-Mar-23	31-Mar-22
Telecom Products	-	7.59
	-	7.59

23. (Increase)/ decrease in inventories

	31-Mar-23	31-Mar-22
Inventories at the end of the year		
Finished/Traded goods	4.12	100.61
Semi Finished goods	2.77	1.59
	6.90	102.19
Inventories at the beginning of the year		
Finished/traded goods	100.61	46.85
Semi finished goods	1.59	29.01
	102.19	75.86
	95.30	(26.33)



24. Employee benefits expense

	INR in Lakhs	
	31-Mar-23	31-Mar-22
Salaries, wages and bonus	89.08	91.99
Gratuity	1.68	2.39
Staff welfare expenses	2.86	2.17
	<u>93.62</u>	<u>96.55</u>

25. Finance costs

	INR in Lakhs	
	31-Mar-23	31-Mar-22
Interest on Cash Credit	-	6.58
Interest Others*	39.75	39.67
Bank Charges	0.49	1.59
	<u>40.24</u>	<u>47.84</u>

* Interest others includes interest on lease liability is Rs.9.15 Lakhs (Previous Year : Rs. 9.07 lakhs) for the year ended on 31 March 2023.

26. Depreciation and amortisation expense

	INR in Lakhs	
	31-Mar-23	31-Mar-22
Depreciation of Property, Plant & Equipment	47.84	47.47
Depreciation on Right to use of Assets (Lease Assets)	68.69	63.66
Amortisation of intangible assets	-	0.05
	<u>116.53</u>	<u>111.18</u>

27. Other expenses

	INR in Lakhs	
	31-Mar-23	31-Mar-22
Consumption - Stores and Spares, Packing Material	49.40	103.60
Power & Fuel	53.19	42.13
Repair & Maintenance		
- Plant & Machinery	2.17	2.26
- Buildings	-	0.30
- Others	2.12	3.15
Marketing & Service Charges	0.75	0.49
Freight & Cartage (Outward)	10.16	13.26
Travelling & Conveyance	5.93	5.62
Postage & Telephone	0.30	0.20
Insurance	3.69	3.10
Rent	0.00	2.64
Professional & Legal Expenses	2.38	3.94
Provision for Doubtfull Assets	7.69	-
Auditors' Remuneration*	3.00	3.00
Security Charges	5.24	6.12
Other Expenses	12.74	5.85
	<u>158.76</u>	<u>195.64</u>

28. Exceptional (expense)/income

	INR in Lakhs	
	31-Mar-23	31-Mar-22
Profit / (loss) on sale of property plant and equipments	-	(4.37)
	<u>-</u>	<u>(4.37)</u>



Sham *AKSH COMPOSITES PRIVATE LIMITED* *20/03/23*

29. Employee benefits

	INR in Lakhs	
	31-Mar-23	31-Mar-22
Non Current		
Provision for Gratuity		
Provision for Compensated absence	2.73	3.90
Total	1.29	2.44
Current	4.02	6.34
Provision for Gratuity		
Provision for Compensated absence	0.00	0.01
Total	0.06	0.10
	0.06	0.12

Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

Defined benefit plans

Gratuity:

Provision for gratuity is determined based on actuarial valuation using projected unit credit method.

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:

	INR in Lakhs	
	Gratuity	Compensated absences
Defined benefit obligation at 1 April 2021		
Interest expense	1.64	1.48
Service cost	0.11	0.10
Past Service Cost including curtailment Gains / Losses	2.28	1.53
Benefits paid	-	-
Actuarial (gain)/ loss on obligations	(0.98)	(0.67)
Defined benefit obligation at 31 March 2022	0.87	0.11
Interest expense	3.91	2.55
Service cost	0.28	0.18
Past Service Cost including curtailment Gains / Losses	1.40	0.89
Benefits paid	-	-
Actuarial (gain)/ loss on obligations	(0.34)	(0.35)
Defined benefit obligation at 31 March 2023	(2.52)	(1.93)
	2.73	1.35

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

	INR in Lakhs	
	Gratuity	Compensated absences
Present value of obligation		
Fair value of plan assets	3.91	2.55
Net assets / (liability) recognized in balance sheet as provision as at 31 March 2022	-	-
Present value of obligation	(3.91)	(2.55)
Fair value of plan assets	2.73	1.35
Net assets / (liability) recognized in balance sheet as provision as at 31 March 2023	(2.73)	(1.35)

Amount recognised in Statement of Profit and Loss:

	INR in Lakhs	
	Gratuity	Compensated absences
Current service cost		
Net interest expense	2.28	1.53
Net actuarial (gain)/loss recognised in the period	0.11	0.10
Amount recognised in Statement of Profit and Loss for year ended 31 March 2022	-	0.11
Current service cost	2.39	1.74
Net interest expense	1.40	0.89
Net actuarial (gain)/loss recognised in the period	0.28	0.18
Amount recognised in Statement of Profit and Loss for year ended 31 March 2023	-	(1.93)
	1.68	(0.86)

Amount recognised in Other Comprehensive Income:

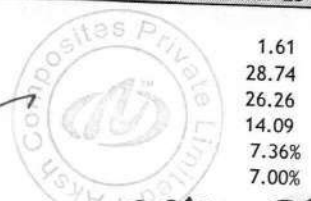
	INR in Lakhs	
	Gratuity	Compensated absences
Actuarial (gain)/ loss on obligations		
Return on plan assets (excluding amounts included in net interest expense)	0.87	-
Amount recognised in Other Comprehensive Income for year ended 31 March 2022	0.87	-
Actuarial (gain)/ loss on obligations		
Return on plan assets (excluding amounts included in net interest expense)	(2.52)	-
Amount recognised in Other Comprehensive Income for year ended 31 March 2023	(2.52)	-

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

	31-Mar-23	31-Mar-22
Average Past Service (in years)	1.61	1.23
Average Age (in years)	28.74	30.83
Average remaining working life (in years)	26.26	24.17
Weighted average duration of PBO	14.09	13.40
Discounting rate	7.36%	7.19%
Future salary Increase	7.00%	7.00%



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Sensitivity analysis:

Sensitivity Analysis of the defined benefit obligation - Gratuity Plan

Particulars	31-Mar-23	31-Mar-22
Impact on defined benefit obligation		
Delta effect of +0.5% change in discount rate	2.73	3.91
Delta effect of -0.5% change in discount rate	(0.19)	(0.25)
Delta effect of +0.5% change in salary increase	0.21	0.27
Delta effect of -0.5% change in salary increase	0.21	0.27
	(0.19)	(0.25)

Sensitivity Analysis of the defined benefit obligation - Compensated absences

Particulars	31-Mar-23	31-Mar-22
Impact on defined benefit obligation		
Delta effect of +0.5% change in discount rate	1.35	2.55
Delta effect of -0.5% change in discount rate	(0.09)	(0.14)
Delta effect of +0.5% change in salary increase	0.10	0.15
Delta effect of -0.5% change in salary increase	0.10	0.15
	(0.09)	(0.14)

Defined contribution plans

	31-Mar-23	31-Mar-22
Employer's Contribution to Provident Fund	4.94	4.94
	4.94	4.94

INR in Lakhs

30. 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) Holding Company

- Aksh Optifibre Limited

(b) Fellow Subsidiary

- AOL FZE, (Dubai)
- AOL Composites (Jiangsu) Co. Limited, (China) (step down subsidiary of AOL FZE Dubai)
- AOL Technologies FZE, (Dubai)
- Aksh Technologies (Mauritius) Limited, (Mauritius)

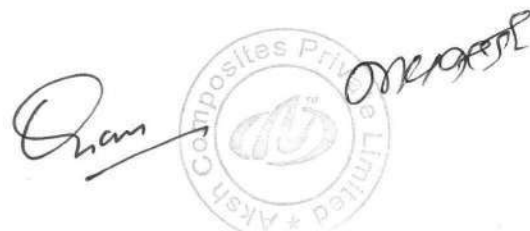
(c) Key Management personnel

- Mr. Prashant Kumar Agrawal
- Mr. Munesh Chandra
- Mr. Chandra Shekhar Gupta (till 18th August, 2021)
- Mrs. Savita Pandey (from 09th June, 2021)

(d) Transaction with related parties

Nature of Transaction	Holding	Fellow Subsidiary	KMP / Others	INR in Lakhs
Interest expense on Loan	30.60			Total
	30.60			30.60
Purchase / Services Received	175.03	-	-	30.60
	6.90	-	-	175.03
Sale	160.18	-	-	6.90
	226.20	-	-	160.18
Reimbursement of Expenses	1.89	-	-	226.20
	1.92	-	-	1.89
				1.92

Figures in italic represents Previous Year



(e) Balance due (to)/ from

	31-Mar-23	31-Mar-22
Holding		
Trade Receivables		
Loan and advances		
Trade and other Payables	(412.52)	(384.98)
Advance from Customer	(28.77)	
Fellow Subsidiary		
Trade Receivables	(10.01)	
Trade and other Payables	51.79	47.61
Advance to Supplier	(18.63)	(17.13)
	28.69	28.69

31. Earnings per share (EPS)

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

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

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

	31-Mar-23	31-Mar-22
Profit for the year	(52.72)	(53.48)
Weighted average number of equity shares in calculating basic EPS (absolute value in number)	36,00,000	36,00,000
Effect of dilution		
Weighted average number of equity shares in calculating basic EPS (absolute value in number)	36,00,000	36,00,000
Earning per share		
Basic EPS (on nominal value of Rs. 10 per share) Rs./share		
Diluted EPS (on nominal value of Rs. 10 per share) Rs./share	(1.46)	(1.49)
	(1.46)	(1.49)

32. 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 29.



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(d) Provision for trade

Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experience adjusted for forward-looking estimates. Individual trade receivables are written off when management deems them not to be collectible.

(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.

33. Leases

Operating Lease :

The Company has entered into a lease agreement. The lease term is for periods of five years with lock-in period of three years and renewable at the option of both the parties.

Future minimum rentals payable under non cancellable operating leases are as follows:

	31-Mar-23	31-Mar-22
With in one year		
After one year but not more than five years	63.54	72.09
More than five years	-	63.54
	63.54	135.64

34. Capital & other commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

INR in Lakhs
31-Mar-23 31-Mar-22

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.

35. Contingent liabilities

Particulars

Claim not acknowledge as debts 31-Mar-23 INR in Lakhs 31-Mar-22

36. Derivatives Instruments

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

Particulars	Currency	31-Mar-23	(Amount in Lakhs) 31-Mar-22
Export of goods	USD		
Advance to Vendor	USD	0.63	0.63
		0.41	0.41

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

Particulars	Currency	31-Mar-23	(Amount in Lakhs) 31-Mar-22
Import of goods and services	USD		
Advance from Customer	USD	6.54	6.54
		-	1.72

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

Descriptions	31-Mar-23	(Amount in Lakhs) 31-Mar-22
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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

Interest due on above

The amount of interest paid by the buyer in terms of section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.

The amount of interest accrued and remaining unpaid at the end of each accounting year.

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

	12.88
	6.04
	7.10
	7.10



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38. Financial risk management objectives and policies

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

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is responsible to ensure that Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

A. Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, 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

Descriptions	Increase /Decrease in Basis points	INR in Lakhs Effect on profit before tax
31-Mar-23		
Base Rate		
Base Rate	+50	-
31-Mar-22	-50	-
Base Rate		
Base Rate	+50	-
	-50	-

*Prime Lending Rate ('PLRs') set by Indian bank in respect of their loans

(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.

Foreign currency sensitivity

	Changes in USD	Effect on profit before tax
31-Mar-23		
	+5%	-22.59
	-5%	22.59
31-Mar-22		
	+5%	-20.78
	-5%	20.78

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.



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Aksh Composites Private Limited
01/09/23

AKSH COMPOSITES PRIVATE LIMITED

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

(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 treasury 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 2023 and 31 March 2022 is the carrying amounts of each class of financial assets except for financial guarantees and derivative financial instruments. The Company's maximum exposure relating to financial derivative instruments is noted in note no 38 and the liquidity table below:

C. Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in meeting its present and future obligations associated with financial liabilities that are required to be settled by delivering cash or another financial asset. The Company's objective is to, at all times, maintain optimum levels of liquidity to meet its cash and collateral obligations. The Company requires funds both for short-term operational needs as well as for long-term investment programs mainly in growth projects. The Company closely monitors its liquidity position and deploys a robust cash management system. It aims to minimise these risks by generating sufficient cash flows from its current operations, which in addition to the available cash and cash equivalents, liquid investments and sufficient committed fund facilities, will provide liquidity.

The liquidity risk is managed on the basis of expected maturity dates of the financial liabilities. The average credit period taken to settle trade payables is about 30 - 90 days. The other payables are with short-term durations. The carrying amounts are assumed to be reasonable approximation of fair value. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

	Payable on Demand	0-12 months	1-5 years	> 5 years	INR in Lakhs Total
As at 31 March 2023					
Borrowings	412.52	-	-	-	412.52
Trade payables	-	737.89	-	-	834.10
Other financial liabilities (including lease liabilities)	-	119.31	96.22 70.20	- 9.25	198.76
	412.52	857.19	166.42	9.25	1,445.39
As at 31 March 2022					
Borrowings	384.98	-	-	-	384.98
Trade payables	-	854.82	-	-	854.82
Other financial liabilities (including lease liabilities)	-	134.93	148.87	-	283.80
	384.98	989.75	148.87	-	1,523.60

39. Capital management

The purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep the gearing ratio optimum. The Company includes within net debt, interest bearing loans and borrowings, trade and other payables less cash and cash equivalents excluding discontinued operations

Descriptions	31-Mar-23	31-Mar-22
Borrowings	412.52	384.98
Less: Cash and cash equivalents	1.98	0.95
Net debt	410.54	384.03
Total equity	(379.66)	(328.80)
Gearing ratio	-108%	-117%

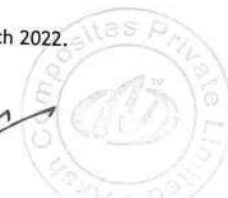
In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

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



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40 . Segment Reporting

The company operation predominately related to telecom product and accordingly this is only primary reportable segment as per Ind AS108 "Operative Segment"

Geographical information**Particular**

(1) Revenue from external customer

Within India

Outside India

Total Revenue as per statement of profit and loss

31-Mar-23

Rs . In Lakhs

31-Mar-22

322.12

515.32

557.93

321.39

880.05

836.70

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

Revenue from customers in India amounted (More than 10% of total turnover) to Rs. 160.18 Lakhs (March 31 2022 Rs. 413.37 Lakhs)

Revenue from customers in Outside India amounted (More than 10% of total turnover) to Rs. 500.20 Lakhs (March 31 2022 Rs. 296.19 Lakhs)

(2) Non current Operating assets

Within India*

Outside India

Total

*Including Deferred Tax Assets

908.87

1,017.69

908.87

1,017.69

41 . Financial Ratios

Particulars	Numerator	Denominator	31-Mar-23	31-Mar-22	Variance (%)
Current Ratio	Current Assets	Current Liabilities	0.14	0.22	-37.02%
Debt-Equity	Total Debt	Shareholder's Equity	(1.09)	(1.17)	-7.20%
Debt Service Coverage Ratio	EBITDA	Debt Service (Interest+Principal Repayment)	2.24	1.87	19.80%
Return on Equity (ROE)	Net Income after Tax	Shareholder's Equity	-14.65%	-14.85%	-1.41%
Inventory Turnover ratio	Cost of Goods Sold	Average Inventory	7.35	3.08	138.12%
Trade Receivables turnover ratio	Revenue from Operations	Average Trade Receivables	15.89	14.59	8.89%
Trade Payable turnover ratio	Purchases	Average Trade Payables	0.64	0.62	3.54%
Net capital turnover ratio	Revenue	Working Capital	(0.77)	(0.71)	8.00%
Net profit ratio	Net Profit	Total Revenue	-5.99%	-6.39%	-6.26%
Return on Capital Employed (ROCE)	EBIT	Capital Employed	-7.10%	-5.69%	24.84%
Return on Investment (ROI)	Return	Investment	NA	NA	0.00%

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

- 1.Current Ratio : Ratio declined due proportion of decrease in current liability is more in comparison to decrease in current assets.
- 2.Inventory Turnover ratio : Ratio improved due to decrease in inventory at year end & increase in purchase.

42 . Going Concern

The Company has reported net loss of Rs.50.86 lakhs during the year and also reported accumulated losses of Rs. 739.66 lakhs (including current year) as at 31.03.2023 due to which the entire net worth of the company has been fully eroded. Loss for the year has reported on account of low volume of turnover, and low volume of turnover had many reasons, hence Company was not able to recover its fixed cost. On the basis of current projections, demand in the market and other various factors, Company are expecting to generate profit in the coming year, hence, the Financial Statements has been prepared on Going Concern basis.

43 . Balance receivable / payable / advances paid / advances received from parties are subject to confirmation

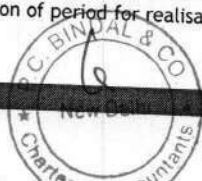
The Company has sent emails to various parties for confirmations of balances , to which only some parties have responded. Balances of those parties for which confirmations have not been received are subject to confirmation and the management does not expect any significant impact on account of it.

44 . Non settlement of foreign currency payable within the time permitted under the RBI Master Direction on Import of Goods and Services

The Company has foreign currency payable as at 31st March 2023 amounting to Rs. 537.09 lakhs outstanding for a period of more than 3 years from the date of import and No foreign currency outstanding for a period of more than 6 months from the date of import, being the time permitted under the RBI Master Direction on Import of Goods and Services vide FED Master Direction No 17/2016-17 dated 01st January 2016 (as amended) issued by Reserve Bank of India. The Company has filed an application with Authorized Dealer seeking permission for extension of period for settlement of payable.

45 . Non-realisation of export proceeds within time limit prescribed under FEMA

The Company has export receivable of Rs.51.79 lakhs which are outstanding for a period of more than 9 months from the date of Invoice, being the time permitted under Foreign Exchange Management Act (FEMA), or such extended time as permitted by Reserve Bank of India (RBI). The Company has filed an application with RBI for extension of period for realisation of unrealised export proceeds within the prescribed time.



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

47. 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.

48. Disclosure regarding Benami Transactions (Prohibition) Act, 1988

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

49. Previous years figures have been regrouped, rearranged and reclassified to confirm to those of current years figures wherever necessary.

The accompanying notes (1-49) are an integral part of the financial statements

As per our report of even date

For P.C.BINDAL & CO.

Firm Registration Number: 003824N

Chartered Accountants

CA K.C. GUPTA

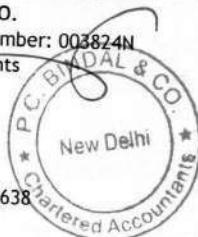
Partner

Membership No.: 088638

Place: New Delhi

Date:

17 MAY 2023



For and on behalf of the Board of Directors


Prashant Kumar Agrawal
Director
DIN : 07592212

Place: New Delhi
Date: 17.5.2023


Munesh Chandra
Director
DIN : 03447737

Place: New Delhi
Date: 17.5.2023

