

## AKSH OPTIFIBRE LIMITED

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Website : www.akshoptifibre.com  
CIN NO. : L24305RJ1986PLC016132

June 24, 2020

To,

<b>National Stock Exchange of India Ltd</b> Exchange Plaza, 5 <sup>th</sup> floor, Plot No. C/1, 'G' Block, Bandra Kurla Complex, Bandra (E), Mumbai- 400 051	<b>BSE Limited</b> Phiroze Jeejeebhoy Towers Dalal Street, Mumbai. – 400 001.
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**Sub: Submission of Audited Financial Results for the quarter and year ended March 31, 2020 along with the Auditor's Report thereon.**

Dear Sir,

In continuation of our letter dated June 17, 2020 and pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the following:

1. Audited Standalone and Consolidated Financial Results for the quarter and year ended March 31, 2020 duly approved by the Board of Directors at its meeting held on today i.e. June 24, 2020.
2. Auditor's Report dated June 24, 2020 on Standalone and Consolidated Financial Results issued by Statutory Auditors of the Company for the Financial Year ended March 31, 2020.
3. Declaration pursuant to the second proviso to clause (d) of sub-regulation (3) of Regulation 33 of SEBI (Listing Obligations & Disclosures Requirements) (Amendment) Regulation, 2016 as notified on 25th May, 2016.

The meeting of the Board of Directors of the Company commenced at 15:00 Hours and concluded at 18:50 Hours.

Thanking you  
**For Aksh Optifibre Limited**



**Gaurav Mehta**  
**Chief-Corporate Affairs & Company Secretary**  
**Encl: A/a**

*We smarten up your life..™*

## AKSH OPTIFIBRE LIMITED

Registered Office: F-1080, RIICO Industrial Area, Phase-III, Bhiwadi-301 019 (Rajasthan)  
Corporate Office: A 32, 2nd Floor, Mohan Co- operative Indl. Estate, Mathura Road, New Delhi-110 044  
CIN : L24305RJ1986PLC016132

### AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

Rs. in lakhs except per share data

Sl. No.	Particulars	Quarter Ended			Year Ended	
		Mar-20	Dec-19	Mar-19	Mar-20	Mar-19
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
	<b>Income</b>					
I	Revenue from operations	5,548.14	5,388.14	7,613.50	24,996.88	52,872.84
II	Other income	212.68	90.97	176.48	517.56	742.32
III	<b>Total income (I+II)</b>	<b>5,760.82</b>	<b>5,479.11</b>	<b>7,789.98</b>	<b>25,514.44</b>	<b>53,615.16</b>
	<b>IV Expenses</b>					
a)	Cost of raw material and components consumed	3,121.71	2,384.41	4,915.38	11,473.19	31,639.08
b)	Purchase of traded goods	140.59	84.42	202.61	712.95	1,755.97
c)	(Increase)/ decrease in inventories of finished goods,work-in-progress and traded goods	(303.07)	406.91	50.10	1,828.84	(1,962.74)
d)	Employee benefits expense	374.42	929.43	900.42	3,071.50	3,752.87
e)	Finance costs	719.16	621.76	874.43	2,634.66	2,837.89
f)	Depreciation and amortization expense	521.61	374.32	714.23	1,713.22	2,446.39
g)	Other expense	1,338.38	1,443.81	2,028.82	5,741.57	8,852.88
	<b>Total expense</b>	<b>5,912.80</b>	<b>6,245.06</b>	<b>9,685.98</b>	<b>27,175.93</b>	<b>49,322.34</b>
V	<b>Profit / (loss) before exceptional items and tax (III-IV)</b>	<b>(151.98)</b>	<b>(765.95)</b>	<b>(1,896.00)</b>	<b>(1,661.49)</b>	<b>4,292.82</b>
VI	Exceptional Income/(Expense)	(23,621.77)	(4.29)	352.99	(23,595.16)	363.43
VII	<b>Profit / (loss) before tax (V+VI)</b>	<b>(23,773.75)</b>	<b>(770.24)</b>	<b>(1,543.01)</b>	<b>(25,256.65)</b>	<b>4,656.25</b>
VIII	<b>Tax Expense</b>					
a)	Current tax	-	-	(298.62)	-	1,363.04
b)	Deferred tax	5.69	(252.62)	(182.63)	(485.79)	479.62
c)	Earlier year tax	2.46			2.46	
	<b>Total tax expense</b>	<b>8.15</b>	<b>(252.62)</b>	<b>(481.25)</b>	<b>(483.33)</b>	<b>1,842.66</b>
IX	<b>Profit / (loss) for the year (VII-VIII)</b>	<b>(23,781.90)</b>	<b>(517.62)</b>	<b>(1,061.76)</b>	<b>(24,773.32)</b>	<b>2,813.59</b>
X	<b>Other Comprehensive Income</b>					
a)	i) items that will not be reclassified to Profit or (Loss)	(241.77)	-	(12.40)	(246.93)	(10.31)
	II) Income Tax relating to these items	84.48	-	4.33	86.29	3.60
	<b>Total Other Comprehensive Income</b>	<b>(157.29)</b>	<b>-</b>	<b>(8.07)</b>	<b>(160.64)</b>	<b>(6.71)</b>
XI	<b>Total Comprehensive income for the period (IX+X)</b>	<b>(23,939.19)</b>	<b>(517.62)</b>	<b>(1,069.83)</b>	<b>(24,933.96)</b>	<b>2,806.88</b>
XII	<b>Paid-up Equity Capital (Face Value Rs.5 each)</b>	8,134.90	8,134.90	8,134.90	8,134.90	8,134.90
XIII	<b>Other equity</b>				18,320.95	43,266.06
XIV	Earning per equity share (Face Value Rs.5 each)					
	-Basic	(14.62)	(0.32)	(0.65)	(15.23)	1.73
	- Diluted	(14.62)	(0.32)	(0.65)	(15.23)	1.73

**AKSH OPTIFIBRE LIMITED**  
Corporate Identification No. (CIN) : L24305RJ1986PLC016132  
**AUDITED STANDALONE SEGMENT WISE REVENUE, RESULTS, ASSETS & LIABILITIES**

Rs. In lakhs

Sl. No.	Particulars	Quarter Ended			Year Ended	
		Mar-20	Dec-19	Mar-19	Mar-20	Mar-19
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1	<b>Segment Revenue</b>					
	a. Manufacturing	4,942.23	4,545.20	6,332.05	21,711.49	47,516.98
	b. Trading	100.93	163.75	283.15	855.66	2,439.66
	c. Services	504.98	679.19	998.30	2,429.73	2,916.20
	<b>Total</b>	<b>5,548.14</b>	<b>5,388.14</b>	<b>7,613.50</b>	<b>24,996.88</b>	<b>52,872.84</b>
2	<b>Segment Results ( Profit/(loss)) (before tax and finance costs)</b>					
	a. Manufacturing	410.28	114.60	(1,092.95)	1,052.93	6,641.09
	b. Trading	15.94	25.21	17.54	110.42	469.13
	c. Services	(216.88)	68.07	81.04	(120.68)	(80.26)
	<b>Total</b>	<b>209.34</b>	<b>207.88</b>	<b>(994.37)</b>	<b>1,042.67</b>	<b>7,029.96</b>
	(Add)/Less - Finance Costs	719.16	621.76	874.43	2,634.66	2,837.89
	- Interest (income)	(212.68)	(90.97)	(176.48)	(517.56)	(742.32)
	- Unallocated Expenses / (Income)	(145.17)	443.04	203.68	587.06	641.57
	<b>Profit / (loss) after finance costs but before Exceptional Items</b>	<b>(151.97)</b>	<b>(765.95)</b>	<b>(1,896.00)</b>	<b>(1,661.49)</b>	<b>4,292.82</b>
	Exceptional Income/(Expense)	(23,621.78)	(4.29)	352.99	(23,595.16)	363.43
	<b>Profit / (loss) from Ordinary Activities before tax</b>	<b>(23,773.75)</b>	<b>(770.24)</b>	<b>(1,543.01)</b>	<b>(25,256.65)</b>	<b>4,656.25</b>
3	<b>Segment Assets</b>					
	a. Manufacturing	32,970.48	34,427.70	50,380.98	32,970.48	40,888.98
	b. Trading	683.42	766.75	1,330.85	683.42	1,330.85
	c. Services	3,821.38	18,647.00	19,376.03	3,821.38	19,376.03
	d. Unallocated	19,451.97	26,768.84	17,111.16	19,451.97	26,603.16
	<b>Total</b>	<b>56,927.25</b>	<b>80,610.29</b>	<b>88,199.02</b>	<b>56,927.25</b>	<b>88,199.02</b>
4	<b>Segment Liabilities</b>					
	a. Manufacturing	26,164.91	25,725.59	32,236.70	26,164.91	32,236.70
	b. Trading	178.70	355.53	379.18	178.70	379.18
	c. Services	2,447.10	2,414.83	2,320.47	2,447.10	2,320.47
	d. Unallocated	1,680.69	1,733.63	1,861.71	1,680.69	1,861.71
	<b>Total</b>	<b>30,471.40</b>	<b>30,229.58</b>	<b>36,798.06</b>	<b>30,471.40</b>	<b>36,798.06</b>

**AKSH OPTIFIBRE LIMITED**  
**STADALONE AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2020**

Rs. In lakhs

Particulars	Standalone	
	As at	
	Mar-20	Mar-19
<b>Assets</b>		
<b>Non-current assets</b>		
Property, Plant and Equipments	16,093.09	16,891.92
Capital work-in-progress	224.97	15,342.24
Intangible assets	98.60	156.16
<b>Financial assets</b>		
Investments	14,977.09	16,010.97
Loans	2,614.24	9,695.85
Other financial assets	633.32	628.74
Deferred tax assets (net)	356.02	-
Other non-current assets	273.35	334.63
	<b>35,270.68</b>	<b>59,060.51</b>
<b>Current assets</b>		
Inventories	4,171.27	6,556.45
<b>Financial Assets</b>		
Trade receivables	12,404.22	18,315.54
Cash and cash equivalents	548.05	119.30
Other Bank Balances	1,372.04	1,308.76
Loans	1,083.02	1,138.31
Other Financial Assets	121.09	148.51
Current tax assets (net)	122.65	-
Other current assets	1,834.23	1,551.64
	<b>21,656.57</b>	<b>29,138.51</b>
<b>TOTAL</b>	<b>56,927.25</b>	<b>88,199.02</b>
<b>Equity and liabilities</b>		
<b>Shareholders' funds</b>		
Equity Share capital	8,134.90	8,134.90
Other Equity	18,320.95	43,266.06
	<b>26,455.85</b>	<b>51,400.96</b>
<b>Non-current liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	4,760.18	6,708.78
Trade Payables		
(a) total outstanding dues to micro & small enterprises	15.16	-
(b) total outstanding dues other than above	836.94	-
Other Financial liabilities	449.13	126.83
Deferred tax liabilities (net)	-	222.04
Provisions	54.22	296.22
	<b>6,115.63</b>	<b>7,353.87</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	8,514.22	10,713.17
Trade payables		
(a) total outstanding dues to micro & small enterprises	207.22	386.92
(b) total outstanding dues other than above	7,459.44	8,882.97
Other financial liabilities	6,001.44	6,299.40
Other Current liabilities	699.74	2,071.12
Provisions	582.48	31.67
Current tax liabilities (net)	891.23	1,058.94
	<b>24,355.77</b>	<b>29,444.19</b>
<b>TOTAL</b>	<b>56,927.25</b>	<b>88,199.02</b>

## Notes

- 1 The standalone financial results of the Company for the quarter and year ended 31 March 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 24th June 2020.
- 2 The above statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable
- 3 Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" using modified retrospective approach. Consequently, the Company has recorded lease liability of Rs.145.78 lakhs calculated as the present value of the remaining lease payments discounted at the incremental borrowing rate. Right of use asset has been recognised at Rs. 128.63 lakhs determined at net of the amount calculated by applying the standard since the date of the commencement of lease and the resulting depreciation upto the date of adoption. The net effect of Rs. 11.15 lakhs (net of deferred tax asset of Rs. 5.99 lakhs) initial application of Ind AS 116 has been adjusted to retained earnings as on April 1, 2019.  
  
Due to transition, the nature of expenses in respect of operating leases has changed from "lease rent" to "depreciation cost" and "finance cost" for the right-to-use assets and for interest accrued on lease liability respectively, and therefore these expenses for the current period are not comparable to the previous periods disclosed. The adoption of the standard did not have any material impact on the profit for the period/year as compared to previous periods/year.
- 4 The outbreak of Covid-19 pandemic is causing significant disturbance and slowdown of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in significant reduction in economic activities and also the business operations of the Company in terms of sales and production.  
  
The Company's products have been classified as essential goods and, as of the date of reporting, the production has started at the factories. The management has considered the possible effects that may result from the pandemic on the recoverability/carrying value of the assets. Based on the current indicators of future economic conditions, the management expects to recover the carrying amount of the assets, however the management will continue to closely monitor any material changes to future economic conditions. Given the uncertainties, the final impact on Company's assets in future may differ from that estimated as at the date of approval of these financial results.
- 5 In pursuance of Section 115BAA of Income Tax Act, 1961 announced by Government of India through Taxation Laws (Amendment) Ordinance, 2019, the Company has an irrevocable option of shifting to a lower rate and simultaneously forgo certain tax incentives including loss of accumulated MAT Credit. The Company has not exercised this option in the current period due to unutilised MAT Credit available in the books.
- 6 Exceptional item, Income / (Expense) for the quarter ended March 31, 2020 represents write off of CWIP and other non current assets related to AP Project (Rs 14,945.49 lakhs), Provision for diminution in value of investments (Rs 8,593.73 lakhs), gain on foreign exchange on items other than operational Rs 241.23 lakhs, profit on sale of Property, Plant and Equipment Rs 6.84 lakhs, Provision for doubtful debts & balances written off related to operation (Rs 330.62 lakhs).
- 7 A Special Purpose Company ( SPC) under the name & style of AP Aksh Broadband Limited was incorporated to lay optical fibre based digital network ( Project) in the entire state of Andhra Pradesh ( AP) and to connect 40,000 designated Government offices of AP and create a state wide digital network for public and commercial services. The said SPC was merged with the Company in the year 2016-17 by order of Hon'ble National Company Law Tribunal (NCLT). Management is of the opinion that over the last few years, telecom service sector has become highly competitive, needs high burn rate capability and also requires huge investments by way of equity/ debt capital to succeed. Due to changed economic and business environment triggered by novel coronavirus and the Company's limited ability to raise sufficient funds, it has decided to focus on core manufacturing business and abandon the project. Accordingly it has been decided to write off the CWIP and other non-current assets of the Project aggregating to Rs 14,945.49 lakhs by charging in statement of Profit and Loss as Exceptional item.
- 8 The Company has made investment of Rs 19,833.10 Lakhs in its wholly owned subsidiary AOL FZE, Dubai by subscription to equity shares and preference shares. During the year, AOL FZE has made provision aggregating Rs 16,953.99 lakhs towards doubtful advances and receivables, leading to significant erosion in its net worth. Consequently Company has caused to obtain valuation of AOL FZE from registered valuer and based on the valuation report, has made provision of Rs 8,593.73 lakhs for diminution in the value of its investment in AOL FZE (Dubai)
- 9 Other comprehensive income of Rs 241.77 Lakhs for the quarter ended March 31, 2020 is on account of remeasurement of defined benefit liability due to major change in experience variance of actuarial assumption. The said expenditure of Rs 241.77 lakhs was grouped under Employee Benefit Expense in quarter ended December 31, 2019 and has been reclassified in the current quarter under other comprehensive income and thus the Employee benefit expenses for the two quarters are not comparable.
- 10 The Statutory auditors have carried out the audit for the year ended March 31, 2020. The figures for the fourth quarter are the balancing figures between the audited figures in respect of the full financial year and published figures upto the third quarter of the current financial year which were subjected to limited review.
- 11 The figures for the corresponding previous period have been regrouped / reclassified wherever necessary, to make them comparable.

For and on behalf of the Board of Directors of  
**Aksh Optifibre Limited**

Sd/-  
Dr. Kailash S Choudhari

Chairman

Place : York-United Kingdom  
Date: 24-06-2020

DIN-00023824

**AKSH OPTIFIBRE LIMITED**

Standalone Cash Flow statement for the year ended March 31, 2020

Particulars	Rs. in Lakhs	
<b>Cash flow from operating activities</b>		
<b>Profit/(Loss) before tax</b>	<b>(25,256.65)</b>	<b>4,656.25</b>
Adjustment to reconcile profit before tax to net cash flows :		
Depreciation/amortization	1,713.22	2,446.39
Written of CWIP	14,945.49	-
Provision for Doubtful Debts	307.82	-
Provision for Diminution in value of Investment	8,593.73	-
Transitional Impact of Ind AS 116	(11.15)	-
(Profit)/Loss on sale of property, plant and equipment	(9.50)	0.92
Finance Costs		2,837.89
Other comprehensive income	(246.93)	(10.31)
Interest income		(742.32)
<b>Operating profit before working capital changes</b>	<b>2,153.13</b>	<b>9,188.81</b>
<b>Movements in working capital:</b>		
Increase in trade payables, financial and other liabilities	(1,621.92)	(1,471.09)
Decrease in provisions	308.81	65.01
Decrease in trade receivable	5,603.50	2,951.60
Decrease/(Increase) in inventories	2,385.17	(1,803.16)
(Increase)/ Decrease in other assets	(283.52)	2,175.62
<b>Cash generated from operations</b>	<b>8,545.17</b>	<b>11,106.80</b>
Direct taxes paid		(658.95)
<b>Net cash flow from in operating activities (A)</b>	<b>8,246.37</b>	<b>10,447.85</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment, including intangible assets, capital work in progress	(406.40)	(2,052.75)
Decrease/(Increase) in Right to use of assets (Lease Assets)	(525.29)	-
Proceeds from sale of plant and equipment	256.14	20.72
Decrease/(Increase) in Capital advances/ payable for capex	(29.27)	235.17
Purchase of non-current investments (pursuant to Ind AS 109)	(575.05)	(401.87)
Interest received	225.20	145.68
<b>Net cash flow (used in) investing activities (B)</b>	<b>(1,054.67)</b>	<b>(2,053.05)</b>
<b>Cash flow from financing activities</b>		
Proceeds from long-term borrowings	-	1,389.23
(Repayment) of Term borrowings	(2,432.87)	(2,055.48)
Decrease/ (Increase) in loan & advances to related party	(37.67)	(2,555.89)
Decrease/ (Increase) in loan & advances to related party (pursuant to Ind AS 109)	456.42	-
Repayment of short-term borrowings	(2,198.95)	(2,105.12)
Dividend and tax thereon paid on equity shares	3.46	(585.92)
Interest paid		(2,789.33)
<b>Net cash from financing activities (C)</b>	<b>(6,762.95)</b>	<b>(8,702.51)</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>428.75</b>	<b>(307.71)</b>
Cash and cash equivalents at the beginning of the year	119.30	427.01
<b>Cash and cash equivalents at the end of the year</b>	<b>548.05</b>	<b>119.30</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand		7.97
With banks on current account	535.46	107.37
Unpaid dividend accounts	7.42	3.96
<b>Total cash and cash equivalents [Refer note no. 12]</b>	<b>548.05</b>	<b>119.30</b>
Summary of significant Accounting policies		
The accompanying notes (1-48) are an integral part of the financial statements		

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

# AKSH OPTIFIBRE LIMITED

Registered Office: F-1080, RIICO Industrial Area, Phase-III, Bhiwadi-301 019 (Rajasthan)  
Corporate Office: A 32, 2nd Floor, Mohan Co-operative Indl. Estate, Mathura Road, New Delhi-110 044  
Corporate Identification No. (CIN) : L24305RJ1986PLC016132

## CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

Rs. in lakhs except per share data

Sl. No.	Particulars	Quarter Ended			Year Ended	
		Mar-20	Dec-19	Mar-19	Mar-20	Mar-19
		(Unaudited)	(Unaudited)	(Unaudited)	Audited	Audited
	<b>Income</b>					
I	Revenue from operations	6,703.50	5,785.45	8,556.04	30,038.92	53,005.51
II	Other income	74.89	65.25	70.50	233.76	241.59
III	<b>Total income (I+II)</b>	<b>6,778.39</b>	<b>5,850.70</b>	<b>8,626.54</b>	<b>30,272.68</b>	<b>53,247.10</b>
	<b>Expenses</b>					
a)	Cost of raw material and components consumed	3,127.26	2,481.85	5,467.43	12,634.45	34,448.59
b)	Purchase of traded goods	505.92	84.42	202.60	1,078.28	1,755.97
c)	(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	540.96	677.39	70.15	4,487.38	(6,301.65)
d)	Employee benefits expense	593.04	1,212.11	1,104.43	4,163.28	4,614.42
e)	Finance costs	902.65	738.56	986.74	3,124.59	3,214.31
f)	Depreciation and amortization expense	803.43	587.12	856.59	2,518.06	3,020.50
g)	Other expense	1,582.86	1,719.39	2,256.49	6,996.01	10,132.10
	<b>Total expense</b>	<b>8,056.12</b>	<b>7,500.84</b>	<b>10,944.43</b>	<b>35,002.05</b>	<b>50,884.24</b>
V	<b>Profit / (loss) before exceptional items and tax (III-IV)</b>	<b>(1,277.73)</b>	<b>(1,650.14)</b>	<b>(2,317.89)</b>	<b>(4,729.37)</b>	<b>2,362.86</b>
VI	Exceptional (Expense) / Income	(31,930.33)	(15.72)	354.36	(31,915.15)	364.80
VII	<b>Profit / (loss) before tax (V+VI)</b>	<b>(33,208.06)</b>	<b>(1,665.86)</b>	<b>(1,963.53)</b>	<b>(36,644.52)</b>	<b>2,727.66</b>
	<b>Tax Expense</b>					
a)	Current tax	-	-	(301.87)	-	1,342.00
b)	Deferred tax	(91.79)	(347.04)	(209.03)	(716.48)	308.48
c)	Earlier year taxes	2.46	-	0.10	2.46	0.10
	<b>Total tax expense</b>	<b>(89.33)</b>	<b>(347.04)</b>	<b>(510.80)</b>	<b>(714.02)</b>	<b>1,650.58</b>
IX	<b>Profit / (loss) for the year (VII-VIII)</b>	<b>(33,118.73)</b>	<b>(1,318.82)</b>	<b>(1,452.73)</b>	<b>(35,930.50)</b>	<b>1,077.08</b>
	<b>Other Comprehensive Income</b>					
a)	i) items that will not be reclassified to Profit or Loss	(241.32)	-	(12.33)	(246.48)	(10.24)
	II) Income Tax relating to these items	84.37	-	4.32	86.17	3.59
b)	i) items that will be reclassified to Profit or Loss	(603.75)	194.25	(279.29)	(231.10)	423.65
	II) Income Tax relating to these items	-	-	-	-	-
	<b>Total Other Comprehensive Income</b>	<b>(760.70)</b>	<b>194.25</b>	<b>(287.30)</b>	<b>(391.41)</b>	<b>417.00</b>
XI	<b>Total Comprehensive income for the period (IX+X)</b>	<b>(33,879.43)</b>	<b>(1,124.57)</b>	<b>(1,740.03)</b>	<b>(36,321.91)</b>	<b>1,494.08</b>
XII	<b>Paid-up Equity Capital (Face Value Rs.5 each)</b>	<b>8,134.90</b>	<b>8,134.90</b>	<b>8,134.90</b>	<b>8,134.90</b>	<b>8,134.90</b>
XIII	<b>Other equity</b>					<b>41,155.41</b>
XIV	Earning per equity share (Face Value Rs.5 each)					
	-Basic	(20.36)	(0.81)	(0.89)	(22.08)	0.66
	- Diluted	(20.36)	(0.81)	(0.89)	(22.08)	0.66

4,610.20

# AKSH OPTIFIBRE LIMITED

Corporate Identification No. (CIN) : L24305RJ1986PLC016132

## CONSOLIDATED SEGMENT WISE REVENUE, RESULTS & CAPITAL EMPLOYED

Rs in Lakhs

Sl. No.	Particulars	Quarter Ended			Year Ended	
		Mar-20	Dec-19	Mar-19	Mar-20	Mar-19
		(Unaudited)	(Unaudited)	(Unaudited)	Unaudited	Audited
1	<b>Segment Revenue</b>					
	a. Manufacturing	6,097.60	4,942.49	7,274.59	26,753.53	47,649.65
	b. Trading	100.93	163.76	283.15	855.66	2,439.66
	c. Services	504.98	679.19	998.30	2,429.73	2,916.20
	<b>Total</b>	<b>6,703.51</b>	<b>5,785.44</b>	<b>8,556.04</b>	<b>30,038.92</b>	<b>53,005.51</b>
2	<b>Segment Results ( Profit/(loss)) (before tax and finance costs)</b>					
	a. Manufacturing	(575.48)	(626.90)	(1,216.62)	(1,343.71)	5,892.53
	b. Trading	15.94	25.21	17.54	110.42	469.13
	c. Services	(216.88)	68.07	81.04	(120.68)	(80.26)
	<b>Total</b>	<b>(776.42)</b>	<b>(533.62)</b>	<b>(1,118.04)</b>	<b>(1,353.97)</b>	<b>6,281.40</b>
	(Add)/Less - Finance Costs	902.65	738.56	986.74	3,124.59	3,214.31
	- Interest (income)	(74.89)	(65.25)	(70.50)	(233.76)	(241.59)
	- Unallocated Expenses / (Income)	(326.28)	443.04	283.58	484.57	945.82
	<b>Profit / (Loss) after finance costs but before Exceptional Items</b>	<b>(1,277.90)</b>	<b>(1,649.97)</b>	<b>(2,317.86)</b>	<b>(4,729.37)</b>	<b>2,362.86</b>
	Exceptional (Expense) /Income	(31,930.33)	(15.72)	354.36	(31,915.15)	364.80
	<b>Profit / (Loss) from Ordinary Activities before tax</b>	<b>(33,208.23)</b>	<b>(1,665.69)</b>	<b>(1,963.50)</b>	<b>(36,644.52)</b>	<b>2,727.66</b>
3	<b>Segment Assets</b>					
	a. Manufacturing	34,823.62	54,329.06	61,059.68	34,823.62	61,059.68
	b. Trading	5,596.60	5,583.04	6,238.10	5,596.60	6,238.10
	c. Services	3,821.38	18,647.00	19,418.74	3,821.38	19,418.74
	d. Unallocated	15,458.83	13,548.11	13,580.37	15,458.83	13,580.37
	<b>Total</b>	<b>59,700.43</b>	<b>92,107.21</b>	<b>100,296.89</b>	<b>59,700.43</b>	<b>100,296.89</b>
4	<b>Segment Liabilities</b>					
	a. Manufacturing	42,387.55	40,567.20	45,973.55	42,387.55	45,973.55
	b. Trading	960.76	1,096.18	1,199.07	960.76	1,199.07
	c. Services	2,447.10	2,414.83	2,320.47	2,447.10	2,320.47
	d. Unallocated	1,159.92	1,259.74	1,513.49	1,159.92	1,513.49
	<b>Total</b>	<b>46,955.33</b>	<b>45,337.95</b>	<b>51,006.58</b>	<b>46,955.33</b>	<b>51,006.58</b>



**AKSH OPTIFIBRE LIMITED**  
**CONSOLIDATED AUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2020**

Rs. In lakhs

Particulars	CONSOLIDATED	
	As at	
	Mar-20	Mar-19
<b>Assets</b>		
<b>Non-current assets</b>		
Property, Plant and Equipments	25,896.35	24,232.56
Capital work-in-progress	9,402.23	24,007.22
Intangible assets	98.80	156.51
<b>Financial assets</b>		
Investments	-	-
Loans	266.14	260.84
Other financial assets	633.32	628.74
Deferred tax assets (net)	813.45	25.05
Other non-current assets	768.01	881.39
	<b>37,878.30</b>	<b>50,192.31</b>
<b>Current assets</b>		
Inventories	6,717.39	12,256.69
<b>Financial Assets</b>		
Trade receivables	9,954.88	19,215.24
Cash and cash equivalents	555.09	193.00
Other Bank Balances	1,597.55	1,520.93
Loans	533.49	544.00
Other Financial Assets	128.17	151.66
Current tax assets (net)	122.90	-
Other current assets	2,212.66	16,223.06
	<b>21,822.13</b>	<b>50,104.58</b>
<b>TOTAL</b>	<b>59,700.43</b>	<b>100,296.89</b>
<b>Equity and liabilities</b>		
<b>Shareholders' funds</b>		
Equity Share capital	8,134.90	8,134.90
Other Equity	4,610.20	41,155.41
<b>Equity attributable to equity holders of the parent</b>	<b>12,745.10</b>	<b>49,290.31</b>
Non-controlling interest	-	-
<b>Total Equity</b>	<b>12,745.10</b>	<b>49,290.31</b>
<b>Non-current liabilities</b>		
<b>Financial Liabilities</b>		
Borrowings	11,480.22	13,791.64
Trade Payables		
(a) total outstanding dues to micro & small enterprises	15.16	-
(b) total outstanding dues other than above	836.94	-
Other Financial liabilities	2,474.54	-
Deferred tax liabilities (net)	-	26.04
Provisions	163.81	379.26
	<b>14,970.67</b>	<b>14,196.94</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	11,624.31	13,102.98
Trade payables		
(a) total outstanding dues to micro & small enterprises	229.76	451.35
(b) total outstanding dues other than above	9,278.96	11,382.31
Other financial liabilities	8,598.87	8,537.38
Other Current liabilities	729.01	2,197.62
Provisions	632.52	74.51
Current tax liabilities (net)	891.23	1,063.49
	<b>31,984.66</b>	<b>36,809.64</b>
<b>TOTAL</b>	<b>59,700.43</b>	<b>100,296.89</b>

## Notes

- 1 The consolidated financial results of the Group for the quarter and year ended 31st March 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 24th June 2020.
- 2 The above statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind-AS) prescribed under section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable
- 3 Effective April 1, 2019, the Group has adopted Ind AS 116 "Leases" using modified retrospective approach. Consequently, the Group has recorded lease liability of Rs.2,644.96 lakhs calculated as the present value of the remaining lease payments discounted at the incremental borrowing rate. Right of use asset has been recognised at Rs. 2,408.78 lakhs determined at net of the amount calculated by applying the standard since the date of the commencement of lease and the resulting depreciation upto the date of adoption. The net effect of Rs. 223.30 lakhs (net of deferred tax asset of Rs. 12.88 lakhs) initial application of Ind AS 116 has been adjusted to retained earnings as on April 1, 2019.  
  
Due to transition, the nature of expenses in respect of operating leases has changed from "lease rent" to "depreciation cost" and "finance cost" for the right-to-use assets and for interest accrued on lease liability respectively, and therefore these expenses for the current period are not comparable to the previous periods disclosed. The adoption of the standard did not have any material impact on the profit for the period as compared to previous periods.
- 4 The COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organisation with adverse impact on economy and business. Supply Chain disruptions in India as a result of the outbreak started with restrictions on movement of goods, closure of borders etc., in several states followed by a nationwide lockdown from the 25th of March 2020 announced by the Indian Government, to stem the spread of COVID-19.
- 5 In pursuance of Section 115BAA of Income Tax Act, 1961 announced by Government of India through Taxation Laws (Amendment) Ordinance, 2019, the Group has an irrevocable option of shifting to a lower rate and simultaneously forgo certain tax incentives including loss of accumulated MAT Credit. The Group has not exercised this option in the current period due to unutilised MAT Credit available in the books.
- 6 Exceptional item, Income / (Expense), for the quarter ended March 31, 2020 represents write off of CWIP and other non current assets related to AP Project (Rs 14,945.49 lakhs) , gain on foreign exchange on items other than operational Rs 241.23 lakhs, profit on sale of Property, Plant and Equipment Rs 19.40 lakhs, Modification of lease liability Rs 39.15 lakhs, balances written off (Rs. 22.80 lakhs) Provision for doubtful debts & advances written off related to operation (Rs 17,261.82 lakhs).
- 7 A Special Purpose Company ( SPC) under the name & style of AP Aksh Broadband Limited was incorporated to lay optical fibre based digital network ( Project) in the entire state of Andhra Pradesh ( AP) and to connect 40,000 designated Government offices of AP and create a state wide digital network for public and commercial services. The said SPC was merged with the Company in the year 2016-17 by order of Hon'ble National Company Law Tribunal (NCLT). Management is of the opinion that over the last few years , telecom service sector has become highly competitive, needs high burn rate capability and also requires huge investments by way of equity/ debt capital to succeed. Due to changed economic and business environment triggered by novel coronavirus and the Company's limited ability to raise sufficient funds, it has decided to focus on core manufacturing business and abandon the project. Accordingly it has been decided to write off the CWIP and other non-current assets of the Project aggregating to Rs 14,945.49 lakhs by charging in statement of Profit and Loss as Exceptional item.
- 8 During the year 2010, M/s AOL FZE, Dubai, Wholly Owned Subsidiary, with a view to expand its business in GSM telephony and data market in the African continent made an advance, being upfront payment, aggregating amounting to Rs 12,833.77 lakhs, to acquire majority stake. The Company could not make the balance payment as it was unable to raise funds from its Holding Company due to unfavorable equity market conditions in India. Nonpayment of further installments by the Company led to failure of the contract. As considerable time has elapsed and Company do not foresee recovery in near future , it has therefore decided to make provision for upfront consideration paid of Rs. 12,833.77 lakhs. The Company has also made a provision of Rs 1,783.29 lakhs for other advance paid, and Rs. 2,336.93 lakhs against provision for doubtful debts pursuant to discontinuation of trading operation, under the head exceptional items.
- 9 Other comprehensive income of Rs 241.77 Lakhs for the quarter ended March 31, 2020 is on account of remeasurement of defined benefit liability due to major change in experience variance of actuarial assumption The said expenditure of Rs 241.77 lakhs was grouped under Employee Benefit Expense in quarter ended December 31, 2019 and has been reclassified in the current quarter under other comprehensive income and thus the Employee benefit expenses for the two quarters are not comparable.
- 10 The Statutory auditors have carried out the audit for the year ended March 31, 2020. The figures for the fourth quarter are the balancing figures between the audited figures in respect of the full financial year and published figures upto the third quarter of the current financial year which were subjected to limited review.
- 11 The figures for the corresponding previous period have been regrouped / reclassified wherever necessary, to make them comparable.

For and on behalf of the Board of Directors of  
**Aksh Optifibre Limited**

Sd/-  
Dr. Kailash S Choudhari

**AKSH OPTIFIBRE LIMITED**
*Consolidated Cash Flow statement for the year ended March 31, 2020*

Particulars	Rs. in Lakhs	
	31-Mar-20	31-Mar-19
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	<b>(36,644.52)</b>	<b>2,727.66</b>
Adjustment to reconcile profit before tax to net cash flows :		
Depreciation/amortization	2,518.06	3,020.50
Written off CWIP	14,945.49	-
Provisions against advances	14,617.03	-
Provisions against trade receivable	2,644.79	
(Profit)/Loss on sale of property, plant and equipment	(10.62)	0.92
Interest expense	3,124.59	3,214.31
Transition Impact of Ind AS 116	(223.30)	
Other comprehensive income	(477.58)	417.00
Interest income	(233.76)	(241.59)
<b>Operating profit before working capital changes</b>	<b>260.18</b>	<b>9,138.80</b>
<b>Movements in working capital:</b>		
(Decrease)/Increase in trade payables and other liabilities	(75.69)	752.52
Increase in provisions	342.56	131.10
Decrease in trade receivable	6,615.57	5,348.52
(Increase)/Decrease in inventories	5,539.30	(6,514.98)
(Increase)/Decrease in other assets	(433.90)	574.30
<b>Cash generated from operations</b>	<b>12,248.02</b>	<b>9,430.26</b>
Direct taxes paid	(308.67)	(663.77)
<b>Net cash flow from in operating activities (A)</b>	<b>11,939.35</b>	<b>8,766.49</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment, including intangible assets and capital work in progress	(1,509.64)	(10,124.05)
Decrease/(Increase) in Right to use of assets (Lease Assets)	(2,947.98)	-
Proceeds from sale of plant and equipment	3.60	20.68
Decrease/(Increase) in Capital advances / payable for capex	(189.35)	472.67
Interest received	233.76	276.41
<b>Net cash flow (used in) investing activities (B)</b>	<b>(4,409.61)</b>	<b>(9,354.29)</b>
<b>Cash flow from financing activities</b>		
Proceeds from long-term borrowings	-	6,816.07
(Repayment) of Term borrowings	(2,567.85)	(2,055.48)
Proceeds / (Repayment) from short-term borrowings	(1,478.67)	(798.27)
Dividend and tax thereon paid on equity shares	3.46	(588.42)
Interest paid	(3,124.59)	(3,165.75)
<b>Net cash from financing activities (C)</b>	<b>(7,167.65)</b>	<b>208.15</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B +C)</b>	<b>362.09</b>	<b>(379.65)</b>
Cash and cash equivalents at the beginning of the year	193.00	572.65
<b>Cash and cash equivalents at the end of the year</b>	<b>555.09</b>	<b>193.00</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	5.36	31.09
With banks on current account	542.31	157.95
Unpaid dividend accounts	7.42	3.96
<b>Total cash and cash equivalents (Refer note no. 12)</b>	<b>555.09</b>	<b>193.00</b>
Summary of significant Accounting policies		
The accompanying notes (1-47) are an integral part of the financial statements		

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



Independent Auditor's Report on Quarterly and Year to Date Standalone Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To  
The Board of Directors of  
Aksh Optifibre Limited

### Report on the audit of Standalone Financial Results

#### Opinion

We have audited the annual standalone financial results of **Aksh Optifibre Limited** ("the company") for the year ended 31st March, 2020 and the standalone statement of the balance sheet and the standalone statement of cash flows as at and for the year ended on that date, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by SEBI from time to time.

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid standalone financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the year ended 31<sup>st</sup> March, 2020.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* 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 together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion Standalone financial results.



## Emphasis of Matter

- a. We draw your attention to Note 4 to the financial results which explains uncertainty and the management's assessment of the financial impact on the standalone financial results of the Company due to lockdown and other restrictions imposed by the Government of India and other conditions related to the COVID-19 pandemic situation which might impact the operations of the Company, for which a definitive assessment in the subsequent period is highly dependent upon circumstances as they evolve. Further as it was impracticable for us to attend the physical verification under the lock down restrictions imposed by the government, we have relied on the related audit procedures to obtain comfort over the existence and conditions of inventory at those locations.
- b. We draw your attention to Note 7 to the financial result which explains that the Company has written off the Capital Work in Progress and other non-current assets aggregating to Rs 14,945.49 lakhs.

Our opinion is not modified in respect of above mentioned matter.

## Management's Responsibilities for the Standalone Financial Results

These standalone financial results have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

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



- a. Identify and assess the risks of material misstatement of the standalone annual financial results, 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.
- b. Obtain an understanding of internal 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 expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- d. Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial results 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.
- e. Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### Other Matters

The standalone annual financial results include the results for the quarter ended 31 March 2020 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Place: New Delhi  
Date: 24 June 2020



For B G G & Associates  
Chartered Accountants  
FRN 016874N

A handwritten signature in blue ink, appearing to be "Alok Kumar Bansal".

CA Alok Kumar Bansal  
Partner  
Membership No.09285

UDIN: 20092854 AAAA BY 2356



# BGG & ASSOCIATES

Chartered Accountants

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27, Barakhamba Road

New Delhi-110001

Mobile : 9811128946

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Independent Auditor's Report on Quarterly and Year to Date Consolidated Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

To  
The Board of Directors of  
Aksh Optifibre Limited

## Report on the audit of Consolidated Financial Results

### Opinion

We have audited the accompanying statement of consolidated financial results of **Aksh Optifibre Limited** ("the Holding Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group") for the year ended 31st March, 2020 and the consolidated statement of the balance sheet and the consolidated statement of cash flows as at and for the year ended on that date, attached herewith,, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by SEBI from time to time.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of the other auditors on separate audited/unaudited financial statements of the subsidiaries, the aforesaid consolidated annual financial results:

a. Include the financial results of following entities:

Name of the Entity	Relationship
Aksh Composites Private Limited	Wholly owned domestic subsidiary
AOL FZE	Wholly owned foreign subsidiary
AOL Technologies FZE	Wholly owned foreign subsidiary
Aksh Technologies (Mauritius) Limited	Wholly owned foreign subsidiary
AOL Composite (Jiangsu) Co. Limited	Wholly owned step-down foreign subsidiary

b. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

c. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the year ended 31<sup>st</sup> March, 2020.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Results* section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules



thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of audit report of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial results.

#### **Emphasis of Matter**

- a. We draw your attention to Note 4 to the financial result which explains uncertainty and the management's assessment of the financial impact on the consolidated financial results of the Group due to lockdown and other restriction imposed by the Government of India and other conditions related to the COVID-19 pandemic situation which might impact the operation of the Group, for which a definitive assessment in the subsequent period is highly dependent upon circumstances as they evolve. Further it was impracticable for us to attend the physical verification under the lock down restrictions imposed by the government, we have relied on the related audit procedures to obtain comfort over the existence and conditions of inventory at those locations.
- b. We draw your attention to Note 7 to the financial result which explains that the Holding Company has written off the Capital Work in Progress and other non-current assets aggregating to Rs 14,945.49 lakhs.
- c. We draw your attention to Note 8 to the financial result which explains that the Group has made of provision against advance payment and provision for doubtful debts of Rs.16,953.99 lakhs in case of one of its subsidiary company.

Our opinion is not modified in respect of above mentioned matters.

#### **Management's Responsibilities for the Consolidated Financial Results**

These consolidated financial results have been prepared on the basis of the annual financial statements. The Holding Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the each 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 consolidated financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of consolidated financial results by the Management and the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is responsible for overseeing the financial reporting process of each company.





## Auditor's Responsibilities for the Audit of the Consolidated Financial Results

Our objectives are to obtain reasonable assurance about whether the consolidated financial results 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.

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

- a. Identify and assess the risks of material misstatement of the consolidated financial results, 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.
- b. Obtain an understanding of internal 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 expressing our opinion through a separate report on the complete set of financial statements on whether the domestic company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- d. Conclude on the appropriateness of the Board of Directors' 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 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 consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- e. Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- f. Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group to express an opinion on the consolidated financial results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.



We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

We also performed procedures in accordance with the circular No CIR/CFD/CMD 1/44/2019 issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

### Other Matters

(i) The consolidated Financial Results include the audited financial results of three subsidiaries, whose Financial Results/statement reflect total assets of Rs. 25,786.03 lakhs as at 31<sup>st</sup> March, 2020, total revenue of Rs.560.68 lakhs and Rs.5,363.99 lakhs and Group's share of total net loss after tax of Rs.17,734.49 lakhs and Rs.19,272.21 lakhs for the quarter ended 31<sup>st</sup> March, 2020 and for the period from 01<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020 respectively, and net inflow of Rs.2.52 lakhs for the year ended on that date, as considered in the consolidated Financial Results, which have been audited by their respective independent auditors. The independent auditors' reports on financial statements/Financial Results/financial information of these entities have been furnished to us and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated annual financial results is not modified in respect of the above matter with respect to our reliance on the work done and the report of the other auditor.

(ii) The consolidated Financial Results include the unaudited financial results of one subsidiary and one step down subsidiary, whose Financial Results/statement reflect total assets of Rs.1646.47 lakhs as at 31<sup>st</sup> March, 2020, total revenue of Rs.82.64 lakhs and Rs.321.90 lakhs and Group's share of total net loss after tax of Rs. 73.86 lakhs and Rs.219.82 lakhs for the quarter ended 31<sup>st</sup> March, 2020 and for the period from 01<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020 respectively, and net cash outflow of Rs.69.18 lakhs for the year ended on that date, as considered in the consolidated Financial Results, which have not been audited. These financial results are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosure in respect of such subsidiary is based on such unaudited financial results. In our opinion and according to the information and explanations given to us by the Management, these financial results are not material to the Group.

(iii) The consolidated annual financial results include the results for the quarter ended 31 March 2020 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Place: New Delhi  
Date: 24 June 2020



For B G G & Associates  
Chartered Accountants  
FRN 016874N

A handwritten signature in blue ink, appearing to be "Alok Kumar Bansal".

CA Alok Kumar Bansal  
Partner  
Membership No.09285

UDIN: 20092854 AAAABZ5805



AKSH

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CIN NO. : L24305RJ1986PLC016132

### DECLARATION

#### [Pursuant to Regulation 33(3)(d) of SEBI (Listing Obligations & Disclosures Requirements) Regulation, 2015]

It is hereby declared and confirmed that Auditor's Report on Annual Standalone Financial Results as well as Annual Consolidated Financial Results of the Company for the quarter and year ended March 31, 2020 is with unmodified opinion.

This Declaration is furnished pursuant to the second proviso to clause (d) of sub-regulation (3) of Regulation 33 of SEBI (Listing Obligations & Disclosures Requirements) (Amendment) Regulation, 2016 as notified on 25<sup>th</sup> May, 2016.

For Aksh Optifibre Limited

**Sudhir Kumar Jain**  
Chief Financial Officer

Place: New Delhi

Date: 24.06.2020

*We smarten up your life..™*

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