

**AKSH****AKSH OPTIFIBRE LIMITED**

J-1/1, B-1, Extension,
Mohan Co-operative Industrial Estate
Mathura Road, New Delhi-110044, INDIA
Tel. : +91-11-26991508, 26991509
Fax : +91-11-26991510
E-mail : aksh@akshoptifibre.com
Website : www.akshoptifibre.com

Date:- 01.09.2014

CIN NO.L24305RJ1986PLC016132

The Stock Exchange, Mumbai
Phiroze Jeejeebhoy Towers
Dalal Street, BOMBAY-400 001.

Subject:- Submission of Annual Report of the Company for the Financial Year 2013-14
alongwith Form-A pursuant to Clause-31.

FORM A

Name Of the Company	Aksh Optifibre Limited
Annual Financial Statements for the year ended	31 ST March, 2014
Type of Audit observation	No Observation
Frequency of Observation	Not Applicable
To be signed by:-	
• CEO /Managing Director	<u>Chetan Choudhary</u>
• CFO	<u>Rajesh</u>
• Auditor of the Company	<u>[Signature]</u>
• Audit Committee Chairman	<u>Anil Akh</u>

Regd. Office : F-1080, RIICO Industrial Area Phase-III,
Bhiwadi - 301 019 (Rajasthan) INDIA
Phones : 91-1493-220763, 221333, Fax : 91-1493-221329

Chairman

Dr. Kailash S. Choudhari

Managing Director

Mr. Chetan Choudhari

Directors

Mr. B.R. Rakhecha

Mr. Narendra Kumbhat

Mr. Amrit Nath

Mr. D. K. Mathur

Company Secretary

Mr. Gaurav Mehta

Auditors

P.C. Bindal & Co.

Bankers

Union Bank of India

Punjab National Bank

Registrar and Transfer Agents

MCS Limited, F-65, First Floor, Okhla Industrial Estate, Phase-I, New Delhi-110020

Registered Office

F-1080, RIICO Industrial Area, Phase-III

Bhiwadi, Rajasthan-301019.

CIN : L24305RJ986PLC016132

Tel : 01493-221763 / Fax : 01493-221329

www.akshoptifibre.com

Corporate Office

J-1/1,B-1Extension, MCIE, Mathura Road,

New Delhi-110044.

Network Operating Centre

M-18 Flatted Software Complex, EPIP Jaipur -22.

Plant Locations:
Fibre & Cable Division, Bhiwadi

F-1075-1081, RIICO Industrial Area,

Phase-III, Bhiwadi, Rajasthan – 301 019

FRP & Cable Division, Reengus

SP-47 Shree Khatu Shyam Ji Industrial Complex,

Reengus, District Sikar (Rajasthan).

AOL FRP Division, JAFZA, Dubai

Plot No. S10914, PO Box. 17267, Jebel Ali, Dubai, UAE

(Manufacturing Division of AOL FZE, Wholly Owned Subsidiary of the Company)

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CHAIRMAN'S MESSAGE



Dear Shareholders,

India continued to show a deceleration in growth in the year 2013-14 with the GDP growth rate at lower than 5 percent. The macroeconomic scenario was difficult with a slowdown in the investment cycle, high inflation and a volatile currency and interest rates.

With the stable government at the Centre for next five years there has been a significant sentiment change and it is expected that during this financial year we will see some definitive measures to bring back confidence and restart investment cycle and job creation.

The telecom sector, which has suffered in the past due to regulatory uncertainties, is showing signs of rising investor confidence owing to easing of regulatory uncertainties and an improving competitive environment in the sector. As perceived earlier, there is an insatiable demand for broadband and as people become use to it, they need more of it. With the roll out of NOFN project and telecom operators foray into providing 4G services, the demand of broadband has significantly increased, which is a good sign, as it promises more business for Aksh.

Information Technology can ensure hassle free availability of common services to the people of this country. Aksh has successfully demonstrated this through its innovative the e-mitra services '**1 STOP AKSH**', which the company is running successfully in Rajasthan for the last 12 years. This year should see a major thrust to this initiative with a manifold increase in contribution.

Fibre has not only connected big cities, but mid size cities and towns as well. With the Government ensuring to convert India into 'Digital India' by ensuing broadband connectivity at village level also. Fibre- to- the-Home (FTTH) is soon going to become a reality, with Government going for mandatory FTTH infrastructure in every high rise tower / building, paving the way for robust demand of optical fibre cable. With these developments we perceive that next 3-5 years would be golden period for optical fibre industry.

Aksh has now forayed into international market by setting up its FIRST manufacturing facility outside India following export to almost 56 countries. In the coming years, the Company will strive to use its expertise developed over the years in service industry to take it internationally.

We once again thank you for your confidence reposed in Aksh.

Dr. Kailash S. Choudhari
Chairman

MANAGING DIRECTOR'S MESSAGE



Dear Shareholders,

The Government has shown its resolve to develop 100 smart cities and creating a fibre highway across all rural regions, so as to provide plethora of services through the internet.

The Company is working on the motto of '**Going Global...Connecting Villages...**'.

The Company remains the World Leader in FRP manufacturing and is a proud exporter to almost 56 countries and is aggressively marketing itself in order to cover more international markets to create its footprint across the globe. To further strengthen its market position, it has set up its FRP manufacturing facility outside India.

On the turnkey projects front, the company has successfully commissioned a network of Optical Fibre Cables connecting every village of Bhutan. It has also provided complete turnkey solution to FTTH project in Mauritius.

The Company initiated its e-mitra services and is running the same successfully for the last 12 years in the rural areas of Jaipur and adjoining districts. It is the endeavor of the Company to connect all gram panchayats of Rajasthan through its e- mitra services in the coming years.

In the year ahead, your company foresees exciting times. The Government's ambitious National Optical Fibre Network (NOFN) project to bring connectivity to 250,000 gram panchayats in the Country is the biggest growth driver for the OFC market in India. In addition to same, the Government has activated the process of building an alternative communication network- Network for Spectrum (NFS) – for the defense forces in order to free up spectrum for the Department of Telecommunications.

With the Government making high rise towers to be mandatorily FTTH infrastructure compliant, the requirement of OFC is set to rise to cater the growing demand. The rollout of NOFN project and telecom operators readying themselves to provide 4G services, the development of 100 smart cities by the Government, has raised the demand of fibre optic cables which is a good sign, as it promises more business for Aksh.

Our biggest assets are our employees. During the year the Company continued to make significant progress on strengthening people practices and processes to attract talent. Several measure including flexible work hours were put in place. Your Company is providing safe and healthy working environment for female employees and as safeguard, has implemented policy against sexual harassment.

I would like to express my appreciation to all stakeholders for the continued faith reposed in Aksh and believing in us, as we believe in ourselves.

Chetan Choudhari
Managing Director

NOTICE

Notice is hereby given that the 27th Annual General Meeting of the Aksh Optifibre Limited will be held at 11.30 A.M. on Saturday, 27th September, 2014 at the Registered Office of the Company at F-1080, RIICO Industrial Area, Phase-III, Bhiwadi (Rajasthan)- 301 019, to transact the following businesses:

ORDINARY BUSINESS:

1. To Consider and adopt the Audited Financial Statements as at 31st March, 2014 and the Report of the Auditors' and Board of Director's thereon.
2. To declare a dividend on equity shares.
3. To appoint a Director in place of Mr. B. R. Rakhecha, who retires by rotation and being eligible offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder, M/s P.C. Bindal & Co. (Registration No. FRN003824N), Chartered Accountants, the retiring auditors of the Company, having offered themselves for re-appointment, be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of the 27th Annual General Meeting upto the conclusion of the 30th Annual General Meeting of the Company (subject to ratification of the appointment by the members at every Annual General Meeting) at a remuneration to be fixed by the Board and reimbursement of out of pocket expenses incurred in connection with the audit of accounts of the Company".

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactments thereof, for the time being in force), and subject to applicable notification or circular as may be issued by the Ministry of Corporate Affairs (MCA) in this regard, the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the Cost Records of the Company for the financial year ending 31st March, 2015 be paid the remuneration as set out in the Statement annexed to the Notice convening this meeting;

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts and to take such steps as may be necessary, proper or expedient to give effect to this resolution".

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

"RESOLVED THAT pursuant to section 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors Rules) 2014 (including any statutory modification or re-enactments thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr. Amrit Nath (DIN 00431866) who was appointed as Director liable to retire by rotation and whose terms expires at this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company, to hold office for five consecutive years for a term upto 26th September, 2019 not liable to retire by rotation".

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

"RESOLVED THAT pursuant to section 149 & 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors Rules) 2014 (including any statutory modification or re-enactments thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr. Narendra Kumbhat (DIN 00035665), who was appointed as Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company, to hold office for five consecutive years for a term upto 26th September, 2019 not liable to retire by rotation".

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

"RESOLVED THAT pursuant to section 149 & 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors Rules) 2014 (including any statutory modification or re-enactments thereof, for the time being in force) and Clause 49 of the Listing Agreement, Mr. Dinesh Kumar Mathur (DIN 00026667), who was appointed as Director liable to retire by rotation, be and is hereby appointed as an Independent Director of the Company, to hold office for five consecutive years for a term upto 26th September, 2019 not liable to retire by rotation".

9. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 188 of the Companies Act, 2013 and rules made thereunder

(including any statutory modification or re-enactments thereof, for the time being in force), Mr. B.R. Rakhecha, Non-executive Director of the Company, be appointed as Professional Consultant of the Company for a period of three years w.e.f. 1st October, 2014 to 30th September, 2017 upon the terms and conditions, including those related to professional fee as set out in the Explanatory Statement annexed to the Notice convening this meeting, with liberty to the Board to alter/ modify/ change the terms and conditions of appointment, including professional fee to be paid to Mr. B.R. Rakhecha during his tenure, in such manner as agreed to between the Board and Mr. B.R. Rakhecha subject to all necessary statutory approval, if applicable.

RESOLVED FURTHER THAT the Board of Directors and Company Secretary of the Company be and is hereby authorised to do all acts and to take all steps as may be necessary, proper or expedient to give effect to this resolution”.

10. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

“RESOLVED THAT in supersession of the Ordinary Resolution passed at the Annual General Meeting of the Company held on 2nd June, 2001 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby accords its consent to the Board of Directors for borrowing any sums of money from time to time from any one or more persons, firms, bodies corporate, or financial institutions whether by way of cash credit, advance or deposits, loans or bill discounting or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company’s assets and properties whether movable or stock-in trade (including raw materials, stores, spare parts and components in stock or in transit) and work-in-progress or all or any of the undertakings of the Company notwithstanding that the monies to be borrowed together with monies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) will or may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, but, so, however, that the total amount up to which the monies may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs.500 Crores (Rupees Five Hundred Crores only).”

11. To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution**:

“RESOLVED THAT in supersession of the Ordinary Resolution passed at the Annual General Meeting of the Company held on 2nd June, 2001 and pursuant to Section 180(1)(a) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the shareholders of the Company be and is hereby accorded for creation by the Board of Directors on behalf of the Company, of such mortgages/ charges/ hypothecation and floating charges (in addition to the existing mortgages / charges / hypothecation created by the Company in favour of the lenders) in such form and in such manner as may be agreed to between the Board of Directors and the lenders, on all or any of the present and future immovable and / or movable properties of the Company wherever situated, of every nature and kind whatsoever to secure any Indian Rupee or foreign currency loans, Debentures, advances and all other moneys payable by the Company to the lenders concerned, subject, however, to an overall limit of Rs.500 Crores (Rupees Five Hundred Crores only) of loans or advances already obtained or to be obtained from, in any form including by way of subscription to debentures issued or to be issued by the Company to, any financial institution, bank, body corporate, company, insurer or to the general public.”

12. To consider and, if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to provisions of Section 14 of the Companies Act, 2013 and all other applicable provisions, if any and the rules made there under (including any statutory modification or re-enactments thereon, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and to take all steps as may be necessary, proper or expedient to give effect to this resolution”.

By Order of the Board

Place: New Delhi

Gaurav Mehta

Date : 02nd August, 2014

Company Secretary

Notes:-

1. **A member entitled to attend and vote at the Annual General Meeting (the Meeting) is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The instrument appointing a proxy should, however be deposited at the registered office of the Company not less than 48 hours before the commencement of the Meeting.**

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate Members intending to send their authorised representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Brief resume of the Directors proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from 20th September, 2014 to 27th September, 2014 (both days inclusive) for the Annual General Meeting and for determining the names of members eligible for dividend on equity shares, if declared at the meeting.
6. The dividend, as recommended by the Board, if declared at the Annual General meeting will be paid on or after 29th September, 2014 and within a period of 30 days from the date of declaration, to those members whose names stand registered on the Company's register of members:
 - a) As beneficial owners as at the close of business hours on 19th September, 2014 as per the list to be furnished by National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) in respect of shares held in electronic form; and
 - b) As members in the register of members of the Company after giving effect to all the valid share transfers in physical form which are lodged with the Company before 19th September, 2014.
7. Members are requested to bring their attendance slip along with their copy of Annual Report to the meeting. Proxies should fill in the attendance slip for attending the meeting. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members holding shares in the electronic mode are requested to intimate the change in their address, bank details etc to their respective Depository Participants (DPs) and those holding shares in physical mode are requested to intimate the above details to the Share Transfer Agents of the Company, M/s. MCS Ltd, at F-65, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi 110020 quoting their Folio Number(s).
10. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Company Secretary so as to reach the Corporate Office of the Company, at least 10 days before the Meeting, to enable the information required to be made available at the Meeting, to the best extent possible.
11. The register of Contracts or Arrangements in which Directors are interested, maintained under section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.
12. Electronic copy of the Annual Report and Notice of Annual General Meeting for the financial period ended 31st March, 2014 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Annual Report is being sent in the permitted mode.
13. The equity shares of the Company have been notified for compulsory trading in demat form and are available for trading in demat form both on National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shareholders are requested to avail this facility and get their shares converted into dematerialised form by sending the Dematerialisation Request Form (DRF) along with the share certificates through their Depository Participant to the Registrar and Transfer Agents of the Company.

14. The nomination facility is available to the Shareholders in respect of equity shares held by them. Shareholders holding shares in electronic mode may obtain and submit duly filled Nomination Forms to their respective Depository Participants. Also shareholders holding shares in physical mode may send their request for nomination at the Office of the Share Transfer Agents of the Company, M/s. MCS Ltd, at F-65 1st Floor, Okhla Industrial Area, Phase-I, New Delhi 110020.

15. Dividends from the financial year 2006-07 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the date they had been transferred to Unpaid Dividend Account shall be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government, on their due dates as per the details given hereunder:

Financial Year	Nature of Dividend	Date of transfer to Unpaid Dividend account	Due date of transfer to IEPF
2006-07	Final Dividend	06.03.2008	06.03.2015

Members who have not claimed/ encashed the dividend warrants for the aforesaid years are requested to approach the Company at its Corporate Office for revalidation of the dividend warrants or for obtaining Demand Drafts, as the case may be. Members are requested to note that no claims shall lie against the Company or the IEPF in respect of any amounts which were unclaimed and unpaid, on its becoming due for transfer to IEPF account.

16. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

17. Voting through electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 alongwith rules thereunder and as per the provisions of listing agreement, the Company is pleased to provide its members the facility to exercise their right to vote at the Annual General Meeting by electronic means and the business may be transacted through e-voting services provided by National Securities Depository Limited (NSDL)

The complete details of the instructions for e-voting are annexed to this notice.

By Order of the Board

Place: New Delhi

Date : 02nd August, 2014

Gaurav Mehta

Company Secretary

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

Item no.5

Appointment of Cost Auditors for the Financial Year 2014-2015

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. K.G. Goyal & Company, Cost Accountants (Firm Registration No 000024) as Cost Auditors to conduct the audit of cost records of the Company for the financial year ending March 31, 2015, at a remuneration of Rs. 60,000/- (Rupees Sixty Thousand only) plus applicable taxes and out of pocket expenses.

In accordance with the provisions of Section 148 of the Act, read with the Companies (Audit & Auditors) Rules 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2015.

None of the Directors / Key Managerial Person of the Company/ their relatives are, in any way concerned or interested, financially or otherwise, in the resolution set out at Item no.5 of the Notice.

The Board commends the Ordinary Resolution set out at item no. 5 of the Notice for approval by the shareholders.

Item no. 6, 7 & 8

Appointment of Mr. Amrit Nath, Mr. Narendra Kumbhat & Mr. Dinesh Kumar Mathur as Independent Directors

Mr. Amrit Nath, Mr. Narendra Kumbhat & Mr. Dinesh Kumar Mathur were appointed as Independent Directors of the Company and have held the positions as such.

In line with amended Clause 49 of the Listing Agreement, which stipulates the conditions for the appointment of independent Directors by a listed Company, it is proposed to appoint Mr. Amrit Nath, Mr. Narendra Kumbhat & Mr. Dinesh Kumar Mathur, as Independent Directors under Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement to hold office for five consecutive years for a term upto 26th September, 2019 not liable to retire by rotation.

Mr. Amrit Nath, Mr. Narendra Kumbhat & Mr. Dinesh Kumar Mathur are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

In the opinion of the Board, Mr. Amrit Nath, Mr. Narendra Kumbhat & Mr. Dinesh Kumar Mathur, fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. They are independent of the management.

The Company has received notices in writing from members

alongwith the deposit of requisite amount under section 160 of Companies Act, 2013 proposing the candidature of each of Mr. Amrit Nath, Mr. Narendra Kumbhat & Mr. Dinesh Kumar Mathur for the office of Directors of the Company.

Brief resume of Mr. Amrit Nath, Mr. Narendra Kumbhat & Mr. Dinesh Kumar Mathur, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationships between directors, *inter-se* as stipulated under Clause 49 of the Listing Agreement with Stock Exchanges is given in the Corporate Governance Report forming part of the Annual Report.

Copy of the draft letters for respective appointments of Mr. Amrit Nath, Mr. Narendra Kumbhat & Mr. Dinesh Kumar Mathur, as Independent Directors setting out the terms and conditions are available for inspection by members at the registered office of the Company.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Except Mr. Amrit Nath, Mr. Narendra Kumbhat & Mr. Dinesh Kumar Mathur and their relatives, respectively for item nos. 6, 7 & 8 as set out in the notice, none of the Directors/ Key Managerial Person of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no.6, 7 & 8 of the Notice.

The Board commends the Ordinary Resolution set out at item no. 6, 7 & 8 of the Notice for approval by the shareholders.

Item no.9

Appointment of Mr. B.R. Rakhecha as Professional Consultant

Mr. B.R. Rakhecha has been associated with the Company for the last two decades and has provided his expertise at various positions in the Company. He held the position of Whole Time Director of the Company and then as Non Executive Director till date. He was also working as professional consultant till 31st March, 2014. During all these years, Mr. B.R. Rakhecha has ably steered the Company to its present levels of growth.

It is because of Mr. B.R. Rakhecha's untiring efforts that the Company has won tenders floated by BBNL, Defense and other prestigious organizations. For the execution of the said tenders the company requires and Mr. B.R. Rakhecha has agreed to extend his expert advice in the same.

Pursuant to recommendation of Nomination & Remuneration Committee and subject to approval of shareholders in the ensuing general meeting, the Board of Directors has appointed Mr. B.R. Rakhecha as the Professional Consultant of the Company for a period of three years w.e.f. 1st October, 2014 to 30th September, 2017.

The professional fee payable to Mr. B.R. Rakhecha is as under:

Particulars	Amount (Rs./pm)	
	Minimum	Maximum
Professional Fee	375,000	600,000
Service Tax	Shall be paid extra as per applicable provisions	
TDS	Shall be deducted as per applicable provisions	

Members are hereby informed that pursuant to second proviso of section 188(1) of the Companies Act, 2013, no member of the company shall vote on such special resolution to approve any contract or arrangement which may be entered into by the company, if such member is a related party.

Except Mr. B.R.Rakhecha and his relatives, none of the Directors/ Key Managerial Person of the Company/ their relatives or, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no.9 of the Notice.

This statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

The Board commends the Special Resolution set out at item no. 10 of the Notice for approval by the shareholders.

Item No. 10 & 11:

Power to Borrow, Mortgage, create Charge and / or Hypothecation.

The members of the Company at their Annual General Meeting held on 2nd June 2001 had approved by way of an Ordinary Resolution under Section 293(1)(d) read with Section 293 (1)(a) of the Companies Act, 1956 borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs. 500 Crores (Rupees Five Hundred crores) and for creation of mortgages/charge/hypothecation on all present and future properties of the Company in favour of lenders upto a limit of Rs. 500 Crores (Rupees Five Hundred crores).

Section 180 of the Companies Act, 2013 effective from 12 September, 2013 requires that consent of the company accorded by way of a special resolution is required to borrow money in excess of the company's paid up share capital and free reserves. It is, therefore, necessary for the members to pass a Special Resolution under Section 180(1)(c) read with Section 180 (1)(a) and other applicable provisions of the Companies Act, 2013 as set out at Item No. 10 & 11 of the Notice. The Board recommends these resolutions for approval by the members of the Company.

None of the Directors/ Key Managerial Person of the Company/ their relatives is, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no.10 & 11 of the Notice for approval by the shareholders.

Item no.12

Adoption of New Articles of Association of the Company

The existing Articles of Association (AoA) of the Company are based on the Companies Act, 1956 and with the enforcement of the New Companies Act, 2013 many of the regulations in the existing Articles contain references related to the Old Companies Act, 1956 which have now become obsolete.

With the coming into force of the Act, several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to wholly replace the existing AoA by a new set of Articles.

The Board of Directors recommends the resolution as set out in the accompanying Notice for the approval of members of the company as a Special Resolution.

None of the Directors/ Key Managerial Person of the Company/ their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no.12 of the Notice.

The Board commends the Special Resolution set out at item no. 12 of the Notice for approval by the shareholders.

By Order of the Board

Place: New Delhi
Date : 02nd August, 2014

Gaurav Mehta
Company Secretary

INSTRUCTIONS FOR VOTING THROUGH ELECTRONIC MEANS

In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

- A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/ Depositories):
 - i. Open the e-mail and also open PDF file namely "AOL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
 - iii. Click on Shareholder – Login.
 - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
 - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 - vii. Once the e-voting home page opens, click on: e-voting>Active Voting Cycles.
 - viii. Select "EVEN" (E-Voting Event Number) of Aksh Optifibre Limited which is **100772**. Now you are ready for e-voting as Cast Vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
 - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to poojaanandassociates@rediffmail.com, with a copy marked to evoting@nsdl.co.in and gaurav@akshoptifibre.com.
 - xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of www.evoting.nsdl.com.
- B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not

registered with the Company/Depositories):

- i. Initial password is provided in the enclosed ballot form: EVEN (E-Voting Event Number), user ID and password.
 - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.
 - C. Other Instructions:
 - i. The e-voting period commences on Wednesday, 17th September, 2014 (9.00 a.m. IST) and ends on Friday, 19th September, 2014 (6.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
 - ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company.
 - iii. Ms. Pooja Anand, Company Secretary in Practice, has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
 - iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - v. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) to the Scrutinizer appointed by the Board of Directors of the Company, Ms. Pooja Anand, Company Secretary in Practice, at the Corporate Office of the Company.
- A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.**
- vi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.akshoptifibre.com and on the website of NSDL www.evoting.nsdl.com and communicated to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

By Order of the Board

Place: New Delhi
Date : 02nd August, 2014

Gaurav Mehta
Company Secretary

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 27th Annual Report together with the audited statement of accounts for the financial year ended 31st March, 2014.

FINANCIAL RESULTS

The financial performance of the Company, for the financial year ended 31st March, 2014 is summarized below:

(Rs. in Lacs)		
Particulars	F.Y. ended 2013-2014	F.Y. ended 2012-2013
Revenue from Operations	22748.46	24020.83
Earnings before Interest, Tax, Depreciation, Exceptional Items & Amortization	4100.23	4011.30
Depreciation and Amortization Expenses	1499.38	1663.21
Finance Cost	705.90	373.38
Profit before Exceptional items & Tax	1894.95	1974.71
Exceptional Items	706.60	619.02
Profit before Tax	2601.55	2593.73
Income Tax	520.51	64.54
MAT Credit Entitlement	520.51	64.54
Net Profit after Tax	2601.55	2593.73
Balance (Loss)/profit brought forward from previous year	(5366.36)	(7960.09)
Less : Appropriation		
Proposed Dividend	(371.41)	-
Dividend Tax	(63.12)	-
Surplus carried to Balance Sheet	(3199.34)	(5366.36)

OPERATIONAL REVIEW

Financial year 2013- 14 closed with revenue of Rs 22,748.46 lacs, with EBITDA of Rs 4,100.23 lacs and PAT of Rs 2,601.55 lacs . The manufacturing business earned revenues of Rs. 20,899.87 lacs at an EBIT margin of 18.68 %.

During the year, the Company introduced certain new products and adding new markets in the manufacturing business. Your Company continues to be recognized globally for high quality FRP (Fibre Reinforced Plastic) Rods, and Optical Fibre Cables.

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

FUTURE OUTLOOK

While in 2012-13 there was a surge in demand of OFC, largely fuelled by introduction of next generation technologies and up gradation of existing 2G networks to make them 3G and 4 G compatible was witnessed, a trend which is set to increase further in the coming year, with several Greenfield sites are being rolled out and more in the pipeline with operators preparing to launch 4G services, OFC network deployment is likely to gain momentum over the next few years making India one of the fastest growing markets in this segment.

The year 2013-14 continued to witness the increased concern for women's safety, which prompted the wireless operators to increase the penetration of OFC networks for providing broadband services for surveillance.

With the change in the government, the roll out of the much awaited NOFN project is to be expedited, fuelling in the demand of the OFC. Further, with the states initiating the e-governance models, there is likely to be huge demand of OFC for running the state e-governance models.

Globally FRP demand is expected to increase by about 20% in FY 2014-15. Currently Aksh has approximately 16-18% share in global demand of FRP which is set to surge ahead. The domestic FRP demand is expected to grow by 50% in FY 2014-15.

With the increased demand of residential dwellings and more high rise towers coming up to cater the increased demand of homes, there is significant potential in the FTTH segment as users want high speed broadband, high definition video and unlimited telephony and more importantly real time surveillance, there is a lot of space for OFC business to expand and flourish.

ACHIEVEMENT

During the year under review, the Company commissioned

FRP Production facility at JAFZA Dubai, through its wholly owned subsidiary 'AOL FZE'.

The Company got the BBNL order aggregating to Rs.210 crores, to be supplied over a period of 16 months.

DIVIDEND

Your Directors have recommended a dividend of Rs. 0.25 per equity share for the financial year ended 31st March, 2014 amounting to Rs. 434.53 lacs (Inclusive of Tax on dividend of Rs. 63.12 lacs). The dividend payout is subject to approval of members at the ensuing Annual General Meeting.

SUBSIDIARY COMPANIES

As on date the Company has one Indian Subsidiary, viz., APAKSH Broadband Limited and one Wholly Owned Overseas Subsidiary namely 'AOL-FZE', incorporated in SAIF Zone, Sharjah (U.A.E) with one step down Wholly Owned Overseas subsidiary namely 'AOL PROJECTS-JLT'.

The Statement pursuant to Section 212 of the Companies Act, 1956, is annexed herewith. The Audited Statements of Accounts along with the Report of the Board of Directors and Auditors' Report thereon on the Subsidiary Companies have not been annexed in terms of general exemption granted by the Ministry of Company Affairs vide its circular no. 2/2011 dated 8th February, 2011. The relevant documents of the Subsidiary Companies will be made available to any member of the Company who may be interested in obtaining the same. The annual accounts of the Subsidiary Companies will be available for inspection during business hours at the Registered Office of the Company.

CONSOLIDATED FINANCIAL STATEMENTS

As provided in the Accounting Standard (AS-21) issued by the Institute of Chartered Accountants of India (ICAI) on consolidated financial statements, the consolidated financial statements are attached which form part of the Annual Report.

FIXED DEPOSITS

The Company has not accepted any fixed deposits during the financial year under review.

LISTING

The Equity Shares of the Company continue to be listed at The Bombay Stock Exchange Ltd and The National Stock Exchange Ltd. GDRs & FCCBs are listed at the Luxembourg Stock Exchange. The Listing Fee has been paid to all the stock exchanges.

DIRECTOR'S RESPONSIBILITY STATEMENT

It is hereby affirmed that:

1. in preparation of annual accounts, all applicable accounting standards have been followed,
2. the accounting policies of the Company have been consistently followed. Wherever circumstances demanded, estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for

that period,

3. proper and sufficient care has been taken for maintenance of accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding assets of the Company and proper internal controls are in place for preventing and detecting frauds and other irregularities, and
4. annual accounts have been prepared on a going concern basis.

RECOGNITION

The Company's manufacturing facilities continue to remain certified by independent and reputed external agency as being compliant as well as aligned with the external standards for Quality Management System & Environmental Management System ISO 9001:2008 and 14001:2004.

INDUSTRIAL RELATIONS

Industrial relations remained cordial throughout the year. Your Directors recognize and appreciate the sincerity and hard work, loyalty, dedicated efforts and contribution of all the employees in most difficult and challenging business environment during the year.

The Company continues to accord a very high priority to both industrial safety and environmental protection and these are ongoing process at the Company's plants.

DIRECTORS

In accordance with the articles of association of the Company, Mr. B.R. Rakhecha, the Non Executive, Non Independent Director retire by rotation, and being eligible, has offered himself for re-appointment.

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013, your Directors are seeking re-appointment of Mr. B.R. Rakhecha, retiring by rotation in the ensuing General Meeting and appointment of Mr. Amrit Nath, Mr. Narendra Kumbhat & Mr. Dinesh Kumar Mathur, as Independent Directors for five consecutive years with effect from the conclusion of the forthcoming Annual General Meeting upto 26th September 2019.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of section 149 of the Companies Act, 2013 and clause 49 of the Listing Agreement with the Stock Exchanges.

RELATED PARTY TRANSACTIONS

Mr. B.R. Rakhecha has been associated with the Company for the last two decades and has provided his expertise at various positions in the Company. He held the position of Whole Time Director of the Company and then as Non Executive Director till date. He was also working as professional consultant till 31st March, 2014. During all these years, Mr. Rakhecha has ably steered the Company to its present levels of growth. It is because of Mr. Rakhecha's untiring efforts that the Company

has won tenders floated by BBNL, Defence and other prestigious organizations. For the execution of the said tenders the Company requires and Mr. Rakhecha has agreed to extend his expert advice in the same. Based on the same, the Board of Directors, subject to approval of shareholders in the ensuing Annual General Meeting, has appointed Mr. B.R. Rakhecha as Professional Consultant of the Company, on a consultancy fee, details of which are given the Report of Corporate Governance.

CORPORATE GOVERNANCE

The Report on Corporate Governance along with the Certificate from the Statutory Auditors certifying the compliance of Corporate Governance enumerated in Clause 49 of the Listing Agreement with the Stock Exchanges is included in the Annual Report.

AUDITORS' REPORT

The observation of Auditors and their report read with the relevant Notes to Accounts are self-explanatory and therefore do not require further explanation.

AUDITORS

M/s P. C. Bindal & Co., Chartered Accountants, holds the office as Auditors of your Company till the conclusion of the 27th Annual General Meeting and has expressed their willingness to be re-appointed. The Company has received a letter pursuant to Section 139 and 141 of the Companies Act, 2013 from M/s P. C. Bindal & Co., Chartered Accountants, regarding their eligibility for re-appointment as Auditors of the Company. The Board of Directors recommend to the Members of the Company for the reappointment of M/s P. C. Bindal & Co., Chartered Accountants as Statutory Auditors of the Company to hold the office for a term of three years from the conclusion of ensuing Annual General Meeting of the Company till the conclusion of 30th Annual General Meeting of the Company (subject to ratification by members at every Annual General Meeting) and to fix their remuneration.

COST AUDITORS

The Company has appointed M/s. K.G. Goyal & Associates, as Cost Auditors for the financial year 2014-15 to audit the cost records of the Company.

SECRETARIAL AUDITORS

The Company has appointed Ms. Pooja Anand, Practicing Company Secretary, to conduct the Secretarial Audit for the financial year 2014-15.

EMPLOYEES STOCK PURCHASE SCHEME

During the year under review no shares have been granted, hence there was no vesting of shares.

INFORMATION PURSUANT TO SECTION 217 (2A)

In terms of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and amendments thereto, the names and other particulars of the employees are required to be set out in the Annexure to the Directors' Report. However, as per the provisions of Section 219(1) (b) (iv) of the Act, the report and accounts are being sent to all the Members excluding the aforesaid particulars. The complete Annual Report including this statement shall be made available for inspection by any Member during working hours for a period of 21 days before the date of the Annual General Meeting. Any Member interested in obtaining a copy of the said statement may write to the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

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

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

The information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 relating to the Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in Annexure to this report.

ACKNOWLEDGMENT

Your Directors take this opportunity to place on record their appreciation to the contribution made by the employees to the working of the Company.

Your Directors also express gratitude to the Customers, Suppliers, Shareholders, Banks, Trade Partners, Service Partners and Investors for the confidence reposed in your Company and for their continued co-operation during the year under Report.

For & on behalf of the Board of Directors

Dr. Kailash S. Choudhari

Chairman

Place: New Delhi

Date: 2nd August, 2014

DIN No. 00023824

ANNEXURE 'A' TO THE DIRECTOR'S REPORT

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

Particulars Regarding Conservation of Energy, Technology Absorption, Foreign Exchange, Earnings and Outgo

Information as required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of the Board of Directors) Rules, 1988 and forming part of the Director's Report for the financial year ended 31st March, 2014 is as follows:

1.	CONSERVATION OF ENERGY	
a	Energy conservation measures taken	Installed High speed, energy efficient machines with tandem processes to reduce production time. Air conditioning system replaced by AHU system. LEDs installed in place of conventional lights.
b	Additional investments & proposals, if any, being implemented.	
c	Impact of measures of a & b above for reduction of energy consumption & consequent impact on cost of production	Reduction in production cost by 0.5% and energy saving by 15%.
	Total energy consumption and energy consumption per unit of production as per Form 'A' of the Annexure in respect of Industries specified in the schedule thereto	NotApplicable
2.	TECHNOLOGY ABSORPTION	
	Research & Development (R&D)	
1.	Specific area in which R & D is carried by the Company	New application of FRP Rods; Development of Optical Fibre Cable for FTDD requirements.
2.	Benefits derived as a result of the above R&D	Increased productivity of UV processed FRP Rod; Developed ultra low bend fibre for FTDD requirements; Optical fibre cables for 4G application
3.	Future Plan of action	To upgrade fibre draw machines and develop higher fibre count ribbon type ADSS cables, suited for 4G applications, Development of new application for FRP Rods Regular production with UV curing machines
4.	Expenditure on R & D.	
	i) Capital	-
	ii) Recurring Total	-
	iii) Total	-
	iv) Total R & D Expenditure as a percentage of total turnover	-
TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION		
1	Efforts in brief made towards technology absorption, adaptation and innovation.	FRP with UV technologies Flex with new bonding material. Upgradation of ribbon machine. Upgradation of OFC machines
2	Benefits derived as a result of the above efforts,	Increased productivity of flex and FRP Rods.

	e.g., product improvement, cost reduction, product development, import substitution, etc.	Improved product quality and productivity Further saving of energy
3	Information regarding Imported Technology: a. Technology imported b. Year of Import c. Has the technology been fully absorbed d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of action.	N.A.
3. FOREIGN EXCHANGE EARNINGS AND OUTGO		
a.	Activities relating to exports; initiatives taken to increase exports; development of new export markets for products, services and export plans.	Increased the exports of FRP Rods and also developing new markets for future application of FRP rods.
b.	Total foreign exchange used and earned	The information of foreign exchange earnings and outflow is furnished in notes to accounts.

CORPORATE GOVERNANCE REPORT

CONTINUED DEDICATION TO CORPORATE FAIRNESS, TRANSPERENCY AND ACCOUNTABILITY

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

The details of the Corporate Governance compliance by the Company as per the Clause 49 of the Listing Agreement entered into with Stock Exchanges are as under:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

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

In addition to the adherence to its philosophy and values, the Company has also complied with the provisions of Clause 49 of the Listing Agreement of Stock Exchange, which deals with the compliance of Corporate Governance requirements. A detail, in line with the same is as follows.

2. THE BOARD OF DIRECTORS

Composition

The Company's policy is to maintain optimum combination of Executive & Non-Executive Directors. The Composition of the Board and category of Directors are as follows:

Category	Name of Directors
Promoter Director, Non Executive Chairman	Dr. Kailash S. Choudhari
Managing Director	Mr Chetan Choudhari
Non Executive Non Independent Director	Mr. B.R. Rakhecha
Independent Directors	Mr. D.K. Mathur
	Mr. Narendra Kumbhat
	Mr. Amrit Nath

As per the statutory requirements of Clause 49 of the listing agreement as entered with the Stock Exchanges none of the Directors on the Board of your Company are holding directorships in more than 15 Public Companies and memberships of more than 10 Committees alongwith the Chairmanships of not more than 5 Committees across all the Companies in which they are Directors. All the Non- Executive Directors on the Board of your Company are liable to retire by rotation unless otherwise specifically approved by the shareholders.

As per the statutory requirements of the listing agreement all the Independent Directors on the board of your Company are experienced and renowned persons from their respective fields. They take active part in the Board and Committee meetings which add value in the decision making process of the Board of Directors.

Board Functioning and Procedure

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

In accordance with the provisions of Clause 49 of the Listing Agreement, the Board meets at least once in every quarter to review the quarterly results and other items of agenda as required under Annexure 1A of Clause 49 of Listing Agreement, and if necessary, additional meetings are held. The Chairman of the Board and the Company Secretary discuss the items to be included in the agenda and the agenda is sent in advance to the Directors along with the draft of relevant documents and explanatory notes.

During the financial year ended on 31st March, 2014 the Board of Directors had **4 meetings** with not more than four months gap between any two meetings. The date of Board Meetings held during the year is as follows:

(i) 17th May, 2013 (ii) 03rd August, 2013 (iii) 06th November, 2013
(iv) 03rd February, 2014

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

The shareholding of the Board of Directors, attendance in Board Meeting and at the last Annual General Meeting, Number of other Directorships, Committee memberships and Chairmanships held by them as at 31st March, 2014 are given below:

Name	Shares Held	No. of other Directorships*	No of other Committee positions held**		No. of Board Meetings attended during 2013-2014	Attendance at the 26 th Annual General Meeting held on 03 rd Aug, 2013.
			Chairman	Member		
Dr. Kailash S. Choudhari#	25,842,700	1	Nil	Nil	4	Yes
Mr. Popat Lal F. Sundesha##	5,280,060	3	Nil	1	1	No
Mr. Chetan Choudhari	1,305,374	1	Nil	Nil	4	Yes
Mr. D.K. Mathur	67,500	Nil	Nil	Nil	2	No
Mr. B.R. Rakhecha	Nil	1	Nil	Nil	4	Yes
Mr. Narendra Kumbhat	Nil	3	Nil	1	4	No
Mr. Arun Sood###	Nil	1	Nil	Nil	2	No
Mr. Amrit Nath	Nil	Nil	Nil	Nil	4	Yes

* Directorships in Private Companies, Foreign Companies, Associations & Section 25 Companies are excluded.

** Only Audit and Shareholders'/ Investors' Grievance cum Share Transfer Committee of other Companies are considered.

includes 6,250,000 Equity shares underlying 125,000 GDRs.

ceased to be Director w.e.f. 20th September, 2013.

ceased to be Director w.e.f. 27th September, 2013.

Code of Conduct

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

The Code has been circulated to all the members of the Board and Senior Management Personnel and the compliance with the Code of Conduct and Ethics is affirmed by them annually.

A declaration signed by the Managing Director of the Company is given below:

This is to certify that, to the best of my knowledge and belief, for the financial year ended on 31st March, 2014 all Board members and Senior Management Personnel have affirmed compliance with the code of Conduct for Directors and Senior Management respectively.

Chetan Choudhari

Managing Director
DIN No. 00872366

Date: 01.04.2014

Insider Trading Code

As per SEBI (Prohibition of Insider Trading) Regulation, 1992 the Company has adopted a Code of Conduct for Prohibition of Insider Trading. All the Directors, employees at senior management level and other employees who could have access to the unpublished price sensitive information of the Company are governed by this code. The Company has appointed Mr. Gaurav Mehta as Compliance Officer who is responsible for setting forth procedures and implementation of the code of conduct for trading in Company's securities and during the under review there has been due compliance with the said code

3. COMMITTEES OF DIRECTORS

Meetings of Board Committees held during the year and Director's Attendance:

Board Committees	Audit Committee	Stakeholders Relationship Committee*	ESPS Compensation Committee	Finance Committee	Share Allotment Cum Transfer Committee	FCCB Committee	CSR Committee#	Nomination & Remuneration Committee#
Meetings held	4	0	0	1	0	2	0	0
Director's Attendance								
Dr. Kailash S. Choudhari	NA	NA	0	1	0	NA	NA	0
Chetan Choudhari	NA	0	NA	NA	NA	2	0	NA
B.R. Rakhecha	NA	0	0	NA	NA	2	0	0
Amrit Nath	4	NA	NA	NA	NA	NA	NA	0
D.K. Mathur	2	NA	NA	1	NA	NA	NA	0
Narendra Kumbhat	4	NA	NA	1	NA	NA	0	NA

NA- Not a member of the Committee

the terms of reference of Shareholder's Grievance Committee was conferred on 'Stakeholders Relationship Committee' constituted by the Board on 26th May, 2014.

These Committee(s) were constituted on 26th May, 2014.

A. AUDIT COMMITTEE

The terms of reference, role and scope are in line with those prescribed by Clause 49 of the Listing Agreement with the Stock Exchanges. The Company also complies with the provisions of Section 292A of the Companies Act, 1956 pertaining to Audit Committee and its functioning. The terms of reference of the Audit Committee and the powers vested in this committee as mentioned in the Corporate Governance Report for 2013-2014 are wide in scope and allow it the necessary latitude to discharge its duties efficiently and independently.

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

ROLE OF AUDIT COMMITTEE

The broad term of reference of Audit Committee, as revised by the Companies Act, 2013 include inter-alia the following:-

- Review quarterly and annual financial statements before submission to the Board for approval;
- Discuss with Auditors about Internal Control System and to consider their observations and follow-up;
- Review of risk management policies and practices;
- Ensure compliance of Internal Control System;
- Investigate on any matter referred by the Board;
- Make recommendation to the Board on any matter relating to the financial management of the Company, including the Audit Report.
- Related Party Transactions;
- Appointment of Auditor including Cost Auditor;
- Auditor's independence and performance, and

effectiveness of audit process;

- Inter-corporate loans and investments;
- Evaluation of internal financial controls and risk management systems;
- Valuation of assets of the Company or undertaking, if necessary;
- Right to call for comments from Auditors or Management about:-
 - internal control systems
 - scope of Audit
 - observations of the auditors
- To call for any information from officers or employees of the Company on any fraud being referred by the Auditors of the Company;
- To establish a vigil Mechanism for Directors and Employees to report genuine concerns

MEETING OF AUDIT COMMITTEE

During the period under review, **4 meetings** of the Audit Committee were held on the following dates:

(I) 17th May, 2013 (ii) 03rd August, 2013 (iii) 06th November, 2013 (iv) 03rd February, 2014

The composition of Audit Committee as on 31st March, 2014 was as under:

S.No.	Name of Director	Category	Position
1.	Mr. Narendra Kumbhat	Independent Director	Chairman
2.	Mr. Popatlal F. Sundesh	Independent Director	Member
3	Mr. D.K. Mathur	Independent Director	Member
4.	Mr. Amrit Nath	Independent Director	Member

Ceased to be member w.e.f. 20th September, 2013

All the members of the Audit Committee are Independent and Non-Executive Directors. All the members have sound knowledge of accounts, audit, finance, internal controls etc. The Audit Committee invites such of the executives, as it considers appropriate (and particularly the head of the finance function) to be present at its meetings. The Chief Financial Officer attends the meetings. The Statutory Auditors are also invited to the meetings. There being no permanent Chairman of the Committee, the members elect one amongst themselves as Chairman of the meeting to preside over the same.

B. NOMINATION AND REMUNERATION COMMITTEE

The Company was already having Remuneration Committee consisting of 3 Independent Directors, Mr. D.K. Mathur, Mr. Amrit Nath and Mr. Narendra Kumbhat as its members. However, to rationalize all employees' related issues, while adhering to the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement, Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended from time to time, the Board of the Company on 26th May, 2014 has constituted Nomination and Remuneration Committee with the following members:

S.No.	Name of Director	Category	Position
1.	Mr. D.K. Mathur	Independent Director	Chairman
2.	Mr. Amrit Nath	Independent Director	Member
3.	Dr. Kailash S. Choudhari	Non Executive Chairman	Member
4.	Mr. B. R. Rakhecha	Non Executive Director	Member

Consequently, the Remuneration Committee has been reconstituted and re-named as "Nomination & Remuneration Committee."

Following is the terms of reference of the Nomination and Remuneration Committee:

- Identify persons who are qualified to become directors and who may be appointed in senior management; (Functional Heads are covered in Senior Management)
 - Formulate the criteria for determining qualifications, positive attributes and independence of a director and the Board;
 - Recommend to the Board their appointment and removal,
 - Recommend to the Board a policy, relating to the remuneration of the Director, Key Managerial Personnel and other employees;
 - Carry out evaluation of every director's performance; and
 - Devising a policy on Board's diversity
- During the period under review, one meeting of the Remuneration Committee was held on 16th May, 2013.

Details of Director's Remuneration

During the period under review, the Non-Executive Directors of the Company were paid sitting fees only @ Rs.10,000/- per meeting for attending meetings of the Board of Directors and Audit Committee.

Executive Directors

During the period under review Mr. Chetan Choudhari, the Managing Director of the Company was paid remuneration of Rs.11,239,129/- for a period w.e.f. 1st April, 2013 to 31st March, 2014.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

We at Aksh are conscious towards having cordial relations with all the stakeholders of the Company.

The Company was already having 'Shareholders Grievance Committee' comprising of Mr. Popatlal Sundesha and Dr. Kailash S. Choudhari, Directors, as its members. However, to rationalize with the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the 'Stakeholders Relationship Committee' (SR Committee) was constituted by the Board on 26th May, 2014, consequently Shareholders'/Investors' Grievance Committee was dissolved. The Stakeholders Relationship Committee of the Board of Directors comprises of following members:

S.No.	Name of Director	Category	Position
1.	Mr.B.R.Rakhecha	Non Executive Director	Chairman
2.	Mr. Chetan Choudhari	Managing Director	Member

The Stakeholder's Relationship Committee is primarily responsible to review all matters connected with the Company's transfer of securities and redressal of shareholders' / investors' / security holders' complaints. The Committee also monitors the implementation and compliance with the Company's Code of Conduct for prohibition of Insider Trading.

The Stakeholder's Relationship Committee's composition and the terms of reference meet with the requirements of Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013.

Terms of Reference of the Committee, inter alia, includes the following:

- Oversee and review all matters connected with the transfer of the Company's securities
- Approve issue of the Company's duplicate share / debenture certificates
- Monitor redressal of investors' / shareholders' / security holders' grievances

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

Investors' Services – complaints received till 31st March, 2014

Particulars	Received	Attended to	Pending
Revalidation/Correction/ Non-Receipt of Dividend Warrant	-	-	-
Annual Reports	3	3	Nil

During the year under review no investor grievance was received or was pending in the SCORES account of the Company.

D. SHARE ALLOTMENT-CUM TRANSFER COMMITTEE

The Share Allotment -cum- Transfer Committee comprises of following members

S.No.	Name of Director	Category	Position
1.	Dr. Kailash S. Choudhari	Non Executive Chairman	Member
2.	Mr. Satyendra Gupta	Chief Financial Officer	Member
3.	Mr. Gaurav Mehta	Company Secretary	Member

The Share Allotment cum Transfer Committee looks after approval of share transfers, transmission, issue of duplicate share certificates, approval of demat/ remat of share certificates etc.

The Company complies with the various requirements of the listing agreements and the depositories with respect to transfer of shares and the requisite reports are sent to them within the prescribed time.

During the period under review, No meeting of the Share Allotment –Cum- Transfer Committee were held.

E. ESPS COMPENSATION COMMITTEE

The ESPS Compensation Committee comprises of the following members:

S.No.	Name of Director	Category	Position
1.	Mr.B.R.Rakhecha	Non Executive Chairman	Chairman
2.	Mr. Chetan Choudhari	Non Executive Director	Member

The ESPS Committee has the full and conclusive authority to determine the eligible employees of the Company to whom the Shares shall be granted under the terms and provisions of the Employees Stock Purchase Scheme; to interpret the Scheme; to prescribe, amend and rescind rules and regulations relating to the Scheme; to determine the terms and conditions of respective Grant letters and to make all other determinations necessary or advisable for the proper administration of the Plan.

For administering the ESPS, the “**Aksh Employee Welfare Trust**” was constituted which hold shares for the benefit of Employees. After the shares are vested after a period of one year on achieving certain set goals, the same get transferred from the trust to the respective employees who exercise the vested shares. During the year no shares have been granted, hence not vested.

During the year ended 31st March, 2014 no meeting of ESPS Compensation Committee was held.

F. FINANCE COMMITTEE

The Finance Committee comprises of the following members:

S.No.	Name	Category	Position
1.	Dr. Kailash S. Choudhari	Non Executive Chairman	Member
2.	Mr. D. K. Mathur	Independent Director	Member
3.	Mr. Narendra Kumbhat	Independent Director	Member

There being no permanent Chairman of the Committee, the members elect one amongst themselves as Chairman of the meeting to preside over the same.

During the year ended 31st March, 2014 **1 (One)** meeting of the Finance Committee was held on 23rd December, 2013.

G. FCCB COMMITTEE

FCCB Committee was constituted by your Directors vide resolution passed in their meeting held on 05th May, 2012. The idea behind constituting the new committee was to look after the issuance of new FCCBs as and when it is required and to convert the existing FCCBs into the Equity Shares of the Company as and when the conversion request is received by the Company.

During the period under review **2 (Two)** meetings of the FCCB Committee were held on the following dates:

(i) 08th February, 2014 (ii) 10th February, 2014

The composition of each of the member of the FCCB Committee as on 31st March, 2014 was as under:

S.No.	Name	Category	Position
1.	Mr. Chetan Choudhari	Managing Director	Member
2.	Mr. B.R. Rakhecha	Non Executive Director	Member

H. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

With the belief in the philosophy of responsible corporate citizenship and sustainable growth, Aksh considers social institution building as one of its main purposes. To attain this, the Corporate Social Responsibility Committee was constituted by the Board on 26th May, 2014 considering requirements of the Companies Act, 2013 relating to the constitution of a Corporate Social Responsibility Committee, consisting of following members:

S.No.	Name	Category	Position
1.	Mr. Chetan Choudhari	Managing Director	Chairman
2.	Mr. B.R.Rakhecha	Non Executive Director	Member
3.	Mr. Narendra Kumbhat	Independent Director	Member

The Committee shall endeavour to take on social causes for the larger benefit of the society

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

4. POLICIES

A. NOMINATION AND REMUNERATION POLICY

In order to attract the right kind of talent and to guide the Board in relation to appointment, evaluation of performance and recommendation of the remuneration of the Directors, Key Managerial Personnel & Senior Management, the Company has devised a Nomination and Remuneration Policy, to aid & help the Nomination and Remuneration Committee

B. RELATED PARTY TRANSACTION POLICY

The Company in compliance with the provisions of Companies Act, 2013 read with relevant rules and Listing Agreement, has adopted a Related Party Transaction Policy, for approval of all the related party transactions entered into by the Company.

C. POLICY AGAINST SEXUAL HARRASMENT

In order to promote the safety of women employees in the organization and provide them safe and cogent working environment, the Company has adopted a

policy against sexual harassment, empowering them to work with dignity and pride.

D. WHISTLE BLOWER POLICY

The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. The Company has a whistle blower policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to immediate supervisor or such other person as may be notified by the management to the workgroups. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

E. CORPORATE SOCIAL RESPONSIBILITY POLICY

With the belief in the philosophy of responsible corporate citizenship and sustainable growth, the Company considers social institution building as one of its main purposes. To attain this, the Company has formulated and adopted a Corporate Social Responsibility Policy.

5. GENERAL BODY MEETINGS

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

Year	Date of AGM	Venue	Time	Special Resolutions passed
2012-13	03.08.2013	F-1080, RIICO Industrial Area, Phase-III, Bhiwadi -19 (Rajasthan)	11.30 A.M.	ONE*
2011-12	31.12.2012	F-1080, RIICO Industrial Area, Phase-III, Bhiwadi -19 (Rajasthan)	11.30 A.M.	TWO
2010-11	15.07.2011	F-1080, RIICO Industrial Area, Phase-III, Bhiwadi -19 (Rajasthan)	11.00 A.M.	ONE

*Appointment of Mr. Chetan Choudhari as the Managing Director of the Company.

No resolution through postal ballot was passed during the financial year.

6. DISCLOSURES

- During the financial year under review the Company has not entered into any transaction of the material nature with its promoters, the Directors or the management, their subsidiaries or relatives, etc., that may have potential conflict with the interest of the Company at large.
- During the financial year under review there was no instance of non-compliance by the Company of any formalities of Stock Exchange, SEBI or any Statutory Authority, nor any penalty imposed on the Company from the Stock Exchange, SEBI or any Statutory Authority.
- All Mandatory requirements as per Clause 49 of the Listing Agreement have been complied with by the Company.

- The Company has in place a risk management mechanism to inform the Board members about the risk assessment & minimization procedures, the Board reviews the same from time to time.
- Other than transactions entered into in the normal course of business, the Company has not entered into any materially significant related party transactions during the period, which could have a potential conflict of interest between the Company and its Promoters, Directors, Management and /or relatives.
- In terms of Clause 49(V) of the Listing Agreement, the Managing Director and the Chief Financial Officer made a certification to the Board of Directors in the prescribed format for the year under review which has been reviewed by the Audit Committee and taken on record by the Board.

- g) As regards the other Non-Mandatory requirements, the Board has taken cognizance of the same and shall adopt the same as and when necessary.

7. MEANS OF COMMUNICATION

The information like quarterly/half yearly/annual financial results, notices of board meetings are promptly submitted to the stock exchanges to enable them to put them on their websites for the information of the members and investors. The financial results of the Company in the prescribed format, as per Clause 41 of the Listing Agreements are also posted on the Company's website www.akshoptifibre.com.

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

Particulars	Date of Board Meeting	Date of Publication
Quarter ended 30 th June, 2013	03 rd August, 2013	04 th August, 2013
Quarter ended 30 th September, 2013	06 th November, 2013	07 th November, 2013
Quarter ended 31 st December, 2013	03 rd February, 2014	04 th February, 2014
Quarter and year ended 31 st March, 2014	26 th May, 2014	27 th May, 2014

Further in line with the circular no. NSE/LIST/ C/2011 dated 29th September, 2011 of the National Stock Exchange ("NSE"), the Company has started uploading all its quarterly, half yearly and yearly compliance, through NSE Electronic Application System ("NEAPS"), a web based initiative taken by National Stock Exchanges for Listed Entities, and on Listing.bseindia, the web based portal of Bombay Stock Exchange, Mumbai, in order to achieve the paperless documentation and to mitigate the time and cost factors involved in physical filings to the exchange.

8. SUBSIDIARY COMPANIES

As on 31st March, 2014 the Company has one Indian unlisted Subsidiary i.e. M/s. APAKSH Broadband Limited, one wholly Owned Overseas Subsidiary Company, i.e. M/s. AOL- FZE and one step-down wholly owned overseas subsidiary Company i.e. M/s. AOL Projects – JLT.

As per the provisions of the Listing Agreement, the financial Statements of the Subsidiary Companies are reviewed by the Audit Committee of the Company. The Minutes of all the unlisted subsidiary companies are placed in the Board

Meetings of the Company. The other requirements of the listing agreement with regard to subsidiary companies have been complied with. The Company has no material subsidiary as on 31st March, 2014.

9. DIRECTOR'S INFORMATION

As per the requirements of Clause 49(IV)(G)(i) of the Listing Agreements of both the exchanges, particulars of Directors seeking re-appointments at the forthcoming Annual General Meeting are given hereunder:-

Profile of Director(s) seeking re-appointment:-

(I) Mr. B. R. Rakhecha

Mr. B.R. Rakhecha has been on the Board of your Company since 2002. Mr. Rakhecha is B.Com, LL.B. He has vast knowledge and rich experience in various areas of Operations of the Company, viz, manufacturing, production, industrial relations and general administration. In the past Mr. Rakhecha handled marketing operations of JFTC and PVC business of CMI Limited and at present he is over viewing the execution of Government projects, including BBNL Project, NFS Project and other Network for Spectrum Project conferred upon the Company.

Mr. Rakhecha is also a Director on the Board of Shashi Cables Limited and Shri Rishabh Nath Infratech Private Limited.

Mr. Rakhecha is the member of Nomination and Remuneration Committee, Stake holders Relationship Committee, ESPS Compensation Committee, FCCB Committee and Corporate Social Responsibility Committee. He does not hold any share of the Company under his name.

Profile of Directors seeking appointment

(I) Mr. Amrit Nath

Mr. Amrit Nath, a qualified Economist [MA (Econ.)] from the Delhi School of Economics, with specialization in Industrial Economics, brings in a vast experience of about 40 years in International Banking/ Financial Services. He is on the Board

of the Company since October, 2010. With the implementation of New Companies Act, 2013, pursuant to Section 149 of the said Act, read with amended Clause 49 of the Listing Agreement; it is proposed to appoint Mr. Amrit Nath as Independent Director on the Board of the Company for five consecutive years for a term upto 26th September 2019, not liable to retire by rotation.

Mr. Amrit Nath is the member of Audit Committee, Finance Committee and the Nominations and Remuneration Committee of the Company. Mr. Amrit Nath was the working Director of Agriya Technologies Private Limited, however resigned on 27th May 2014. He does not hold any share of the Company under his name.

(ii) **Mr. Narendra Kumbhat**

Mr. Narendra Kumbhat is an MBA by qualification with a rich experience of 40+ years in the fields of Accounts, Finance, Taxation & Material Management. He is a member of Institute of Internal Auditors, Florida, USA, American Management Association, USA and Administrative Staff College of India. He has been taking up session in the programs on Revival/ Rehabilitation of Sick Industries conducted by the Bankers' Training College of Reserve Bank of India and conducted research on the causes of Industrial Sickness in India and Rehabilitation of Sick Companies. He has worked with Shriram group, Indo Rama, RPG Group, JK Organisation and Shyam Group.

Mr. Kumbhat is the member of Audit Committee, Corporate Social Responsibility Committee and Finance Committee of the Company. Mr. Kumbhat does not hold any share of the Company under his name.

(iii) **Mr. Dinesh Kumar Mathur**

Mr. Dinesh Kumar Mathur is a MBA by qualification, an industrialist of repute managing his business house for the last 35 years. He has immense experience in marketing, accounts and general administration.

Mr. D.K. Mathur is the member of Audit Committee, Finance Committee and the Nomination and Remuneration Committee of the Company.

Mr. D.K. Mathur is a Director in Akriti Creations Private Limited, Rajasthan Trunk Factory Private Limited, RTF Promoters and Builders Private Limited, New Age Gardens Private Limited, Photos (India) Private Limited, T.V. Promoters and Builders Private Limited. He is the Proprietor of M/s. Alankar Creations.

Mr. D.K. Mathur holds 67,500 shares of the Company under his name.

10. GENERAL SHAREHOLDERS INFORMATION

Registered Office

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

Address of Correspondence

J-1/1, B-1 Extension, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044.

Compliance Officer and Contact Address:

Mr. Gaurav Mehta

Company Secretary

Aksh Optifibre Limited

J-1/1, B-1 Extension, Mohan Co-operative Industrial Estate

Mathura Road, New Delhi – 110044.

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

e- mail : gaurav@akshoptifibre.com

10.1 Annual General Meeting

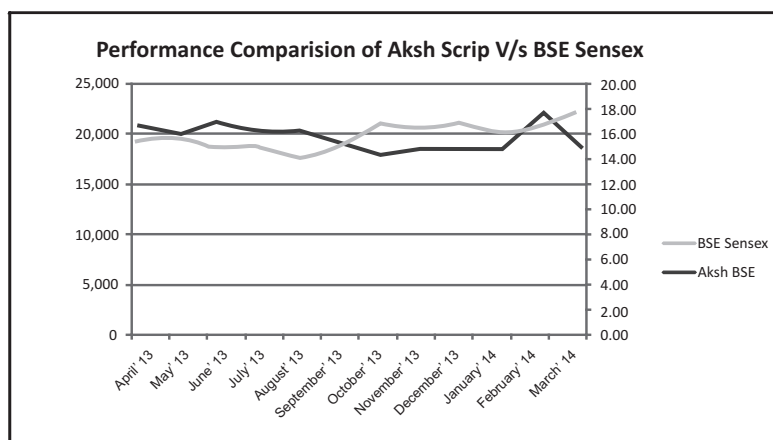
1.	Date, Time and Venue of the Annual General Meeting	27 th September, 2014 at 11.30 A.M., at the Registered Office of the Company, at F-1080, RIICO Indl. Area, Phase-III, Bhiwadi – 301 019 (Rajasthan)
2.	Financial Calendar	1 st April, 2013 to 31 st March, 2014
3.	Book Closure Dates	20 th September, 2014 to 27 th September, 2014 (both days Inclusive)
4.	Dividend Payment Date	On or after 29 th September, 2014
5.	Listing on Stock Exchanges	
(A)	Equity Shares	Stock Code/Symbol
	The Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 01. Website: www.bseindia.com	'532351'
(B)	GDRs and FCCBs	The GDRs and FCCBs of the Company are Listed under the EURO MTF Platform of Luxembourg Stock Exchange, Societe de la Bourse de Luxembourg Avenue, Luxembourg.
6.	ISIN Code for the Company's Equity Shares	INE523B0101
7.	Corporate Identification Number (CIN)	L24305RJ1986PLC016132
8.	Listing Fees	The Company has paid listing fees to The Bombay Stock Exchange, Mumbai (BSE) and to The National Stock Exchange of India Limited (NSE), where the Shares of the Company are Listed
9.	Share Transfer Agents	MCS Limited F-65, First Floor, Okhla Industrial Area, Phase I, New Delhi - 110020 Tel: 011 - 26384909-10 Fax: 011 - 26384907 E-mail: mcsdel@del6.vsnl.net.in
10.	Investor queries/request for transfer, transmission, issue of duplicate certificates etc to be sent	M/s. MCS Limited

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

10.2 Market Price Data

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

Date	AKSH BSE PRICE(Rs.)			AKSH NSE PRICE(Rs.)		
	High	Low	Volume	High	Low	Volume
April, 2013	18.70	15.50	634,206	18.80	14.00	1,216,088
May, 2013	17.30	14.65	2,076,890	17.25	14.40	2,008,307
June, 2013	17.95	14.75	490,317	18.05	14.55	1,465,096
July, 2013	17.95	16.05	1,776,561	17.80	16.00	1,302,318
August, 2013	18.60	13.40	770,372	18.65	13.25	1,511,943
September, 2013	17.70	15.00	484,953	17.25	15.20	710,737
October, 2013	16.25	14.20	418,140	16.00	14.15	578,346
November, 2013	15.95	13.90	197,426	15.60	13.75	771,805
December, 2013	16.50	13.20	609,056	16.45	14.90	842,180
January, 2014	19.30	13.25	2,865,454	19.35	12.85	5,487,839
February, 2014	22.00	15.80	2,254,244	22.20	15.80	3,811,353
March, 2014	18.20	15.15	1,737,229	18.15	15.10	759,683



10.3 Distribution of Shareholding as on 31.03.2014

No. of Equity Shares held	No. of Shareholders	% to Total shareholders	No. of Shares held	% to Total shares
1-500	10,050	73.90	1,884,762	1.27
501-1000	1,663	12.23	1,471,718	0.99
1001-2000	827	6.08	1,330,259	0.89
2001-3000	327	2.41	857,128	0.58
3001-4000	131	0.96	478,589	0.32
4001-5000	148	1.09	720,920	0.49
5001-10000	192	1.41	1,442,597	0.97
10000-50000	165	1.21	3,991,272	2.69
50001-100000	27	0.20	1,915,824	1.29
100001-And Above	69	0.51	134,471,920	90.51
TOTAL	13,599	100.00	148,564,989	100.00

10.4 Shareholding Pattern:

The shareholding of different categories of the shareholders as on 31st March, 2014 is given below:

Category	No. of Shares	% Age
Promoters	52,187,938	35.13
Corporate Bodies	61,893,742	41.67
FII's/NRIs/OCBs	2,368,484	1.59
Trusts	463,120	0.31
Custodian for GDRs*	14,173,692	9.54
Public	17,478,013	11.76
TOTAL	148,564,989	100.00

*excludes 6,250,000 equity shares held by promoters, included in promoter shareholding.

10.5 Dematerialization of Shares

The Shares of the Company are in Compulsory Demat Mode. The breakup of Equity Share Capital held with the depositories and in physical form as on 31st March, 2014 is as follows:

Category	No. of Shareholders	No. of Equity Shares Held	% Age of Capital
NSDL	8592	101,773,796	68.50
CDSL	4851	46,174,122	31.08
Physical	156	617,071	0.42
Total	13599	148,564,989	100.00

10.6 Reconciliation of the Share Capital Audit Report

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

10.7 Outstanding GDRs or any other Convertible Instruments:

- I. **GDRs US\$ 20.00 Mn in January 2008:** Comprising of 6,535,948 GDRs, one GDR equivalent to two Equity Shares. 2,553,921 GDRs remain outstanding as on 31st March, 2014.
- ii. **GDRs US\$ 25.00 Mn in September 2010:** Comprising of 1,165,750 GDRs, one GDR equivalent to 50 Equity Shares. 306,317 GDRs remain outstanding as on 31st March, 2014.
- iii. **FCCBs US\$ 3.792 Mn in February, 2014:** The Company issued FCCBs aggregating to US\$ 3.792 Mn, for a term of 5 years 1 day, to redeem on 10.02.2019. Total 3792 FCCBs have been issued @ US\$ 1000 each. These FCCB have been issued at fixed conversion rate of Rs. 16.76/- and a total of 14,100,086 Equity Shares may be issued pursuant to conversion of all FCCBs. All the FCCBs were outstanding as on 31st March, 2014.

11. MANAGEMENT RESPONSIBILITY STATEMENT

The Management confirms that the financial statements are in full conformity with the requirements of the Companies Act, 1956 and the Accounting Standards issued by the Institute of Chartered Accountants of India. The management accepts responsibility for the integrity and objectivity of these financial statements. The management believes that the financial statements of operations reflect fairly the Company's financial position and the results of the operations. The Company has a system of Internal Control, which is reviewed and updated on the regular basis.

The Financial Statements have been audited by M/S P.C. Bindal & Co., Chartered Accountants and have been discussed with the Audit Committee.

COMPLIANCE

The certificate dated 02nd August, 2014 obtained from our Statutory Auditors M/s P.C. Bindal & Co. forms part of this Annual Report and the same is given herein below:

AUDITORS' CERTIFICATE

ON CLAUSE 49 OF THE LISTING AGREEMENT

To the Members of Aksh Optifibre Limited,

We have examined the compliance of conditions of Corporate Governance by Aksh Optifibre Limited for the financial year ended 31st March, 2014 as stipulated in clause 49 of the listing agreement of the said Company with the Stock Exchange(s).

The Compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to the review of procedures and implementation thereof adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to best of our information and according to the explanations given to us and representations made by the Directors and the Management, we certify that the Company has complied with the condition of Corporate Governance as stipulated in the clause 49 of the above mentioned listing agreement.

We state that in respect of the investor grievance received during the year ended 31st March, 2014 no investor grievance are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders and Investor Grievance Committee.

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

For P.C. Bindal & Co.
Chartered Accountants

Sd/
CA. K.C.Gupta
(PARTNER)

Place : New Delhi
Date : 02nd August, 2014

Membership No. 088638
FRN No. 003824N

MD & CFO CERTIFICATE

The Board of Directors

Aksh Optifibre Limited

We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2014 and that to the best of our knowledge and belief we state that:-

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

Yours sincerely,

Satyendra Gupta
Chief Financial Officer

Chetan Choudhari
Managing Director
DIN NO. 00872366

Place: New Delhi
Date: 26th May, 2014

MANAGEMENT DISCUSSION AND ANALYSIS OF THE FINANCIAL STATEMENTS AND OPERATIONAL RESULTS

CAUTIONARY STATEMENT

Statement in the management's discussions and analysis describing the Company's projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that would make a difference to the Company's operations include demand-supply conditions, raw material prices, changes in government regulations, tax regimes and economic developments within the country and abroad and such other factors.

Industry Structure and Developments

I Global Industry Scenario

Optical Fiber

As an innovation that transformed the landscape of global communications, optical fiber will become the ultimate carrier to connect the globe at the most affordable cost. Due to its compatibility with other technologies, growing cost-effectiveness, and nearly unlimited bandwidth, optical fiber has the capacity to grow and adapt to future consumer demands for voice, data, and video capability. In other words, optical fiber is here to stay.

In last few years, the use of broadband and perpetually increased use of internet driven application has exploded the demand for optical fiber. This demand for a faster, more affordable delivery system of communications with universal access is a principal driver of the need for increased bandwidth across the Globe.

Today's customers would want to have triple-play services, with voice, video, and data all provided to us by a single connection instead of multiple connections. Applications such as file-sharing, on-line gaming, video on demand and HDTV all require bandwidth capacity that is pushing the limits of traditional access transmission technologies such as digital subscriber lines (DSL), cable, and wireless. Only optical fiber has the capacity to reliably and simultaneously deliver all of the services flowing through the information highways.

The world's fiber shipments for the Q1 of 2014 experienced an increase of 13% over the Q1 shipments of 2013. With China's telcos starting 4G network constructions, the demand of optical fibre in china is set to increase. OF exports to Middle East & Saudi Arabia continue to increase and was up by 47%. New Optical Fibre manufacturing facilities are being set up in South America and Spain to cater the increasing demand of Optical fibre across the globe. China is also setting up new

manufacturing facilities of Optical fibre, to meet its own demand.

Optical Fibre Cable

Global prospects for fiber optics appear optimistic. The growth is expected in the global market for fiber optics through 2017. It is noteworthy that data traffic through optical fiber cables offer advantages in terms of high reliability, security, capacity and cost-effectiveness. Thus, it does not come as a surprise that enterprise markets have rushed to secure fiber optics for their network needs.

The growing usage of data services is triggering a radical transformation in the World's telecom sector. Wireless services, which have long been the dominant platform and were responsible for World's unprecedented telecom growth, have become less effective as a channel for delivering high-bandwidth applications. Spectrum available with telecom operators is proving to be highly inadequate as they are recording a massive uptake of data services on their networks. The situation will deteriorate with 3G services gaining further momentum and the launch of 4G services by all operators.

In such a scenario, optical fiber cables (OFCs), with its unlimited bandwidth capacity, are emerging as the key technology for catering to the surging data demand in the Globe.

With the world now looking towards the African continent to explore new opportunities, it is imperative that the African nations catch up with the new global information technology involving Optical fibre cables. With this in mind, there is a growing surge towards the African continent for future developments. Optical fibre cables is to play a vital role in the same due to their high bandwidth, high reliability, high signal quality, long lifetime, better security and low service cost, fiber optic networks are suited for inter and intra continental backbone network infrastructure

With a global population that's both growing and living longer, the world's healthcare providers are increasingly looking to advanced biomedical instrumentation to enable more efficient patient diagnosis, monitoring, and treatment. In this context, biomedical sensing applications of optical fiber are of growing importance, since optical fibers are immune to electromagnetic interference (EMI), chemically inert, nontoxic, and intrinsically safe.

With the rise of the Internet, education has been completely transformed. Distance learning, for example, used to be largely a lonely experience. In today's information age, students do not only overcome difficulties interacting with the tutor, but can now easily overcome the nightmare of waiting

for tutorials in the mail for long periods of time. In addition, the Internet constitutes a virtual classroom in which interaction can take place between students anywhere in the world. The information age has seen the acceleration of research at educational and other institutions because of the abundance of scientific data on the Internet and the advent of electronic journals. The cost of electronic technical Information is negligible compared to traditional research journals. In this area lies an ample opportunity for the growth of optical fibre networks, giving an upward thrust to the increase in demand of Optical Fibre cable

Indian Industry Scenario

India finally gets on track in deploying nationwide broadband network. With the government announcing its ambitious national optical fibre network to provide connectivity to all the 2,50,000 Gram Panchayats (GPs) to ensure broadband connectivity with adequate bandwidth.

Furthermore, the Indian railways and Indian defence is also deploying their own optical fibre cable network, deployment of 4G network and increase in FTTH deployments has given a boost to the increased demand of the optical fibre cable in India. In the budget of 2014-15, it is proposed to give boost to infrastructure projects, and to make e-filings and having the e-compliances done. For this purpose, it is incremental that the broadband network should grow at a rapid pace.

High speed high bandwidth backhaul is required for increasing data usage on the 3G platform and introduction of 4G services. The demand for Telecom Cables will gain a fillip as service providers upgrade this backhaul in their networks to accommodate and cater increasing smartphone and tablet penetration and thereby increase in demand of bandwidth to handle the increase in data traffic.

Domestic Market

The Indian domestic Optical fibre market, during the past fiscal has grown tremendously and it is expected to be a \$ 290.8 Mn by 2018, registering a growth at a CAGR of 12.5 %. The demand for optical fibre cables is poised to ride an upward growth curve with the emergence of next generation technologies, and government initiatives under the National Telecom Policy 2012. High speed high bandwidth backhaul is required for increasing data usage on the 3G platform and introduction of 4G services. The demand for Telecom Cables will gain a fillip as service providers upgrade this backhaul in their networks to accommodate and cater increasing smartphone and tablet penetration and thereby increase in demand of bandwidth to handle the increase in data traffic.

Data growth in the Indian telecom market has reduced the

prominence of traditional wireline broadband technologies such as digital subscriber line and cable modem. These technologies are not efficient enough to meet the customers' demand for high-bandwidth applications such as high speed internet access, video-on-demand, high definition TV, IPTV and online gaming. In this scenario, fibre-to-the-home (FTTH) technology, which offers advantages like high bandwidth capacity and the delivery of high speed, high quality and multi-play services (data, voice and video) through a single channel, presents a strong business opportunity for telecom operators.

The demand for OFC consumption in India primarily comes from telecom operators and multiple-system operators (MSOs), followed by data centers and other PSUs. During 2012-13, telecom operators accounted for 60 per cent of the overall OFC demand in India, requiring fiber across core, middle mile and access networks. The roll-out of the 4G long term evolution (LTE) mobile network is also driving the demand for high fiber-count OFC, as operators use fiber in tower verticals instead of co-axial cable that runs between the ratio heads and ground level base stations.

MSOs are also driving the current demand for fiber, with most of them upgrading their middle and last mile networks to provide high-speed broadband services to consumers and enterprises. Going forward, cable broadband players (especially those offering Ethernet-based cable broadband) will lay out last-mile aerial fiber to provide high-speed broadband.

FTTH networks' ability to deliver high bandwidth has made investments in this infrastructure very important for operators. They are increasingly deploying FTTH technology to complement their wireless networks. Spectrum crunch is another major factor that has led operators to look for viable alternative mediums. Also, to achieve the broadband targets set by the government under the National Telecom Policy, it will be important to drive FTTH growth along with other technologies.

IPTV Services Scenario

Internet Protocol Television (IPTV) is widely adopted and accepted as a viable solution to deliver HDTV, Video on Demand (VoD) and time-shifted TV, making the entire experience more interactive and personalized. IPTV services can be delivered by telecom service providers or Internet service providers.

FTTH has now emerged as a mainstream business preposition with tremendous growth potential as users are increasingly looking for high-speed broadband, high-definition videos, unlimited anywhere telephony and real-time surveillance.

Strategic Positioning

Future scenario ▣ Telecom sector expects a large capital expenditure for providing network infrastructures for growing numbers of users of internet and increasing focus on broadband services	Our strengths ▣ Innovations in cable and fibre products and development of new products ▣ Focus on cost reduction and competition by implementing new cable designs ▣ Assurance of highest quality and service
Niche Products Forte ▣ Fibre optic is the major single component cost of optical cables ▣ Fibre optic production is hard to start as there are some constraints: • Long time to develop know how • Main technology and licenses are difficult to obtain • Capital intensity ▣ Strong competitive advantage as vertically integrated cable manufacturer (specially in the period of short supply) ▣ FRP, being central strength member must for almost every optical fibre cable	Way forward ▣ Emergence of new clients in emerging regions and maintain & reinforce position with key clients ▣ Further actions for utilization of low cost manufacturing unit ▣ Improve supply chain in domestic and international market ▣ Integration of production and sales ▣ Increase level and effectiveness of agents and refocus on exports

Risk Management Framework

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

Internal Control

The Company has proper and adequate internal control procedures commensurate with the size and nature of its business to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition. The Company has a defined organization structure, authority levels delegated powers, internal procedures, rules and guidelines for conducting the Company's business. These business control procedures ensure efficient use and protection of the resources and also compliance with the policies, procedures and statutory requirements. The

Company also carries out internal audit through an external agency. The prime objective of such audit is to test the adequacy and effectiveness of all internal controls laid down by the management and to suggest improvements.

Human Resources

The Success of any organization depends largely on its human resources, its management and good industrial relations. Your Company has always viewed human resource development as a critical activity for achieving its business goals. In the ever changing business scenario, we recognize the need for training and retaining the talent pool of the Company. Employees after being inducted in the Company are required to undergo technical trainings to enhance/polish their existing skills as well as developing their industry specific skills. The management believes in maintaining cordial and harmonious relations with its employees. The Company works with a Key Responsibility Area based review and recognition strategy that aligns efforts, while rewarding results. During the year the Company emphasised on building on quality team and conducted various management and team building trainings keeping in mind the growth aspirations of all the employees.

Future Outlook

The OFC market is set to grow with the implementation of National Optical Fibre Network (NOFN), which aims to increase internet usage and improve connectivity in suburban and rural areas. Continuing expansion of existing networks by Railways and Defence will also help fuel the demand, apart from private players who want to build project with OFC as key component. Also the cable digitalization policy plans to have a complete analog sunset by the end of 2014 in India, this will further boost the optical fibre cable growth in the country.

The market is expected to reach Rs 15 billion by 2017-18, registering a compound annual growth rate of 15 per cent. The Indian market constituted about 7 per cent of global fiber shipments worth 278.5 million fiber km during 2013-14, translating into a fiber shipment of about 19.50 million fiber km, recording a year-on-year growth of about 30 per cent.

As the data demand in India hits new record levels, the OFC market is set to witness a period of strong growth. While the increasing usage of smartphones calls for the deployment of OFC across all components of telecom networks (backbone, metro, and access), the growth of OFC, at least in the short to medium term, would be driven by increasing deployments in the backbone network. Wireless, on the other hand, would continue to be the last-mile technology for service delivery. The booming OFC market may also result in the entry of global cable manufacturers into the Indian domain, further intensifying the competition in the market.

The Indian FTTH market will be more successful than its global counterparts due to large population density of the country. The rapid pace with which the landscape of the country is changing, with increased demand of houses, the builders while building new housing complexes, are making a conscious effort to lay fibre instead of copper for providing television and telephone services connectivity to each apartment. They are providing optical network terminals and optical line termination devices within the complex.

Aksh is today a global name and to broaden, it is planned to increase the exports and domestic sales, to establish manufacturing facilities outside India and to execute large numbers of turnkey projects both domestic and internationally.

II Financial Performance

Source of funds

1. Share capital

At present, we have only one class of shares – equity shares of par value Rs. 5/- each. Our authorized share capital is Rs.8,505.00 lacs, divided into 1,701 lacs equity shares of Rs.5/-each. The issued, subscribed and paid up capital stood at Rs. 7,428.25 lacs as at 31st March, 2014 same as at 31st March, 2013.

2. Reserves and surplus

Capital Reserve

The balance as at 31st March, 2014 amounted to Rs.15 lacs, same as at 31st March, 2013.

Securities Premium

The reduction in the securities premium account of Rs.2424.74 Lacs during the year is on account of premium paid on redemption of FCCB of Rs.2,355.59 lacs and FCCB issue expenses of Rs.69.15 lacs.

Statement of Profit and Loss

There is a net deficit amounted to Rs. 3,199.34 lacs in the Statement of Profit and Loss as at 31st March, 2014, as compared to Rs.5,366.36 lacs as at 31st March, 2013. The Company has earned a net profit after tax of Rs 2,601.55 lacs during the year ended 31st March, 2014 as compared to Rs.2,593.73 lacs during the previous year ended 31st March, 2013. During the year Company has proposed dividend of Rs. 371.41 lacs on which there is a liability of dividend distribution tax of Rs. 63.12 lacs which has been appropriated from the profit earned during the year ended 31st March, 2014.

Shareholder Funds

The total shareholder funds as at 31st March, 2014 stood at Rs. 35,649.86 lacs as against Rs. 35,907.58 lacs as at 31st March, 2013.

The book value per share is Rs. 24.00 as at 31st March, 2014 as compared to Rs. 24.17 as at 31st March, 2013.

Application of Funds

3. Fixed Assets

Addition to gross block

During the year, an amount of Rs.1497.78 lacs was spent on gross block, as compared to Rs.343.59 lacs during the previous year ended 31st March, 2013.

Deductions to gross block

During the year, assets aggregating Rs.134.14 lacs was disposed off as compared to Rs.1477.75 lacs as at 31st March, 2013.

Capital expenditure commitments

We have a capital expenditure commitment (net of advances) of Rs.18.03 lacs as at 31st March, 2014 as compared to Rs.106.79 lacs as at 31st March, 2013.

4. Investments

Wholly-Owned Subsidiary

AOL FZE

Established as a Limited liability Company, incorporated and licensed at Sharjah International Free Zone (SAIF Zone) for the purpose of developing related business outside India and also for making telecom initiative in the continent of Africa. Engaged in trading of telecom equipments and other products.

AOL Projects JLT (wholly owned subsidiary of AOL FZE)

Established as a Limited liability Company, incorporated and licensed at Jumeirah Lakes Towers. Engaged in consultancy services in the field of telecommunication and project management, which includes the services like concept framing, designing, specification and sizing.

Majority-Owned Subsidiary

APAKSH Broadband Limited

Incorporated as a public limited Company under the provisions of the Companies Act, 1956. The Company is setting up a Broadband Project in the State of Andhra Pradesh.

Please refer statement pursuant to section 212 of the Companies Act, 1956 for the summary financial performance of our subsidiaries.

5. Loans and Advances (current and non-current)

Loans and Advances amounted to Rs. 13,126.24 Lacs as at 31st March, 2014, as compared to Rs. 18,772.56 lacs as at 31st March, 2013. includes capital advances and long term security deposits amounted to Rs. Nil and Rs. 80.18 lacs as at March 31, 2014 as compared to Rs. 6.98 lacs and Rs. 83.21 lacs respectively as at 31st March, 2013.

6. Trade Receivables (current and non-current)

Trade receivables amounted to Rs. 6,785.54 lacs as at 31st March, 2014, compared to Rs. 6,200.56 lacs as at 31st March, 2013. These debts are considered good and realizable. Debtors are at 29.65 % of gross revenues for the year ended for the year ended 31st March, 2014, compared to 25.92% for the year ended 31st March, 2013. representing days sales outstanding of 109 days compared to 95 days in the previous year ended March 31, 2013.

7. Other Non-current Assets

Margin money deposits are pledged with banks as security for various facilities, are having a carrying amount of Rs.1,455.63 lacs as at 31st March, 2014 as compared to Rs. 1,206.22 lacs as at 31st March, 2013.

Interest accrued includes Rs. 36.94 lacs on fixed deposits and Rs. 39.02 lacs on other deposits as at 31st March, 2014 as compared to Rs. 84.67 lacs and Rs. Nil respectively as at 31st March, 2013.

8. Inventories

Inventories amounted to Rs. 2,456.26 lacs as at 31st March, 2014 as compared to Rs. 1,507.87 lacs as at 31st March, 2013. Inventories are valued at lower of cost or net realizable value.

9. Cash and cash Equivalents

The bank balances in India include both rupee accounts and foreign currency accounts amounted to Rs. 47.79 lacs as at 31st March, 2014 as compared to Rs. 184.50 lacs as at 31st March, 2013.

The cash equivalents also include balance in unpaid dividend account amounted to Rs. 1.01lacs as at 31st March, 2014 as compared to Rs. 4.06 lacs as at 31st March, 2013.

Cash on hand amounted to Rs. 5.38 lacs at March 31, 2014, as compared to Rs. 4.50 lacs at 31st March, 2013.

Liabilities

10. Trade Payables (current and non-current)

Trade payables amounted to Rs. 3,740.53 lacs as at 31st March, 2014, as compared to Rs. 3,811.04 lacs as at 31st March, 2013..

11. Provisions (current and non-current)

Long term and short term provisions amounted to Rs. 1,040.02 lacs (including Rs.203.02 lacs for employee benefits ,Rs.402.47 lacs for provision for taxes on income (net of refund), Rs.371.41 lacs for proposed dividend and Rs.63.12 lacs for provision for tax on dividend) as at 31st March, 2014, as compared to Rs. 220.85 lacs (including Rs. 188.81 lacs for employee benefits and Rs. 32.04 lacs for provision for taxes on income) (Net of Refund) as at 31st March, 2013.

12. Short Term Borrowings

Short term borrowings amounted to Rs. 2,591.80 lacs (including secured borrowings of Rs. 1,999.61lacs) as at 31st March, 2014, as compared to Rs. 1,174.91 lacs (including secured borrowings of Rs. 437.54 lacs) as at 31st March, 2013.

13. Other Current Liabilities

Other current liabilities amounted to Rs. 2,796.64 lacs (including Rs. 1,333.02 lacs relating to current maturities of long term debts) as at 31st March, 2014, as compared to Rs. 9,192.83 lacs (including Rs. 7,603.40 lacs relating to FCCBs) as at 31st March, 2013.

III Results of Operations

The Company has reported a profit after tax amounted to Rs. 2,601.55 lacs during the year ended 31st March, 2014,

as compared to Rs. 2,593.73 lacs during the previous year ended 31st March, 2013 in Statement of Profit and Loss. Profit after tax is 11.37% of gross revenue of Rs. 22,882.34 lacs as at 31st March, 2014 as compared to 10.84% of gross revenue of Rs. 23,925.53 lacs as at 31st March, 2013.

1. Revenue from Operations

Our revenues are generated from sale of finished goods, traded goods and services. During the year ended 31st March, 2014, the Company has made a gross revenue of Rs. 22,882.34 lacs as compared to Rs. 23,925.53 lacs during the previous year ended 31st March, 2013. This gross revenue includes excise duty of Rs. 875.94 lacs (previous year Rs. 625.04 lacs) balancing to a net revenue of Rs. 22,006.40 lacs during the year ended 31st March, 2014 and Rs. 23,300.49 lacs during the previous year ended 31st March, 2013.

2. Other Income

Other income aggregating to Rs. 742.06 lacs for the year ended 31st March, 2014, as compared to Rs. 720.34 lacs during the previous year ended 31st March, 2013.

3. Cost of goods sold

Cost of goods sold amounted Rs. 12,822.08 lacs (56.03 % of gross revenue) during the year ended 31st March, 2014, as compared to Rs. 14,137.59 lacs (59.09 % of gross revenue) during the previous year ended 31st March, 2013. It includes Rs. 13,261.21 lacs (previous year Rs. 13,744.11 lacs) relating to raw material consumed, Rs. 213.60 lacs (previous year Rs. 395.82 lacs) relating to purchase of traded goods and Rs. 652.73 lacs (previous year Rs. 2.34 lacs) relating to increase in inventories.

4. Employee Benefit Expense

Employee benefit expense amounted to Rs. 1,519.47 lacs during the year ended 31st March, 2014, as compared to Rs. 1,386.03 lacs during the previous year ended 31st March, 2013.

5. Other Expenses

Other expenses amounted to Rs. 4,306.68 lacs during the year ended 31st March, 2014 as compared to Rs. 4,485.91 lacs during the previous year ended 31st March, 2013.

6. Depreciation

Depreciation and amortization amounted to Rs. 1,499.38 lacs during the year ended 31st March, 2014 as compared to Rs. 1,663.21 lacs during the previous year ended 31st March, 2013.

7. Finance Cost

Finance Cost amounted to Rs. 705.90 lacs during the year ended 31st March, 2014 as compared to Rs. 373.38 lacs during the previous year ended March 31, 2013. Finance cost includes Rs. 139.05 lacs on interest on Cash credit facility, as compared to Rs. 82.06 lacs during previous year ended 31st March, 2013.

8. Exceptional Items

Exceptional income amounted to Rs. 706.60 lacs during the year ended 31st March, 2014, as compared to Rs. 619.02 lacs during the previous year ended 31st March, 2013.

9. Tax Expenses

Income Tax

During the year ended 31st March, 2014, the Company has made a provision for tax amounting Rs. 520.51 lacs, as compared to Rs. 64.54 lacs during the previous year ended 31st March, 2013 under the provision of Minimum Alternative Tax. The Company has taken the MAT credit of the tax amount of Rs. 520.51 lacs during the year ended 31st March, 2014 as compared to Rs. 64.54 lacs taken during the year ended 31st March, 2013.

Deferred Tax

During the year ended 31st March, 2014, the Company has not made any provision for deferred tax. Previous year i.e. year ending 31st March, 2013, also nil.

10. Net Profit after Tax and Exceptional Item

Our net profit increased to 11.37 % of the gross revenue amounted to Rs. 22,882.34 lacs for the year ended 31st March, 2014 from 10.84% of the gross revenue amounted to Rs. 2,593.73 lacs in the previous year ended 31st March, 2013.

11. Earnings Per Share (EPS) after exceptional item

Basic EPS

Basic EPS is Rs. 1.75 for the year ended March 31, 2014, as compared to Rs. 1.77 per share for the previous year ended March 31, 2013. The outstanding shares used in computing basic EPS increased to 148,564,989 for the year ended 31st March, 2014 as compared to 146,518,185 for the year ended 31st March, 2013.

Diluted EPS

Diluted EPS after exceptional item for the year ended 31st March, 2014 is Rs.1.60 as compared to Rs. 1.77 per share in the previous year ended 31st March, 2013. The outstanding shares used in computing diluted EPS is 162,665,075 for the year ended 31st March, 2014, as

compared to 146,518,185 for the year ended 31st March, 2013.

12. Segmental Profitability of the Company

Operations predominantly relate to production and sales of Optical fibre, Optical fibre cable, Fibre Reinforced Plastic rods and Impregnated Glass Roving Reinforcement, The Company also provides services relating to Internet Protocol Television (IPTV) and Voice over Internet Protocol (VoIP), Network erection, installation and commissioning and some other related services. The Company also trades in Telecom and electronic items. The details of segment as per the business are as follows:

(Rs. in lacs)

Segment Results	Year Ended 31 st March 14	Year Ended 31 st March 13	%age Increase
Manufacturing			
Revenues	20,899.87	21,615.50	(3.31)%
EBIT	3,904.15	3,648.81	7.00%
EBIT(%)	18.68%	16.88%	
Trading			
Revenues	301.32	593.49	(49.23)%
EBIT	85.97	185.93	(53.76)%
EBIT (%)	28.53%	31.33%	
Services			
Revenues	825.60	1,123.03	(26.48)%
EBIT	(1204.55)	(1,742.46)	30.87%
EBIT (%)	-	-	

IV Consolidated Financial Performance

Our gross revenue amounted to Rs. 24,750.22 lacs during the year ended 31st March, 2014 as compared to Rs. 26,302.34 Lacs in the previous year ended 31st March, 2013. Our manufacturing revenue amounted to Rs. 20,899.87 lacs during the year ended 31st March, 2014 from Rs. 21,615.50 lacs during the previous year ended 31st March, 2013, a decline of 3.31%.

The Profit before interest, depreciation, taxes, amortization and exceptional items amounted to Rs. 3,671.90 lacs (14.84 % of revenue) during the year ended 31st March, 2014 as against Rs. 3,998.64 lacs (15.20% of revenue) in the previous year ended 31st March, 2013.

Our profit before tax and exceptional item amounted to Rs. 1,460.02 lacs (5.90 % of revenue) during the year ended 31st March, 2014 as against Rs. 1,959.18 lacs (7.45% of revenue) in the previous year ended 31st March, 2013.

The net profit after tax and exceptional item amounted to Rs. 2,166.62 lacs (8.75 % of revenue) during the year ended March 31, 2014 as against Rs. 2,578.21 lacs (9.80% of revenue) in the previous year ended 31st March, 2013.

**Standalone
Financial Statements
2013-2014**

INDEPENDENT AUDITORS' REPORT

To the Members of

AKSH OPTIFIBRE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of AKSH OPTIFIBRE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility of financial statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the companies Act 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the ministry of corporate affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - e) on the basis of written representations received from the directors as on 31st March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For P. C. Bindal & Co.

Firm Registration No. : 003824
Chartered Accountants

CA. K. C. Gupta
Partner

Place of Signature: New Delhi
Date: 26th May, 2014

Membership No. 088638

ANNEXURE REFERRED TO IN OUR REPORT OF EVEN DATE

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As per information & explanation given to us fixed assets except the assets installed at customer premises have been physically verified by the management during the year. No material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification of fixed assets is reasonable.
- (c) During the year, the Company has not disposed off Substantial fixed assets. According to the information and explanation given to us, we are of the opinion that the going concern status of the Company is not affected.
- (ii) (a) During the year, the inventory has been physically verified by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the books records were not material and have been properly dealt with in the books of accounts.
- (iii) (a) According to the information and explanations given to us, the Company has granted unsecured loan to one of its wholly owned subsidiary. The maximum amount involved during the year was Rs. 14,174.60 lacs and the closing balance of loan given to such party was Rs. 8,501.07 lacs.
- (b) According to the information and explanations given to us, in our opinion, the other terms and conditions on which loans have been granted to parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, *prima facie*, prejudicial to the interest of the Company.
- (c) As per the information made available to us, the aforesaid advance granted by the Company is repayable on demand.
- (d) In respect of the aforesaid advances, there is not overdue amount as at year-end.
- (e) According to the information and explanations given to us, the Company has taken unsecured loans from three parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 311.75 lacs and the closing balance of loan taken from such parties was Rs. 200 lacs.
- (f) According to the information and explanations given to us, in our opinion, the rate of interest and other terms and conditions on which unsecured loans have been taken from Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, *prima facie*, prejudicial to the interest of the Company.
- (g) According to the information and explanations given to us, the payments of the principal amount and interest of the aforesaid loan are regular.
- (iv) In our opinion and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory, fixed assets, sale of goods and services. During the course of our audit, we have not observed any major weaknesses in internal control system.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of all contracts or arrangements need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public to which provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by

the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

- (ix) (a) According to the information and explanations given to us and according to the books and records examined by us, the Company is generally regular in depositing undisputed statutory dues in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it.

- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues were in arrears, as at 31st March, 2014 for a period of more than six months from the date they become payable.
- (c) According to the information and explanations given to us, and the records of the Company examined by us, dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of disputes and the forum where the dispute are pending as under:

Name of the Dues / Name of the Statute	Disputed Amount (Rs. in lacs)	Period to Which Amount Relates	Forum Where Dispute is Pending
Sales Tax			
Rajasthan Sales Tax Demand	71.12	1996-97, 1998-99, 2000-01 and 2001-02	Hon'ble High Court Jaipur
MVAT Demand	7.85	2007-08	Joint Commissioner of Sales Tax (Appeals), Mumbai
Customs/ Excise Duty			
Customs Act, 1962	360.91	2005-06	CESTAT
Customs Act, 1962	48.06	2008-09	CESTAT
Central Excise Act, 1944	84.38	2003-05	CESTAT
Central Excise Act, 1944	3.37	2000-01	CESTAT
Central Excise Act, 1944	22.35	2010-11	Commissioner (Appeals)
Central Excise Act, 1944	0.31	2011-12	Commissioner (Appeals)
Service Tax			
Finance Act, 1994	7.50	2004-05	Hon'ble High Court, Jaipur
Finance Act, 1994	0.54	2005-06	Commissioner of Central Excise (Appeals), Jaipur
Finance Act, 1994	0.64	2004-06	CESTAT
Finance Act, 1994	31.20	2009-10	CESTAT
Finance Act, 1994	188.01	2011-12	CESTAT
Finance Act, 1994	0.91	2010-11	Assistant Commissioner, Bhiwadi
Finance Act, 1994	0.42	2005-06	Deputy Commissioner
Provident Fund			
Provident Fund Act	7.60	2004-05	Hon'ble High Court, Jaipur

- (x) In our opinion, the accumulated losses of the Company are not more than fifty percent of its net worth. The Company has not incurred any cash losses during the current year and in the immediately preceding financial year.
- (xi) Bonds of \$ 13 Mn and \$ 1 Mn were due for redemption on 8th January, 2013 and 5th February, 2013 respectively having maturity value of equivalent to Rs. 7,603.40 lacs has been redeemed / paid on \$1.50 Mn on 16th May, 2013, \$2.50 mn on 21st May, 2013, \$ 0.50 Mn on 23rd May, 2013 and \$ 9.50 Mn on 27th June, 2013.

- (xii) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund / Society are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) In our opinion, the terms and conditions on which the Company has given the guarantee for loans taken by subsidiary Company from banks or financial Institutions are not prejudicial to the interest of the Company.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the Company has not made preferential allotment of share to parties covered in the register maintained under section 301 of the Act.
- (xix) According to the information and explanations given to us, during the year the Company has issued 0% Unsecured Foreign Currency Convertible Bonds of US\$ 1,000 each aggregating to US\$ 3.792 Million equivalent to Rs. 2,272.17 lacs and accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xx) According to the information and explanations given to us, the Company had not raised any money by way of public issue during the year.
- (xxi) Based on the audit procedures performed and information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

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

CA. K. C. Gupta
Partner
Place of Signature: New Delhi
Date: 26th May, 2014
Membership Number: 088638

BALANCE SHEET AS AT 31st MARCH, 2014

	Notes	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Equity and liabilities			
Shareholders' funds			
Share capital	3	7,428.25	7,428.25
Reserves and surplus	4	28,221.61	28,479.33
		35,649.86	35,907.58
Non-current liabilities			
Long-term borrowings	5	7,791.41	-
Trade payables		-	-
Long-term provisions	6	197.49	183.44
		7,988.90	183.44
Current liabilities			
Short-term borrowings	7	2,591.80	1,174.91
Trade payables	8	3,740.53	3,811.04
Other current liabilities	8	2,796.64	9,192.83
Short-term provisions	6	842.53	37.41
		9,971.50	14,216.19
TOTAL		53,610.26	50,307.21
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	8,668.86	9,744.97
Intangible assets	10	765.39	948.25
Capital work-in-progress		1,549.77	331.43
Non-current investments	11	18,672.33	11,317.52
Long-term loans and advances	12	80.18	90.19
Trade receivables	13.1	-	47.41
Other non-current assets	13.2	1,455.73	1,206.32
		31,192.26	23,686.09
Current assets			
Inventories	14	2,456.26	1,507.87
Trade receivables	13.1	6,785.54	6,153.15
Cash and Cash equivalents	15	54.18	193.06
Short-term loans and advances	12	13,046.06	18,682.37
Other current assets	13.2	75.96	84.67
		22,418.00	26,621.12
TOTAL		53,610.26	50,307.21
Summary of significant accounting policies	2.1		
The accompanying notes (1-41) are an integral part of the financial statements.			

As per our report of even date

For and on behalf of the Board of Directors

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

Dr. KAILASH S. CHOUDHARI
Chairman
DIN No. 00023824

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

CHETAN CHOUDHARI
Managing Director
DIN No. 00872366

B.R. RAKHECHA
Director
DIN No. 00026729

Place: New Delhi
Date : 26th May, 2014

SATYENDRA GUPTA
Chief Financial Officer

GAURAV MEHTA
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2014

	Notes	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Income			
Revenue from operations (gross)	16	22,882.34	23,925.53
Less: excise duty		875.94	625.04
Revenue from operations (net)		22,006.40	23,300.49
Other income	17	742.06	720.34
Total revenue (I)		22,748.46	24,020.83
Expenses			
Cost of raw material and components consumed	18	13,261.21	13,744.11
Purchase of traded goods	19	213.60	395.82
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	20	(652.73)	(2.34)
Employee benefits expense	21	1,519.47	1,386.03
Other expense	22	4,306.68	4,485.91
Total expense (II)		18,648.23	20,009.53
Earnings before interest, tax, depreciation, exceptional items and amortization, (EBITDA), (I) – (II)		4,100.23	4,011.30
Depreciation and amortization expense	23	1,499.38	1,663.21
Finance cost	24	705.90	373.38
Profit before exceptional items and tax		1,894.95	1,974.71
Exceptional Items	30	706.60	619.02
Profit before tax		2,601.55	2,593.73
Tax expenses			
Income Tax		520.51	64.54
MAT Credit Entitlement		520.51	64.54
Total tax expense		-	-
Profit for the year		2,601.55	2,593.73
Earnings per equity share [nominal value of share Rs 5/- (31st March 2013: Rs 5/-)]			
Basic		1.75	1.77
Diluted		1.60	1.77

Summary of significant accounting policies 2.1

The accompanying notes (1-41) are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors

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

Dr. KAILASH S. CHOUDHARI
Chairman
DIN No. 00023824

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

CHETAN CHOUDHARI
Managing Director
DIN No. 00872366

B.R. RAKHECHA
Director
DIN No. 00026729

Place: New Delhi
Date : 26th May, 2014

SATYENDRA GUPTA
Chief Financial Officer

GAURAV MEHTA
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
A. Cash flow from operating activities		
Profit before tax	2,601.55	2,593.73
Profit before tax	2,601.55	2,593.73
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation / amortization on continuing operation	1,499.38	1,663.21
Loss / (profit) on sale of fixed assets	20.76	(915.14)
Finance cost	705.90	373.38
Interest (income)	(739.00)	(615.36)
Operating profit before working capital changes	4,088.59	3,099.82
Movements in working capital :		
Increase / (decrease) in trade and other payables	2,476.38	(622.43)
Decrease / (increase) in trade receivables	(584.99)	(204.52)
Decrease / (increase) in inventories	(948.39)	(308.54)
Decrease / (increase) in other receivables	(2,990.19)	(3,104.14)
Cash generated from / (used in) operations	2,041.40	(1,139.81)
Direct taxes paid (net of refunds)	520.51	64.54
Net cash flow from / (used in) operating activities (A)	2,561.91	(1,075.27)
B. Cash flows from investing activities		
Purchase of fixed assets, including CWIP	(1,497.78)	(343.59)
Proceeds from sale of fixed assets	18.26	1,685.37
Interest received	739.00	615.36
Net cash flow from / (used in) investing activities (B)	(740.52)	1,957.14
C. Cash flows from financing activities		
Proceeds from issuance of equity share capital	-	1,131.41
Expense on issue of FCCBs	(69.15)	-
Proceeds / (Repayment) of Long-term borrowings	(2,167.58)	-
Proceeds / (Repayment) of Short-term borrowings	1,416.89	(1,522.31)
Proposed Dividend	(371.41)	-
Tax on Dividend	(63.12)	-
Finance cost	(705.90)	(373.38)
Net cash flow from / (used in) in financing activities (C)	(1,960.27)	(764.28)
Net increase / (decrease) in cash and cash equivalent (A+B+C)	(138.88)	117.59
Cash and cash equivalent at the beginning of the year	193.06	75.47
Cash and cash equivalent at the end of the year	54.18	193.06
Components of cash and cash equivalent		
Cash on hand	5.38	4.50
With banks- on current account	47.79	184.50
Deposits with original maturity of less than three months	-	-
Unpaid dividend	1.01	4.06
Total cash and cash equivalents (note 15)	54.18	193.06

Summary of significant accounting policies 2.1
The accompanying notes (1-41) are an integral part of the financial statements.

As per our report of even date

For and on behalf of the Board of Directors

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

Dr. KAILASH S. CHOUDHARI
Chairman
DIN No. 00023824

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

CHETAN CHOUDHARI
Managing Director
DIN No. 00872366

B.R. RAKHECHA
Director
DIN No. 00026729

Place: New Delhi
Date : 26th May, 2014

SATYENDRA GUPTA
Chief Financial Officer

GAURAV MEHTA
Company Secretary

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

1 CORPORATE INFORMATION

Aksh Optifibre Limited is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed at The Bombay Stock Exchange Limited, The National Stock Exchange Limited in India and GDRs are listed at Luxembourg Stock Exchange. The Company is engaged in the manufacturing and selling of Optical Fibre, Optical Fibre Cable, Fibre Reinforced Plastic Rods and Impregnated Glass Roving Reinforcement, The Company caters to both domestic and international markets. The Company also provides the Internet Protocol Television (IPTV) services in association with BSNL in 20 cities of North India. The Company is the pioneer in the FTTH (Fibre to the Home) space and has further consolidated its place by starting FTTH services in Delhi, Jaipur, Ajmer & Faridabad.

2 BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs and the relevant provisions of the 1956 Act/ 2013 Companies Act, as applicable 1956.

2.1 SIGNIFICANT ACCOUNTING POLICIES

a) Use of Estimates

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

b) Fixed Assets

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

c) Capital Work-in-Progress

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

d) Depreciation

- i) Depreciation on Fixed Assets is provided on straight-line method at the rates specified in Schedule XIV of the Companies Act, 1956 and based on the estimated useful life of assets. Depreciation is charged on pro-rata basis for assets purchased / sold during the year. Individual assets costing up to Rs. 5,000/- are depreciated in full in the year of purchase.

Depreciation on equipments installed at customer premises is being provided at 20% on useful life estimated by the management.

License fee is amortized over the licensed period.

- ii) Cost of leasehold land is amortized over lease period on a straight-line basis.
- iii) Cost of software is amortized over its useful life on a straight-line basis.
- iv) Extra shift depreciation is charged on the basis of actual extra shifts worked as required by Schedule XIV to the Companies Act, 1956.

e) Impairment of Assets

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

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

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

f) Investments

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

g) Inventories

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

h) Foreign Currency Transactions

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

i) Borrowing Cost

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
j) Revenue Recognition

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

Sales of Goods and Services

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

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

Income from Interest

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

Other Incomes

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

k) Retirement and other Employee Benefits

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

l) Export Incentives

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

m) Taxes on Income

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

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

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

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

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

n) Operating Leases

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

o) Earnings Per Share

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

p) Provisions, Contingent Liabilities and Contingent Assets

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

No provision is recognized for –

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

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

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

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

q) Miscellaneous Expenditure

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

r) Measurement of EBITDA

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
3. Share capital

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs.in lacs
Authorized share (No.)		
170,100,000 (31 st March, 2013: 170,100,000) Equity Shares of Rs. 5/- each	8,505.00	8,505.00
Issued, subscribed and fully paid-up share (No.)		
148,564,989 (31 st March, 2013: 148,564,989) Equity Shares of Rs. 5/- each fully paid up	7,428.25	7,428.25
Total issued, subscribed and fully paid-up share capital	7,428.25	7,428.25

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

	31-Mar-14		31-Mar-13	
	No.	Rs. In lacs	No.	Rs. In lacs
At the beginning of the year	148,564,989	7,428.25	142,924,871	7,146.24
Add:				
- Issued pursuant to conversion of FCCBs	-	-	5,640,118	282.01
Outstanding at the end of the year	148,564,989	7,428.25	148,564,989	7,428.25

Terms / rights attached to equity shares

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

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

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

Name of the shareholder	31-Mar-14		31-Mar-13	
	No.	% holding	No.	% holding
Dr. Kailash S. Choudhari	25,842,700	17.39%	25,842,700	17.39%
Religare Finvest Limited	20,851,807	14.04%	14,816,807	9.97%
Sunidhi Capital Private Limited	9,005,250	6.06%	-	0.00%
Davinder Kumar Jain	-	0.00%	15,356,251	10.34%
The Bank of New York, Mellon	9,065,850	6.10%	9,065,850	6.10%
Seema Choudhari	7,809,341	5.26%	7,809,341	5.26%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
4. Reserves and surplus

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Capital reserve	15.00	15.00
Securities premium account		
Balance as per the last financial statements	33,830.69	32,981.29
Add / (Less) :		
- Issue expenses on issue of FCCBs (USD 3,792 Million)	(69.15)	-
- Premium On Redemption of FCCBs	(2,355.59)	-
- Issue of 5,640,118 equity shares upon conversion of FCCBs	-	849.40
Closing Balance	31,405.95	33,830.69
Surplus / (deficit) in the statement of profit and loss		
Balance as per last financial statements	(5,366.36)	(7,960.09)
Profit for the year	2,601.55	2,593.73
Proposed Dividend	(371.41)	-
Tax on Dividend	(63.12)	-
Net Deficit in the statement of profit and loss	(3,199.34)	(5,366.36)
Total reserves and surplus	28,221.61	28,479.33

5. Long-term borrowings

	Non-current portion		Current maturities	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Term Loans				
Secured Loans				
External Commercial Borrowings	5,133.95	-	1,140.88	-
10.472 Mn USD (31 st March, 2013 : Nil)				
Term Loan from Bank	333.33	-	166.67	-
Term Loan from Others	51.96	-	25.47	-
Unsecured Loans				
Foreign Currency Convertible Bonds (FCCBs)	-	-		
3.792 Mn USD (31 st March, 2013: Nil) 0% FCCBs due on Feb-2019 of \$ 1,000 each (unsecured)	2,272.17	-	-	-
	7,791.41	-	1,333.02	-
The above amount includes				
Secured borrowings	5,519.24	-	1,333.02	-
Unsecured borrowings	2,272.17	-	-	-
Amount disclosed under the head "other current liabilities" (note 8)	-	-	(1,333.02)	-
	7,791.41	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

- External Commercial Borrowings are secured by way of first pari- passu charge on the fixed assets of the Company and personal guarantee of Dr. Kailash S. Choudhari.
- Term Loan from Bank are secured by way of exclusive charge on Plant and Machinery installed under the project and further secured by personal guarantee of Dr. Kailash S. Choudhari.
- Term Loan from others are secured by way of exclusive charge on Fixed assets installed under the subject project.
- Issue of Foreign Currency Convertible Bonds (FCCBs) convertible into ordinary shares, the particulars, terms of issue and the status of conversion as at 31st March, 2014 are given below :-

Issue	0% FCCBs (due February 2019)
Issued on	10 th February, 2014
Issue Amount	USD 3.792 Million
Face Value	USD 1000
Fixed Exchange Rate for conversion	USD 1= Rs. 62.32
Redeemable on	10 th February, 2019
Redemption Percentage of the principal amount	120%
FCCBs converted	Nil
Shares issued on conversion of FCCBs	Nil
FCCBs outstanding as on 31 st March, 2014	USD 3.792 Million
Shares that could be issued on conversion of outstanding FCCBs	14,100,086 shares

6. Provisions

	Long-term		Short-term	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Provision for Gratuity and Compensated Absences	197.49	183.44	5.53	5.37
Provision for Income Tax (net of Prepaid Taxes)	-	-	402.47	32.04
Proposed Dividend	-	-	371.41	-
Provision for Tax on Dividend	-	-	63.12	-
	197.49	183.44	842.53	37.41

7. Short-term borrowings

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Secured Loans		
-Working Capital Facilities	1,511.03	147.38
-Buyers Credit from Banks	488.58	290.16
Unsecured Loans		
Deposits (unsecured)		
0% loan from Chairman repayable on demand	-	47.75
15% Inter Corporate Deposit from related parties repayable on demand	-	34.00
15% Inter Corporate Deposit from others repayable on demand	200.00	230.00
9% Security Deposits	-	9.92
0% Security Deposits	392.19	415.70
	2,591.80	1,174.91

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
The above amount includes

Secured borrowings	1,999.61	437.54
Unsecured borrowings	592.19	737.37
1. Working capital facilities from banks are secured by way of first pari-passu charge on Current Assets both present and future and second pari-passu charge on the fixed assets of the Company. These facilities are further secured by way of first pari-passu charge on the immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari. The cash credit is repayable on demand. The interest payable on cash credit ranges between 14.00% to 14.50% and on packing credit 6.15%.		
2. Non fund based limits are secured by first pari-passu charge on immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari.		

8. Other current liabilities

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Trade payables (including acceptances)	3,740.53	3,811.04
Other liabilities		
Current maturities of long term debt (Refer Note No 5)	1,333.02	-
Foreign currency convertible bonds	-	7,603.40
Interest accrued but not due on borrowings	120.03	12.19
Advance from Customers	93.40	168.14
Unearned revenue	6.06	6.08
Unclaimed Dividend #		
Dividend 2005-06	-	3.05
Dividend 2006-07	1.01	1.01
Retention Money & Security Deposit	2.30	1.80
Other current liabilities	1,240.82	1,397.16
	2,796.64	9,192.83
	6,537.17	13,003.87

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

9. Tangible assets

	Freehold Land	Lease hold Land	Factory Buildings	Plant and equipment	Telecom Networking	Testing Instruments	Air Conditioners	Furniture and fixtures	Office Equipments	Data Processing System	Electric Fittings	Vehicles	Fork Lift	Total
(Rs. in lacs)														
Cost Cost or valuation														
At 1st April, 2012	1.84	310.46	1,263.42	14,274.30	3,151.02	939.45	292.10	170.08	73.90	195.44	548.66	11.64	20.52	21,252.83
Additions	-	67.96	-	232.69	15.10	47.24	3.29	0.31	1.83	5.94	7.11	-	21.90	403.37
Disposals / Adjustments	-	(255.72)	(174.76)	(853.13)	-	(80.51)	(12.99)	(9.36)	(4.84)	(14.57)	(71.87)	-	-	(1,477.75)
At 31st March, 2013	1.84	122.70	1,088.66	13,653.86	3,166.12	906.18	282.40	161.03	70.89	186.81	483.90	11.64	42.42	20,178.45
Additions	-	-	-	218.85	-	3.67	1.00	51.38	1.42	3.12	-	-	-	279.44
Disposals / Adjustments	-	-	-	(79.15)	-	-	4.07	(34.26)	(1.13)	(17.71)	-	-	(5.96)	(134.14)
At 31st March, 2014	1.84	122.70	1,088.66	13,793.56	3,166.12	909.85	287.47	178.15	71.18	172.22	483.90	11.64	36.46	20,323.75
Depreciation														
At 1st April, 2012	-	40.56	605.36	6,427.62	1,260.12	583.81	194.36	79.01	35.18	164.56	247.82	7.06	13.64	9,659.10
Charge for the year	-	2.67	38.03	1,188.26	149.67	37.44	9.14	19.10	5.17	13.24	16.99	1.10	1.09	1,481.90
Disposals / Adjustments	-	(25.78)	(70.87)	(455.75)	-	(69.25)	(2.89)	(12.38)	(4.13)	(19.76)	(46.71)	-	-	(707.52)
At 31st March, 2013	-	17.45	572.52	7,160.13	1,409.79	552.00	200.61	85.73	36.22	158.04	218.10	8.16	14.73	10,433.48
Charge for the year	-	1.25	36.36	1,025.23	150.39	38.34	10.67	16.74	3.66	6.71	23.98	1.10	2.09	1,316.52
Disposals / Adjustments	-	-	-	(62.65)	-	(0.56)	(3.04)	(8.38)	(0.39)	(15.03)	-	-	(5.06)	(95.11)
At 31st March, 2014	-	18.70	608.88	8,122.71	1,560.18	589.78	208.24	94.09	39.49	149.72	242.08	9.26	11.76	11,654.89
Net Block														
At 31st March, 2013	1.84	105.25	516.14	6,493.73	1,756.33	354.18	81.79	75.30	34.67	28.77	265.80	3.48	27.69	9,744.97
At 31st March, 2014	1.84	104.00	479.78	5,670.85	1,605.94	320.07	79.23	84.06	31.69	22.50	241.82	2.38	24.70	8,668.86

10. Intangible assets

	(Rs. in lacs)
Gross Block	
At 1st April, 2012	2,218.14
Additions	21.02
At 31st March, 2013	2,239.16
Additions	-
Disposals / Adjustments	-
At 31st March, 2014	2,239.16
Amortization	
At 1st April, 2012	1,109.60
Charge for the year	181.31
At 31st March, 2013	1,290.91
Charge for the year	182.86
Disposals / Adjustments	-
At 31st March, 2014	1,473.77
Net Block	
At 31st March, 2013	948.25
At 31st March, 2014	765.39

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
11. Non-current investments

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Trade investments (valued at cost unless stated otherwise)		
Investment in subsidiaries		
<i>Unquoted equity instruments</i>		
295 (31 st March, 2013: 1) equity share of Arab Emirates Dhiram (AED) 150,000/- each fully paid-up in AOL (FZE)	7,373.01	18.20
225,950,000 (31 st March, 2013: 225,950,000) Equity Shares of Rs. 5/- each in APAKSH Broadband Limited	11,297.50	11,297.50
	18,670.51	11,315.70
Non-trade investments (valued at cost unless stated otherwise)		
Investment in equity instruments (quoted)		
22,300 (31 st March, 2013: 22,300) equity shares of Rs.10/- each fully paid-up in CMI Limited	0.45	0.45
Government and trust securities (unquoted)		
National Saving Certificates (Deposited with Government Department as Security)	0.87	0.87
Kisan Vikas Patra	0.50	0.50
	1.82	1.82
	18,672.33	11,317.52
Aggregate amount of quoted investments (Market value: Rs 3.04 lacs (31.03.2013: Rs 1.58 lacs)	0.45	0.45
Aggregate amount of unquoted investments	18,671.88	11,317.07

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

	Non-current		Current	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Capital advances	-	6.98	-	-
Security deposit	80.18	83.21	44.32	30.37
Loan and advances to related parties	-	-	8,501.07	13,758.89
Advances recoverable in cash or kind	-	-	2,175.62	3,286.73
Other loans and advances				
Income Tax Refund Due	-	-	57.64	43.46
MAT Credit Entitlement	-	-	756.02	235.51
Prepaid expenses	-	-	222.29	174.06
Balances with statutory / government authorities	-	-	1,289.10	1,153.35
	-	-	2,325.05	1,606.38
Total	80.18	90.19	13,046.06	18,682.37

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
13. Trade receivables and other assets
13.1 Trade receivables

	Non-current		Current	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date they are due for payment	-	-	1,867.35	1,854.69
Other receivables	-	47.41	4,918.19	4,298.46
	-	47.41	6,785.54	6,153.15

13.2. Other assets

	Non-current		Current	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Unsecured, considered good unless stated otherwise				
Non-current bank balances (note 15)	1,455.73	1,206.32	-	-
Interest accrued on fixed deposits	-	-	36.94	84.67
Interest accrued on other deposits	-	-	39.02	-
	-	-	75.96	84.67
	1,455.73	1,206.32	75.96	84.67

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

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
i) Finished Goods and Traded Goods	376.19	167.15
ii) Raw Material	1,030.87	742.16
iii) Semi Finished Goods	834.50	390.81
iv) Stores, Spares and others	214.70	207.75
	2,456.26	1,507.87

15. Cash and cash equivalents

	Non-current		Current	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Cash and cash equivalents				
Balances with banks:				
– On current accounts	-	-	47.79	184.50
– Deposits with original maturity of less than three months	-	-	-	-
– On unpaid dividend account	-	-	1.01	4.06
Cash on hand	-	-	5.38	4.50
	-	-	54.18	193.06

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Other bank balances				
– Deposits with original maturity for more than 12 months	0.10	0.10	-	-
– Margin money deposit	1,455.63	1,206.22	-	-
	1,455.73	1,206.32	-	-
Amount disclosed under non-current assets (note 13.2)	(1,455.73)	(1,206.32)	-	-
	-	-	54.18	193.06

Margin money deposits given as security

Margin money deposits with a carrying amount of Rs.1,455.63 lacs (31.03.2013: Rs.1,206.22 lacs) are pledged with Banks for various Facilities.

16. Revenue from operations

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Revenue from operations		
Sale of products		
– Finished goods	20,979.03	21,038.30
– Traded goods	301.32	593.14
Sale of services	813.35	1,099.35
Other operating revenue		
– Scrap sales	22.26	14.59
– Export Incentives	696.88	657.32
– Exchange Fluctuation	43.91	401.96
– Other operating revenue	25.59	120.87
Revenue from operations (gross)	22,882.34	23,925.53
Less: Excise duty #	875.94	625.04
Revenue from operations (net)	22,006.40	23,300.49

Excise duty on sales amounting to Rs. 875.94 lacs (31.03.2013 : Rs. 625.04 lacs) has been reduced from sales in statement of profit and loss and excise duty on increase / (decrease) in stock amounting to Rs. 25.65 lacs (31.03.2013 : Rs. 1.40 lacs) has been considered as (income) / expense in note 22 of financial statements.

Detail of products sold

	31-Mar-14 Rs. In lacs	31-Mar-13 Rs. In lacs
Finished goods sold		
Optical Fibre and Optical Fibre Cables	11,639.49	14,327.22
Fibre Reinforced Plastic Rod and Impregnated Glass Roving Reinforcement	9,339.54	6,711.08
	20,979.03	21,038.30
Traded goods sold		
Telecom and electronic items	301.32	593.14
	301.32	593.14
Detail of services rendered		
IPTV and VoIP	147.44	305.07
Network Erection, Installation and Commissioning	218.80	333.28
Others	447.11	461.00
	813.35	1,099.35

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
17. Other income

	31-Mar-14	31-Mar-13
	Rs. in lacs	Rs. in lacs
Interest income		
-on deposits	170.13	119.73
-on advances to Related parties	521.63	491.10
-on other advances	47.24	4.53
Other non-operating income	3.06	104.98
	742.06	720.34

18. Cost of raw material and components consumed

	31-Mar-14	31-Mar-13
	Rs. in lacs	Rs. in lacs
Inventory at the beginning of the year	742.16	456.10
Add: Purchases	13,549.92	14,030.17
	14,292.08	14,486.27
Less: inventory at the end of the year	1,030.87	742.16
Cost of raw material and components consumed	13,261.21	13,744.11

Details of raw material and components consumed

	31-Mar-14	31-Mar-13
	Rs. In lacs	Rs. In lacs
Glass Fibre and Glass Performs	3,755.21	6,139.02
Resin such as (PVC, HDPE, Nylon, MB, LSZH, PBT, Nucler, UV resin and Polyester)	4,577.70	2,944.05
Others	4,928.30	4,661.04
	13,261.21	13,744.11

19. Details of purchase of traded goods

	31-Mar-14	31-Mar-13
	Rs. in lacs	Rs. in lacs
Telecom and electronic items	213.60	395.82
	213.60	395.82

20. (Increase) / decrease in inventories

	(Increase) / decrease	31-Mar-14	31-Mar-13
	Rs. in lacs	Rs. in lacs	Rs. in lacs
Inventories at the end of the year	31-Mar-14		
Finished / Traded goods	(209.04)	376.19	167.15
Semi Finished goods	(443.69)	834.50	390.81
	(652.73)	1,210.69	557.96
Inventories at the beginning of the year	31-Mar-13		
Finished / Traded goods	(28.75)	167.15	138.40
Semi Finished goods	26.41	390.81	417.22
	(2.34)	557.96	555.62

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
21. Employee benefits expense

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Salaries, wages and bonus	1,202.40	1,126.26
Contribution to provident and other funds	86.72	88.86
Gratuity	30.56	9.79
Staff welfare expenses	84.20	61.08
Directors' Remuneration	115.59	100.04
	1,519.47	1,386.03

22. Other expenses

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Consumption of stores and spares	358.71	250.31
Sub-contracting expenses	508.14	644.60
Subscription Charges	76.39	205.79
Packing Material Consumed	1,058.97	814.95
Increase / (Decrease) in Excise Duty Provision on Stock	25.65	1.40
Project Execution Expenses	3.91	133.97
Power and Fuel	555.89	576.18
Travelling and Conveyance	239.92	195.28
Postage and Telephone	34.30	46.74
Insurance	50.50	42.85
Rent	99.13	134.91
Rates and taxes	4.97	95.08
Professional and Legal Expenses	304.76	180.71
Repair and Maintenance		
- Plant and Machinery	56.82	35.82
- Buildings	51.98	33.23
- Others	71.95	77.70
Marketing and Service Charges	220.00	304.05
Freight and Cartage (Outward)	267.66	243.34
Auditors' Remuneration	28.30	23.51
Bad Debts	-	176.75
Other Expenses	307.33	294.39
	4,325.28	4,511.56
Less : Transfer to Capital Asset / Capital Work in Progress	18.60	25.65
	4,306.68	4,485.91

Detail of payment to Auditor

	31-Mar-14 Rs. In lacs	31-Mar-13 Rs. In lacs
As Auditor:		
-Audit fee	20.00	18.00
-Tax audit fee	4.00	1.00
In other capacity:		
-Taxation matters	2.11	-
-Other services (certification fees)	1.20	3.70
-Reimbursement of expenses	0.99	0.81
	28.30	23.51

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
23. Depreciation and amortization expense

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Depreciation of tangible assets	1,316.52	1,481.90
Amortization of intangible assets	182.86	181.31
	1,499.38	1,663.21

24. Finance cost

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Interest on Cash Credit	139.05	82.06
Interest	268.44	103.92
Bank Charges	298.41	187.40
	705.90	373.38

25. Contingent Liabilities:

- a) Claims not acknowledged as debts (Rs. in lacs)

S.No.	Particulars	31-Mar-14	31-Mar-13
1	Sales Tax Matters	185.77	328.87
2	Service Tax	304.76	318.08
3	Excise / Custom Duty	552.18	559.93
4	Stamp Duty	28.50	28.50
5	Others	78.91	78.91

- b) Corporate Guarantee given by erstwhile Aksh Broadband Limited aggregating to Rs. 582.03 lacs (31.03.2013 : Rs. 582.03 lacs) in favor of Cisco Systems Capital India Private Limited for loan taken by APAKSH Broadband Limited, subsidiary of erstwhile Aksh Broadband Limited.
- c) Corporate Guarantee given by the Company aggregating to USD 3.38 Mn equivalent to Rs. 2,025.30 lacs (31.03.2013 : Rs. Nil) in favor of Bank of Baroda, Dubai for loan taken by AOL (FZE).
- d) Bank Guarantees, letters of credit (Net of margin) issued by banks and outstanding as on the reporting date is Rs. 2,163.96 lacs (31.03.2013 : Rs. 1070.89 lacs)
- e) The Company had imported Plant and Machinery in previous years under EPCG scheme. An export obligation ('EO') amounting to Rs.10,699.43 lacs was placed on the Company which was to be fulfilled in a period of 8 years starting from August 2001. Subsequently, the said EO was refixed by DGFT vide its letter dated Jan 2011 up to August 2011 in terms of the Chapter VI of EXIM Policy and Procedure (Vol-1) 1997-2002. The Company has fulfilled the entire EO. The application for redemption of EPCG license was filed on March 2013 and final redemption is awaited.
- f) Estimated amounts of contracts remaining to be executed on Capital Account (net of advances) is Rs.18.03 lacs (31.03.2013 : Rs. 106.79 lacs)

26. Employee Benefits:

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

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

Particulars	31-Mar-14	31-Mar-13
Employer's Contribution to Provident Fund	81.67	82.52
Employer's Contribution to ESI	5.03	6.28
	86.70	88.80

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

b) Defined Benefit Plans:

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

i) **Summary of results**
Change in present value of obligation

(Rs. in lacs)

S. No.	Particulars	Year Ended 31 st March, 2014		Year Ended 31 st March, 2013	
		Gratuity	Compensated Absences	Gratuity	Compensated Absences
a)	Present value of obligation as at the beginning of the year	132.71	56.09	106.13	48.79
b)	Acquisition adjustment	-	-	-	-
c)	Interest cost	10.62	4.49	8.49	3.90
d)	Past service cost	-	-	-	-
e)	Current service cost	18.70	10.10	18.90	11.79
f)	Curtailment cost / (Credit)	-	-	-	-
g)	Settlement cost / (Credit)	-	-	-	-
h)	Benefits paid	(19.59)	(11.62)	(4.39)	(11.93)
i)	Actuarial (gain) / loss on obligation	5.72	(4.20)	3.58	3.54
j)	Present value of obligation as at the end of year	148.16	54.86	132.71	56.09

Change in the fair value of plan assets

Change in the fair value of plan assets		Gratuity	Compensated Absences	Gratuity	Compensated Absences
a)	Fair value of plan assets at the beginning of the year	48.64	-	43.49	-
b)	Acquisition adjustment	-	-	-	-
c)	Expected return on plan assets	4.26	-	4.11	-
d)	Employer Contributions	3.54	-	1.19	-
e)	Benefits paid	-	-	(0.15)	-
f)	Actuarial gain / (loss) on plan assets	0.21	-	-	-
g)	Fair value of plan assets at the end of the year	56.65	-	48.64	-
Net liability recognized in balance sheet		148.16	54.86	132.71	56.09

Expense recognized in the statement of profit and loss

		Gratuity	Compensated Absences	Gratuity	Compensated Absences
a)	Current service cost	18.70	10.10	18.90	11.79
b)	Past service cost	-	-	-	-
c)	Interest cost	10.62	4.49	8.49	3.90
d)	Expected return on plan assets	(4.26)	-	(4.11)	-
e)	Curtailment cost / (Credit)	-	-	-	-
f)	Settlement cost / (credit)	-	-	-	-
g)	Net actuarial (gain) / loss recognized in the period	5.50	(4.20)	3.58	3.54
h)	Expenses recognized in the statement of profit and loss	30.56	10.39	26.86	19.23

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
ii) Actuarial Assumptions

S.No.	Particulars	Gratuity (Funded)	Compensated Absences	Gratuity (Funded)	Compensated Absences
a)	Discounting Rate	8.50%	8.50%	8.00%	8.00%
b)	Future salary Increase	6.00%	6.00%	5.50%	5.50%
c)	Expected Rate of return on plan assets	8.75%	0.00%	9.15%	0.00%

27 Loans and Advances in the nature of Loans given to subsidiaries :

(Rs. in lacs)			
Name of the Company	31-Mar-14	31-Mar-13	Max. Balance during the year
AOL (FZE)	8,501.07	13,758.89	14,174.60

28 Related Party Disclosures

Related party disclosures as required under Accounting Standard - 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as given below as on 31st March, 2014:

- a) Subsidiary Companies :
 - APAKSH Broadband Limited
 - AOL (FZE)
 - AOL PROJECTS JLT (Fellow Subsidiary)
- b) Individuals exercising significant influence and their relatives:
 - Dr. Kailash S. Choudhari (Chairman)
 - Mr. P. F. Sundesha (Related up to 20th September, 2013)
 - Mr. Shailesh Popat Lal (Relative of Mr. P. F. Sundesha) (Related up to 20th September, 2013)
- c) Key Management personnel and their relatives:
 - Mr. Chetan Choudhari (Managing Director)
- d) Enterprises over which personnel referred in (b) and (c) aforementioned exercise significant influence:
 - Fulchand Finance Private Limited (Relates to Mr. P. F. Sundesha) (Related up to 20th September, 2013)

Related Party Transactions

(Rs. in lacs)					
S.No.	Nature of Transaction	Subsidiaries	Key Management Personnel	Others	Total
1	Re-imbursement of expenses	9.62	-	-	9.62
		15.33	-	-	15.33
2	Interest received on Loan	521.63	-	-	521.63
		491.10	-	-	491.10
3	Remuneration Paid	-	112.40	-	112.40
		-	95.54	-	95.54
4	Interest Expenses	-	-	5.50	5.50
		-	-	37.10	37.10
5	Repayment of Loan	-	-	81.75	81.75
		-	-	477.00	477.00
6	Sitting Fees	-	-	0.60	0.60
		-	-	0.95	0.95
7	Rent Paid	-	-	16.52	16.52
		-	-	29.40	29.40
8	Conversion of Loan and advances into Investment	7,354.81	-	-	7,354.81
		-	-	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

Balance due to / (from) as at 31st March, 2014				
1	Trade Receivables	(1,565.21)	-	(1,565.21)
		(1,754.83)	-	(1,754.83)
2	Loan and advances	(8,501.07)	-	(8,501.07)
		(13,758.89)	-	(13,758.89)
3	Trade and other Payables	-	-	-
		-	-	-
			84.26	84.26

Note :- Figures in italic represents Previous Year

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

Particulars	(Rs. in lacs)	
	Minimum Lease Payments	
	31-Mar-14	31-Mar-13
Not later than 1 year	8.86	-
Later than 1 year and not later than 5 years	34.69	-
Later than 5 years	-	-

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

Lease rental expense in respect of operating leases is Rs.0.74 lacs (31.03.2013 : Rs. Nil)

Contingent rent recognised in the Statement of Profit and Loss is Rs. Nil (31.03.2013 : Rs. Nil)

- 30** Exceptional items represents net foreign exchange gain on translation of foreign exchange assets and liabilities other than operational of Rs.717.10 lacs (31.03.2013: Rs.345.98 lacs), profit / (loss) on sale of fixed assets of (Rs. 20.76) lacs (31.03.2013: Rs. 915.14 lacs), liabilities written back of Rs.10.26 lacs (31.03.2013: Rs. 28.10 lacs), advances written off of Rs.Nil (31.03.2013: Rs.670.20 lacs).

31 Basic and diluted earnings per share

S.No	Particulars	31-Mar-14	31-Mar-13
a.	Net Profit for the year (Rs. in lacs)	2,601.55	2,593.73
b.	Weighted Average No of Equity Shares used in computing Basic-Earning per Share (Nos.)	148,564,989	146,518,185
c.	Impact of diluted instruments on Net Profit for the year (Rs. in lacs)	-	-
d.	Net Profit used for the computation of diluted earning per share (Rs. in lacs)	2,601.55	2,593.73
e.	Weighted average number of equity shares from dilutive instruments (Nos.)	14,100,086	-
f.	Weighted Average No of Equity Shares used in computing Diluted Earning per Share (Nos.)	162,665,075	146,518,185
g.	Nominal Value of Equity Shares (Rs.)	5.00	5.00
h.	Basic-Earning Per Shares (Rs.)	1.75	1.77
i.	Diluted -Earning Per Share (Rs.)	1.60	1.77

- 32** The Company has an investment of Rs. 11,297.50 lacs in the equity shares and has outstanding dues of Rs. 1,565.21 lacs (31.03.2013: Rs. 1,754.83 lacs), (net of advances) from APAKSH Broadband Limited (APAKSH), subsidiary acquired as a result of the amalgamation of erstwhile Aksh Broadband Limited with the Company. APAKSH's operations are presently suspended due to pending litigation by one of the shareholder of APAKSH. The Management of the Company is in the process of discussions on the revival of the project and pending that no provision has been considered necessary in respect of the outstanding dues and investment at this stage.

33 Derivative Instruments

Forward contracts outstanding as at the reporting date:-

Particulars	Currency	(Amount in lacs)	
		31-Mar-14	31-Mar-13
Forward contracts to sell	USD	34.85	46.05
	EURO	1.25	0.75

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below :

Amount receivable in foreign currency on account of the following:- (Amount in lacs)

S.No	Particulars	Currency	31-Mar-14	31-Mar-13
1	Export of goods	USD	36.31	49.58
		EURO	4.01	1.94
		GBP	0.02	-
		RINGGIT	1.26	5.71
2	Advance to Supplier	USD	6.11	8.47
		EURO	0.01	0.13
		JPY	-	4.47
3	Advance to Other	USD	119.07	239.26
4	Interest receivable on advances	USD	22.83	14.12

Amount payable in foreign currency on account of the following:-

S.No	Particulars	Currency	31-Mar-14	31-Mar-13
1	Import of goods and services	USD	18.96	20.90
		EURO	11.54	11.44
		JPY	17.57	-
		GBP	0.18	0.26
2	Advance from customers	USD	0.61	0.88
3	Buyer's Credit	USD	8.15	5.34
4	Packing Credit Facility	EURO	0.41	1.70
5	External Commercial Borrowing	USD	104.72	-
6	Foreign currency convertible bonds	USD	37.92	140.00

- 34** There are no Micro and Small Enterprises, to whom the Company owes, which are outstanding for more than 45 days as at 31st March, 2014. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

35 Segmental Reporting for the year ended 31st March, 2014

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

Particulars	Manufacturing		Services		Trading		Total	
	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013
1 Segment Revenue								
External Turnover	20,879.48	21,584.32	825.60	1,123.03	301.32	593.14	22,006.40	23,300.49
Inter Segment Turnover	20.39	31.18	-	-	-	0.35	-	-
Total Revenue	20,899.87	21,615.50	825.60	1,123.03	301.32	593.49	22,006.40	23,300.49
2 Segment Results before Interest and Taxes	3,904.15	3,648.81	(1,204.55)	(1,742.46)	85.97	185.93	2,785.57	2,092.28
Less : Finance Cost							705.90	373.38
Add : Interest Income							739.00	615.36
Add : Exceptional Items							706.60	619.02
Add / (Less): Unallocated (Expenses) / Income							(923.72)	(359.55)
Profit before Tax							2,601.55	2,593.73
3 Other Information								
Segment Assets	12,970.33	11,051.65	13,468.33	14,180.96	-	-	26,438.66	25,232.61
Unallocated Assets							27,171.60	25,074.60
Total Assets	12,970.33	11,051.65	13,468.33	14,180.96	-	-	53,610.26	50,307.21
Segment Liabilities	7,023.40	4,697.22	10,937.00	9,702.41	-	-	17,960.40	14,399.63
Share Capital and reserves							35,649.86	35,907.58
Total Liabilities	7,023.40	4,697.22	10,937.00	9,702.41	-	-	53,610.26	50,307.21
Capital Expenditure	232.63	265.85	46.81	158.54	-	-	279.44	424.39
Depreciation and Amortization	371.36	521.00	1,128.02	1,142.21	-	-	1,499.38	1,663.21

Note :- Total Revenue is after elimination of inter segment turnover of Rs. 20.39 lacs (31.03.2013 : Rs. 31.53 lacs)

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

	March 31, 2014		March 31, 2013	
	Rs. in lacs	%	Rs. in lacs	%
36 Value and percentage of Imported / Indigenous Raw - Material Consumed				
Imported	6,067.57	46%	7,431.54	54%
Indigenous	7,193.64	54%	6,312.57	46%
	13,261.21	100%	13,744.11	100%
37 Spare Parts and components Consumed				
Imported	139.50	39%	194.15	78%
Indigenous	219.21	61%	56.16	22%
	358.71	100%	250.31	100%
38 Value of Imports on CIF Basis				
Raw Material	6,676.33		7,542.30	
Consumable	139.69		141.77	
Accessories	-		111.86	
Capital Goods	948.84		87.02	
Others	72.38		107.40	
39 Earning in foreign Exchange on FOB Basis				
Export of Goods and Services	12,764.97		15,962.83	
Interest	521.63		491.10	
40 Expenditure in foreign currency				
Travelling	34.51		30.12	
Commission on Sales	117.29		78.73	
Interest and Bank Charges	13.47		9.39	
FCCBs Issue Expense	69.15		-	
Other Expenses	40.41		31.38	
41 Previous year's figures have been reworked, regrouped, rearranged and reclassified to conform to those of current year's figures wherever necessary.				
The accompanying notes (1-41) are an integral part of the financial statements.				

As per our report of even date

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

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

Place: New Delhi
Date : 26th May, 2014

For and on behalf of the Board of Directors

Dr. KAILASH S. CHOUDHARI
Chairman
DIN No. 00023824

CHETAN CHOUDHARI
Managing Director
DIN No. 00872366

B.R. RAKHECHA
Director
DIN No. 00026729

SATYENDRA GUPTA
Chief Financial Officer

GAURAV MEHTA
Company Secretary

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Relating to Subsidiary Companies in accordance with General Circular No. : 02/2011 dated 8th February, 2011 from the Ministry of Corporate Affairs

(Rs. in lacs)

Name of Subsidiary	APAKSH Broadband Limited	AOL (FZE)	AOL PROJECTS JLT
1 Country of Incorporation	India	UAE	UAE
2 Reporting Currency	INR	AED	AED
3 Exchange Rate as at 31 st March, 2014 (Rs.)	-	16.34	16.34
4 Capital	13,522.50	7,228.68	49.01
5 Reserves	-	(467.81)	1,063.30
6 Total Assets	15,701.61	17,253.52	1,139.59
7 Total Liabilities	15,701.61	17,253.52	1,139.59
8 Investments (except in case of investment in subsidiaries)	-	-	-
9 Turnover / Total Income	-	1,835.25	32.63
10 Profit / (loss) before Taxation	-	(373.45)	(65.23)
11 Provision for Taxation	-	-	-
12 Profit / (loss) after Taxation	-	(373.45)	(65.23)
13 Proposed Dividend	-	-	-

Statement pursuant to Section 212 of the Companies Act, 1956

Relating to Subsidiary Companies

Name of Subsidiary	APAKSH Broadband Limited	AOL (FZE)	AOL PROJECTS JLT
1 The Financial Year of the subsidiaries Company ended on	31-Mar-14	31-Mar-14	31-Mar-14
2 Share of Subsidiary Company held on that date and extent of holding			
a) Equity Share of Rs. 5/- each	225,950,000	-	-
b) Equity Share of AED 150,000/- each	-	295	-
c) Equity Share of AED 1,000/- each	-	-	300
Extent of holding	99.92%	100.00%	100.00%
3 The net aggregate amount of Subsidiary's profit / (Loss) so far as it is concerned with the members of Aksh Optifibre Limited			
i) Not dealt with the holding Company's accounts (Rs. in lacs)			
a) For Subsidiary's financial year	-	(373.45)	(65.23)
b) For subsidiary's previous financial year since it became subsidiary	-	100.96	955.74
ii) Dealt with the holding Company's accounts (Rs. in lacs)			
a) For Subsidiary's financial year	-	-	-
b) For subsidiary's previous financial year since it became subsidiary	-	-	-
4 Material changes, if any, between the end of the Financial Year of the Subsidiary Company and holding Company	-	-	-

**Consolidated
Financial Statements
2013-2014**

Consolidated Financial Statements With Auditors' Report**INDEPENDENT AUDITORS' REPORT**

To The Board of Directors of

AKSH OPTIFIBRE LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying financial statements of **AKSH OPTIFIBRE LIMITED** ("the Company") and its subsidiaries (collectively referred to as "Aksh Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated Cash Flows of the group in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2014;
- b) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date and
- c) in the case of the Consolidated Cash Flow Statement, of the cash flow of the Group for the year ended on that date.

Other Matters

We have not conducted audit of foreign subsidiary, whose financial statements reflect total assets (net) of Rs. 18,299.84 lacs as at 31st March, 2014, total revenue of Rs. 1,867.89 lacs and net cash inflow amounting to Rs. 9,096.92 lacs for the year then ended. These financial statements have been audited by other auditor whose reports have been furnished to us by the Management, and our opinion, is based solely on the report of other auditor. Our opinion is not qualified in respect of this matter.

For P. C. Bindal & Co.

Firm Registration No:- 003824N

Chartered Accountants

(CA. K. C. Gupta)

Partner

Membership No. 088638

Place of Signature: New Delhi

Dated:- 26th May, 2014

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2014

	Notes	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Equity and liabilities			
Shareholders' funds			
Share capital	3	9,642.78	9,642.78
Reserves and surplus	4	27,889.42	28,707.27
		37,532.20	38,350.05
Minority Interest		10.47	10.47
Non-current liabilities			
Long-term borrowings	5	8,756.40	-
Trade payables	6	57.77	57.77
Long-term provisions	7	377.47	183.44
		9,191.64	241.21
Current liabilities			
Short-term borrowings	8	3,139.73	1,722.85
Trade payables	9	4,227.24	4,982.84
Other current liabilities	9	3,143.06	9,324.79
Short-term provisions	7	842.53	160.19
		11,352.56	16,190.67
TOTAL		58,086.87	54,792.40
Assets			
Non-current assets			
Fixed assets			
Tangible assets	10	9,040.43	9,762.07
Intangible assets	11	765.38	948.24
Capital work-in-progress		16,084.65	14,853.97
Non-current investments	12	1.82	1.82
Long-term loans and advances	13	1,501.84	90.19
Trade receivables	14.1	-	47.41
Other non-current assets	14.2	1,455.73	1,206.32
		28,849.85	26,910.02
Current assets			
Inventories	15	2,489.19	2,461.49
Trade receivables	14.1	9,146.99	8,271.63
Cash and cash equivalents	16	77.46	204.10
Short-term loans and advances	13	17,447.42	16,860.49
Other current assets	14.2	75.96	84.67
		29,237.02	27,882.38
TOTAL		58,086.87	54,792.40

Summary of significant accounting policies

2.1

The accompanying notes (1-37) are an integral part of the consolidated financial statements.

As per our report of even date

For and on behalf of the Board of Directors

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

Dr. KAILASH S. CHOUDHARI
Chairman
DIN No. 00023824

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

CHETAN CHOUDHARI
Managing Director
DIN No. 00872366

B.R. RAKHECHA
Director
DIN No. 00026729

Place: New Delhi
Date : 26th May, 2014

SATYENDRA GUPTA
Chief Financial Officer

GAURAV MEHTA
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2014

	Notes	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Income			
Revenue from operations (gross)	17	24,750.22	26,302.34
Less: excise duty		875.94	625.04
Revenue from operations (net)		23,874.28	25,677.30
Other income	18	220.42	229.24
Total revenue (I)		24,094.70	25,906.54
Expenses			
Cost of raw material and components consumed	19	13,261.21	13,744.11
Purchase of traded goods	20	493.10	519.38
(Increase) / decrease in inventories of finished goods, work-in-progress and traded goods	21	267.96	1,338.70
Employee benefits expense	22	1,956.71	1,764.39
Other expense	23	4,443.82	4,541.32
Total expense (II)		20,422.80	21,907.90
Earnings before interest, tax, depreciation, exceptional items and amortization (EBITDA) (I) – (II)		3,671.90	3,998.64
Depreciation and amortization expense	24	1,502.40	1,663.21
Finance cost	25	709.48	376.25
Profit before exceptional items and tax		1,460.02	1,959.18
Exceptional Items	30	706.60	619.03
Profit before tax		2,166.62	2,578.21
Tax expenses			
Income Tax		520.51	64.54
MAT Credit Entitlement		520.51	64.54
Total tax expense		-	-
Profit for the year		2,166.62	2,578.21
Earnings per equity share [nominal value of share Rs. 5/- (31st March, 2013: Rs. 5/-)]			
Basic		1.46	1.76
Diluted		1.33	1.76
Summary of significant accounting policies	2.1		
The accompanying notes (1-37) are an integral part of the consolidated financial statements.			

As per our report of even date

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

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

Place: New Delhi
Date : 26th May, 2014

For and on behalf of the Board of Directors
Dr. KAILASH S. CHOUDHARI
Chairman
DIN No. 00023824

CHETAN CHOUDHARI
Managing Director
DIN No. 00872366

SATYENDRA GUPTA
Chief Financial Officer

B.R. RAKHECHA
Director
DIN No. 00026729

GAURAV MEHTA
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2014

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
A. Cash flow from operating activities		
Profit before tax	2,166.62	2,578.21
Profit before tax	2,166.62	2,578.21
Non-cash adjustment to reconcile profit before tax to net cash flows		
Depreciation / amortization on continuing operation	1,502.40	1,663.21
Loss / (profit) on sale of fixed assets	20.76	(915.14)
Foreign Currency Translation Reserve	(125.20)	(82.31)
Finance cost	709.48	376.25
Interest (income)	(217.37)	(124.26)
Operating profit before working capital changes	4,056.69	3,495.96
Movements in working capital :		
Increase / (decrease) in trade and other payables	2,062.96	(345.87)
Decrease / (increase) in trade receivables	(827.96)	(2,025.11)
Decrease / (increase) in inventories	(27.70)	1,032.50
Decrease / (increase) in other receivables	(3,280.29)	(2,790.63)
Cash generated from / (used in) operations	1,983.70	(633.15)
Direct taxes paid (net of refunds)	520.51	64.54
Net cash flow from / (used in) operating activities (A)	2,504.21	(568.61)
B. Cash flows from investing activities		
Purchase of fixed assets, including CWIP	(1,867.61)	(356.51)
Proceeds from sale of fixed assets	18.26	1,685.33
Interest received	217.37	124.26
Net cash flow from / (used in) investing activities (B)	(1,631.98)	1,453.08
C. Cash flows from financing activities		
Proceeds from issuance of equity share capital	-	1,131.41
Expense on issue of FCCBs	(69.15)	-
Repayment of Long-term borrowings	(1,202.60)	-
Proceeds / (Repayment) of Short-term borrowings	1,416.89	(1,522.30)
Proposed Dividend	(371.41)	-
Tax on Dividend	(63.12)	-
Finance cost	(709.48)	(376.25)
Net cash flow from / (used in) in financing activities (C)	(998.87)	(767.14)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(126.64)	117.33
Cash and cash equivalents at the beginning of the year	204.10	86.77
Cash and cash equivalents at the end of the year	77.46	204.10
Components of cash and cash equivalents		
Cash on hand	9.37	11.02
With banks- on current account	67.08	189.02
Deposits with original maturity of less than three months	-	-
Unpaid dividend	1.01	4.06
Total cash and cash equivalents (note 16)	77.46	204.10
Summary of significant accounting policies	2.1	
The accompanying notes (1-37) are an integral part of the consolidated financial statements.		

As per our report of even date

For and on behalf of the Board of Directors

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

Dr. KAILASH S. CHOUDHARI
Chairman
DIN No. 00023824

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

CHETAN CHOUDHARI
Managing Director
DIN No. 00872366

B.R. RAKHECHA
Director
DIN No. 00026729

Place: New Delhi
Date : 26th May, 2014

SATYENDRA GUPTA
Chief Financial Officer

GAURAV MEHTA
Company Secretary

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
1. CORPORATE INFORMATION

Aksh Optifibre Limited is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed at The Bombay Stock Exchange Limited, The National Stock Exchange Limited. in India and GDRs are listed at Luxembourg Stock Exchange. The Company is engaged in the manufacturing and selling of Optical Fibre, Optical Fibre Cable, Fibre Reinforced Plastic Rods and Impregnated Glass Roving Reinforcement, The Company caters to both domestic and international markets. The Company also provides the Internet Protocol Television (IPTV) services in association with BSNL in 20 cities of North India. The Company is the pioneer in the FTTH (Fibre to the Home) space and has further consolidated its place by starting FTTH services in Delhi, Jaipur, Ajmer and Faridabad.

2. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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

2.1 SIGNIFICANT ACCOUNTING POLICIES
a) Basis Of Preparation

These consolidated financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 ("the 1956 Act") (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 ("the 2013 Act") in terms of General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs and the relevant provisions of the 1956 Act / 2013 Companies Act, as applicable 1956 to reflect the financial position and the results of operations of the Group. These consolidated financial statements are prepared under the historical cost convention on the accrual basis of accounting and in accordance with the reporting requirements of Accounting Standard - 21 'Consolidated Financial Statements' issued by the ICAI.

b) Principles of Consolidation

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

Entity	Country of Incorporation	Shareholding as at March 31, 2014
APAKSH Broadband Limited (APAKSH)	India	99.92%
AOL (FZE)	UAE	100%
AOL PROJECTS JLT subsidiary of AOL (FZE)	UAE	100%

c) Use of Estimates

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

d) Fixed Assets

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

e) Capital Work-in-Progress

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

f) Depreciation

- Depreciation on Fixed Assets is provided on straight-line method at the rates specified in Schedule XIV of the Companies Act, 1956 and based on the estimated useful life of assets. Depreciation is charged on pro-rata basis for assets purchased / sold during the year. Individual assets costing up to Rs. 5,000/- are depreciated in full in the year of purchase.
Depreciation on equipments installed at customer premises is being provided at 20% on useful life estimated by the management.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

License fee is amortised over the licensed period.

- ii) Cost of leasehold land is amortized over lease period on a straight-line basis.
- iii) Cost of software is amortised over its useful life on a straight-line basis.
- iv) Extra shift depreciation is charged on the basis of actual extra shifts worked as required by Schedule XIV to the Companies Act, 1956.

g) Impairment of Assets

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

h) Investments

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

i) Inventories

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

j) Foreign Currency Transactions

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

k) Borrowing Cost

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
l) Revenue Recognition

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

Sales of Goods and Services

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

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

Income from Interest

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

Other Incomes

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

m) Retirement and other Employee Benefits

i) Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss for the year when the contributions to the respective funds are due. The Company has no other obligation other than the contribution payable.

ii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit Method calculated at the end of each financial year. The liability with regard to gratuity in respect of any employee not covered under group gratuity scheme is provided on the basis of amount payable to such employees as if they were to retire on the last day of financial year.

iii) Compensated Absences liability is provided for based on actuarial valuation done as per Projected Unit Credit Method calculated at the end of each financial year.

iv) Actuarial gains / losses are immediately taken to the statement of profit and loss and are not deferred.

n) Export Incentives

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

o) Taxes on Income

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

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

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

p) Operating Leases

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
q) Earnings Per Share

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

r) Provisions, Contingent Liabilities and Contingent Assets

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

No provision is recognized for –

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

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

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

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

s) Project Development Expenditure

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

t) Miscellaneous Expenditure

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

u) Translation of Foreign Subsidiary

In case of foreign subsidiary, the revenue and expense transactions at the year end reflected in the Statement of Profit and Loss have been translated at the average exchange rates for the period to which the financial statements relate.

The assets and liabilities, both monetary and non-monetary, have been translated at the closing exchange rate prevailing on the date of the Balance Sheet.

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

v) Measurement of EBITDA

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
3. Share capital

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs.in lacs
Authorized share (No.)		
170,100,000 (31 st March, 2013: 170,100,000) Equity Shares of Rs. 5/- each	8,505.00	8,505.00
Issued, subscribed and fully paid-up share (No.)		
148,564,989 (31 st March, 2013: 148,564,989) Equity Shares of Rs. 5/- each fully paid up	7,428.25	7,428.25
Forfeited Shares in case of APAKSH Broadband Limited	2,214.53	2,214.53
Total issued, subscribed and fully paid-up share capital	9,642.78	9,642.78

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

	31-Mar-14		31-Mar-13	
	No.	Rs. In lacs	No.	Rs. In lacs
At the beginning of the year	148,564,989	7,428.25	142,924,871	7,146.24
Add:				
- Issued pursuant to conversion of FCCBs	-	-	5,640,118	282.01
Outstanding at the end of the year	148,564,989	7,428.25	148,564,989	7,428.25

Terms/ rights attached to equity shares

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

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

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

Name of the shareholder	31-Mar-14		31-Mar-13	
	No.	% holding	No.	% holding
Dr. Kailash S. Choudhari	25,842,700	17.39%	25,842,700	17.39%
Religare Finvest Limited	20,851,807	14.04%	14,816,807	9.97%
Sunidhi Capital Private Limited	9,005,250	6.06%	-	0.00%
Davinder Kumar Jain	-	0.00%	15,356,251	10.34%
The Bank of New York, Mellon	9,065,850	6.10%	9,065,850	6.10%
Seema Choudhari	7,809,341	5.26%	7,809,341	5.26%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
4. Reserves and surplus

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Capital reserve	15.00	15.00
Securities premium account		
Balance as per the last financial statements	33,830.69	32,981.29
Add :		
- Issue expenses on issue of FCCBs (USD 3,792 Million)	(69.15)	-
- Premium on Redemption on FCCBs	(2,355.59)	-
- Issue of 5,640,118 equity shares upon conversion of FCCBs	-	849.40
Closing Balance	31,405.95	33,830.69
Foreign Currency Translation Reserve		
Balance as per the last financial statements	(18.57)	63.74
Add: Created on translation and incorporation of non integral foreign subsidiaries	(125.20)	(82.31)
Closing Balance	(143.77)	(18.57)
Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	(5,119.85)	(7,698.06)
Profit for the year	2,166.62	2,578.21
Proposed Dividend	(371.41)	-
Tax on Dividend	(63.12)	-
Net Deficit in the statement of profit and loss	(3,387.76)	(5,119.85)
Total reserves and surplus	27,889.42	28,707.27

5. Long-term borrowings

	Non-current portion		Current maturities	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Secured Loans				
Term Loans				
External Commercial Borrowings	5,133.95	-	1,140.88	-
10.472 Mn USD (31 st March, 2013 : Nil)				
Term Loan from Bank	1,298.32	-	472.34	-
Term Loan from Others	51.96	-	25.47	-
Unsecured Loans				
Foreign Currency Convertible Bonds (FCCBs)				
3.792 Mn USD ((31 st March, 2013: Nil) 0% FCCBs due on Feb-2019 of \$ 1,000 each (unsecured)	2,272.17	-	-	-
	8,756.40	-	1,638.69	-
The above amount includes				
Secured borrowings	6,484.23	-	1,638.69	-
Unsecured borrowings	2,272.17	-	-	-
Amount disclosed under the head "other current liabilities" (note 9)	-	-	(1,638.69)	-
Net amount	8,756.40	-	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

- External Commercial Borrowings are secured by way of first pari- passu charge on fixed assets of the Company and personal guarantee of Dr. Kailash S. Choudhari.
- Term Loan from Bank are secured by way of exclusive charge on Plant and Machinery installed under the project and further secured by personal guarantee of Dr. Kailash S. Choudhari.
- In case of AOL (FZE), Term loan from Bank of Baroda are secured by way of charge on fixed assets of AOL (FZE), personal guarantee of Dr. Kailash S. Choudhari and Corporate guarantee of the Company.
- Term Loan from others are secured by way of exclusive charge on Fixed assets installed under the subject Project.
- Issue of Foreign Currency Convertible Bonds (FCCBs) convertible into ordinary shares, the particulars, terms of issue and the status of conversion as at 31st March, 2014 are given below :-

Issue	0% FCCBs (due February 2019)
Issued on	10 th February, 2014
Issue Amount	USD 3.792 Million
Face Value	USD 1000
Fixed Exchange Rate for conversion	USD 1=Rs. 62.32
Redeemable on	10 th February, 2019
Redemption Percentage of the principal amount	120%
FCCBs converted	Nil
Shares issued on conversion of FCCBs	Nil
FCCBs outstanding as on 31 st March, 2014	USD 3.792 Million
Shares that could be issued on conversion of outstanding FCCBs	14,100,086 shares

6. Other long-term liabilities

	31-Mar-14	31-Mar-13
	Rs. in lacs	Rs. in lacs
Trade payables (including acceptances)	57.77	57.77
	57.77	57.77

7. Provisions

	Long-term		Short-term	
	31-Mar-14	31-Mar-13	31-Mar-14	31-Mar-13
	Rs. in lacs	Rs. in lacs	Rs. in lacs	Rs. in lacs
Provision for Gratuity and Compensated Absences	377.47	183.44	5.53	128.15
Provision for Income Tax (net of Prepaid Taxes)	-	-	402.47	32.04
Proposed Dividend	-	-	371.41	-
Provision for Tax on Dividend	-	-	63.12	-
	377.47	183.44	842.53	160.19

8. Short-term borrowings

	31-Mar-14	31-Mar-13
	Rs. in lacs	Rs. in lacs
Secured Loans		
Working Capital Facilities from Banks		
-Working Capital Facilities	1,511.03	147.38
-Buyers Credit from Banks	488.58	290.16
Other Loans		
-Cisco Systems Capital India Private Limited	497.93	497.93

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
Unsecured Loans
Deposits (unsecured)

0% loan from Chairman repayable on demand	-	47.75
0% Inter Corporate Deposit from related parties repayable on demand	50.00	50.00
15% Inter Corporate Deposit from related parties repayable on demand	-	34.00
15% Inter Corporate Deposit from others repayable on demand	200.00	230.00
9% Security Deposits	-	9.92
0% Security Deposits	392.19	415.71
	3,139.73	1,722.85

The above amount includes :

Secured borrowings	2,497.54	935.47
Unsecured borrowings	642.19	787.38

- Working Capital Facilities from banks are secured by way of first pari-passu charge on Current Assets both present and future and second pari-passu charge on the fixed assets of the Company. These facilities are further secured by way of first pari-passu charge on the immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari. The cash credit is repayable on demand. The interest payable on cash credit ranges between 14.00% to 14.50% and on packing credit 6.15%.
- Non fund based limits are secured by first pari-passu charge on immovable properties of the Company and personal guarantee of Dr. Kailash S. Choudhari.
- Loan from Cisco Systems Capital India Private Limited is secured by way of first charge on Fixed Assets of APAKSH Broadband Limited.

9. Other current liabilities

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Trade payables (including acceptances)	4,227.24	4,982.84
Other liabilities		
Current maturities of long term debt (Refer Note No 5)	1,638.69	-
Foreign currency convertible bonds	-	7,603.40
Interest accrued but not due on borrowings	125.71	17.87
Advance from Customers	93.40	168.14
Unearned revenue	6.06	6.08
Unclaimed Dividend #		
Dividend 2005-06	0.00	3.05
Dividend 2006-07	1.01	1.01
Other current liabilities	1,278.19	1,525.24
	3,143.06	9,324.79
	7,370.30	14,307.63

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

10. Tangible assets

	Freehold Land	Lease hold Land	Factory Buildings	Plant and equipment	Telecom Networking	Testing Instruments	Air Conditioners	Furniture and fixtures	Office Equipments	Data Processing System	Electric Fittings	Vehicles	Fork Lift	Total
(Rs. in lacs)														
Cost or valuation														
At 1st April, 2012	1.84	310.46	1,263.42	14,285.39	3,151.02	939.45	292.10	181.64	92.71	244.28	532.05	22.72	20.52	21,337.60
Additions	-	67.96	-	232.69	15.10	47.24	3.29	0.31	1.83	5.94	7.11	-	21.90	403.37
Disposals / Adjustments	-	(255.72)	(174.76)	(853.13)	-	(80.51)	(12.99)	(9.36)	(4.84)	(14.57)	(71.87)	-	-	(1,477.75)
At 31st March, 2013	1.84	122.70	1,088.66	13,664.95	3,166.12	906.18	282.40	172.59	89.70	235.65	467.29	22.72	42.42	20,263.22
Additions	-	-	359.41	218.85	-	3.67	1.00	51.38	1.42	3.61	-	-	-	639.34
Disposals / Adjustments	-	-	-	(79.15)	-	-	4.07	(34.26)	(1.13)	(17.71)	-	-	(5.96)	(134.14)
At 31st March, 2014	1.84	122.70	1,448.07	13,804.65	3,166.12	909.85	287.47	189.71	89.99	221.55	467.29	22.72	36.46	20,768.42
Depreciation														
At 1st April, 2012	-	40.56	605.36	6,427.63	1,260.12	583.81	194.36	83.97	39.82	213.40	247.81	13.91	13.65	9,724.40
Charge for the year	-	2.67	38.03	1,188.26	149.67	37.44	9.14	19.10	5.17	13.24	16.99	1.10	1.09	1,481.90
Preoperative Expense Adjustment	-	-	-	-	-	-	-	0.73	0.63	-	-	1.05	-	2.41
Disposals / Adjustments	-	(25.78)	(70.87)	(455.79)	-	(69.25)	(2.89)	(12.38)	(4.13)	(19.76)	(46.71)	-	-	(707.56)
At 31st March, 2013	-	17.45	572.52	7,160.10	1,409.79	552.00	200.61	91.42	41.49	206.88	218.09	16.06	14.74	10,501.15
Charge for the year	-	1.25	39.38	1,025.23	150.39	38.34	10.67	16.74	3.66	6.71	23.98	1.10	2.09	1,319.54
Preoperative Expense Adjustment	-	-	-	-	-	-	-	0.73	0.63	-	-	1.05	-	2.41
Disposals / Adjustments	-	-	-	(62.65)	-	(0.56)	(3.04)	(8.38)	(0.39)	(15.03)	-	-	(5.06)	(95.11)
At 31st March, 2014	-	18.70	611.90	8,122.68	1,560.18	589.78	208.24	100.51	45.39	198.56	242.07	18.21	11.77	11,727.99
Net Block														
At 31st March, 2013	1.84	105.25	516.14	6,504.85	1,756.33	354.18	81.79	81.17	48.21	28.77	249.20	6.66	27.88	9,762.07
At 31st March, 2014	1.84	104.00	836.17	5,681.97	1,605.94	320.07	79.23	89.20	44.60	22.99	225.22	4.51	24.69	9,040.43

11. Intangible assets

	(Rs. in lacs)
Gross Block	
At 1st April, 2012	2,282.34
Additions	21.02
At 31st March, 2013	2,303.36
Additions	-
At 31st March, 2014	2,303.36
Amortization	
At 1st April, 2012	1,173.81
Preoperative Expense Adjustment	-
Charge for the year	181.31
At 31st March, 2013	1,355.12
Preoperative Expense Adjustment	-
Charge for the year	182.86
At 31st March, 2014	1,537.98
Net Block	
At 31st March, 2013	948.24
At 31st March, 2014	765.38

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
12. Non-current investments

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Trade investments (valued at cost unless stated otherwise)		
Non-trade investments (valued at cost unless stated otherwise)		
Investment in equity instruments (quoted)		
22,300 (31 st March, 2013: 22,300) equity shares of Rs. 5/- each fully paid-up in CMI Limited	0.45	0.45
Government and trust securities (unquoted)		
National Saving Certificates (Deposited with Government Department as Security)	0.87	0.87
Kisan Vikas Patra	0.50	0.50
	1.82	1.82
Aggregate amount of quoted investments (Market value: Rs 3.04 lacs (31.03.2013: Rs. 1.58 lacs))	0.45	0.45
Aggregate amount of unquoted investments	1.37	1.37

13. Loans and advances (Unsecured, considered Good unless stated otherwise)

	Non-current		Current	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Capital advances	1,421.66	6.98	-	-
Security deposit	80.18	83.21	67.96	52.96
Advances recoverable in cash or kind	-	-	14,992.49	14,944.34
Other loans and advances				
Income Tax Refund	-	-	61.42	47.24
MAT Credit Entitlement	-	-	756.02	235.51
Prepaid expenses	-	-	228.70	176.71
Balances with statutory / government authorities	-	-	1,340.83	1,403.73
	-	-	2,386.97	1,863.19
Total	1,501.84	90.19	17,447.42	16,860.49

14. Trade receivables and other assets
14.1. Trade receivables

	Non-current		Current	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Unsecured, considered good unless stated otherwise				
Outstanding for a period exceeding six months from the date they are due for payment	-	-	4,228.80	2,033.93
Other receivables	-	47.41	4,918.19	6,237.70
	-	47.41	9,146.99	8,271.63

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
14.2. Other assets

	Non-current		Current	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Unsecured, considered good unless stated otherwise				
Non-current bank balances (note 16)	1,455.73	1,206.32	-	-
Interest accrued on fixed deposits	-	-	36.94	84.67
Interest accrued on other deposits	-	-	39.02	-
	-	-	75.96	84.67
	1,455.73	1,206.32	75.96	84.67

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

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
i) Finished Goods and Traded Goods	409.12	1,120.77
ii) Raw Material	1,030.87	742.16
iii) Semi Finished Goods	834.50	390.81
iv) Stores, Spares and others	214.70	207.75
	2,489.19	2,461.49

16. Cash and cash equivalents

	Non-current		Current	
	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Cash and cash equivalents				
Balances with banks:				
– On current accounts	-		67.08	189.02
– Deposits with original maturity of less than three months	-		-	-
– On unpaid dividend account	-		1.01	4.06
Cash on hand	-		9.37	11.02
	-	-	77.46	204.10
Other bank balances				
– Deposits with original maturity for more than 12 months	0.10	0.10		
– Margin money deposit	1,455.63	1,206.22	-	-
	1,455.73	1,206.32	-	-
Amount disclosed under non-current assets (note 14.2)	(1,455.73)	(1,206.32)	-	-
	-	-	77.46	204.10

Margin money deposits given as security

Margin money deposits with a carrying amount of Rs. 1,455.63 lacs (31.03. 2013: Rs. 1,206.22 lacs) are pledged with Banks for various Facilities.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
17. Revenue from operations

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Revenue from operations		
Sale of products		
- Finished goods	20,979.03	21,038.30
- Traded goods	2,100.51	2,542.22
Sale of services	882.05	1,527.08
Other operating revenue		
-Scrap sales	22.26	14.59
-Export Incentives	696.87	657.32
-Exchange Fluctuation	43.91	401.96
-Other operating revenue	25.59	120.87
Revenue from operations (gross)	24,750.22	26,302.34
Less: Excise duty #	875.94	625.04
Revenue from operations (net)	23,874.28	25,677.30

Excise duty on sales amounting to Rs. 875.94 lacs (31.03.2013 : Rs. 625.04 lacs) has been reduced from sales in statement of profit and loss and excise duty on increase / (decrease) in stock amounting to Rs. 25.65 lacs (31.03.2013 : Rs. 1.40 lacs) has been considered as (income) / expense in note 23 of financial statements.

Detail of products sold

	31-Mar-14 Rs. In lacs	31-Mar-13 Rs. In lacs
Finished goods sold		
Optical Fibre and Optical Fibre Cables	11,639.49	14,327.22
Fibre Reinforced Plastic Rod and Impregnated Glass Roving Reinforcement	9,339.54	6,711.08
	20,979.03	21,038.30
Traded goods sold		
Telecom and electronic items	2,100.51	2,542.22
	2,100.51	2,542.22
Detail of services rendered		
IPTV and VoIP	147.44	305.07
Network Erection, Installation and Commissioning	218.80	333.28
Consultancy Income	68.70	427.73
Others	447.11	461.00
	882.05	1,527.08

18. Other income

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Interest income		
-on deposits	170.13	119.73
-on other advances	47.24	4.53
Other non-operating income	3.05	104.98
	220.42	229.24

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
19. Cost of raw material and components consumed

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Inventory at the beginning of the year	742.16	456.10
Add: Purchases	13,549.92	14,030.17
	14,292.08	14,486.27
Less: inventory at the end of the year	1,030.87	742.16
Cost of raw material and components consumed	13,261.21	13,744.11

Details of raw material and components consumed

	31-Mar-14 Rs. In lacs	31-Mar-13 Rs. In lacs
Glass Fibre and Glass Preforms	3,755.21	6,139.02
Resin such as (PVC, HDPE, Nylon, MB, LSZH, PBT, Nucrel, UV resin and Polyster)	4,577.70	2,944.05
Others	4,928.30	4,661.04
	13,261.21	13,744.11

20. Details of purchase of traded goods

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Telecom and electronic items	493.10	519.38
	493.10	519.38

21. (Increase) / decrease in inventories

	(Increase) / decrease Rs. in lacs	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Inventories at the end of the year	31-Mar-14		
Finished / Traded goods	711.65	409.12	1,120.77
Semi Finished goods	(443.69)	834.50	390.81
	267.96	1,243.62	1,511.58
Inventories at the beginning of the year	31-Mar-13		
Finished / Traded goods	1,312.29	1,120.77	2,433.06
Semi Finished goods	26.41	390.81	417.22
	1,338.70	1,511.58	2,850.28

22. Employee benefits expense

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Salaries, wages and bonus	1,593.86	1,431.87
Contribution to provident and other funds	86.72	88.86
Gratuity	75.14	81.51
Staff welfare expenses	85.40	62.11
Directors' Remuneration	115.59	100.04
	1,956.71	1,764.39

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
23. Other expenses

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Consumption of stores and spares	358.71	250.31
Sub-contracting expenses	508.14	644.60
Subscription Charges	76.39	205.79
Packing Material Consumed	1,058.97	814.95
Increase / (Decrease) in Excise Duty Provision on Stock	25.65	1.40
Project Execution Expenses	3.91	133.97
Power and Fuel	555.89	576.18
Travelling and Conveyance	274.11	220.10
Postage and Telephone	34.77	47.28
Insurance	50.85	43.06
Rent	108.21	138.43
Rates and taxes	4.97	95.08
Professional and Legal Expenses	368.16	199.87
Repair and Maintenance		
- Plant and Machinery	56.82	35.82
- Buildings	51.98	33.23
- Others	71.95	77.70
Marketing and Service Charges	220.00	304.05
Freight and Cartage (Outward)	267.66	243.34
Auditors' Remuneration	31.51	26.40
Bad Debts	-	176.75
Other Expenses	333.77	298.66
	4,462.42	4,566.97
Less : Transfer to Capital Asset / Capital Work in Progress	18.60	25.65
	4,443.82	4,541.32

Detail of payment to Auditor

	31-Mar-14 Rs. In lacs	31-Mar-13 Rs. In lacs
As Auditor:		
-Audit fee	23.21	20.89
-Tax audit fee	4.00	1.00
In other capacity:		
-Taxation matters	2.11	-
-Other services (certification fees)	1.20	3.70
-Reimbursement of expenses	0.99	0.81
	31.51	26.40

24. Depreciation and amortization expense

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Depreciation of tangible assets	1,319.54	1,481.90
Amortization of intangible assets	182.86	181.31
	1,502.40	1,663.21

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
25. Finance cost

	31-Mar-14 Rs. in lacs	31-Mar-13 Rs. in lacs
Interest on Cash Credit	139.05	82.06
Interest	268.44	103.92
Bank Charges	301.99	190.27
	709.48	376.25

26 Contingent Liabilities:

- a) Claims not acknowledged as debts (Rs. in lacs)

S. No	Particulars	31-Mar-14	31-Mar-13
1	VAT/Sales Tax Matters	549.96	693.06
2	Service Tax	304.76	318.08
3	Excise / Custom Duty	552.18	559.93
4	Stamp Duty	28.50	28.50
5	Others	78.91	78.91

- b) Corporate Guarantee given by erstwhile Aksh Broadband Limited aggregating to Rs. 582.03 lacs (31.03.2013 : Rs. 582.03 lacs) in favour of Cisco Systems Capital India Private Limited for loan taken by APAKSH Broadband Limited, subsidiary of erstwhile Aksh Broadband Limited.
- c) Corporate Guarantee given by the Company aggregating to USD 3.38 Mn equivalent to Rs. 2,025.30 lacs (31.03.2013 : Rs. Nil) in favour of Bank of Baroda, Dubai for loan taken by AOL (FZE).
- d) Bank Guarantees, letters of credit (Net of margin) issued by banks and outstanding as on the reporting date is Rs. 2,163.96 lacs (31.03.2013 : Rs. 1070.89 lacs)
- e) The Company had imported plant and machinery in previous years under EPCG scheme. An export obligation ('EO') amounting to Rs.10,699 lacs was placed on the Company which was to be fulfilled in a period of 8 years starting from August 2001. Subsequently, the said EO was refixed by DGFT vide its letter dated Jan 2011 upto August 2011 in terms of the Chapter VI of EXIM Policy and Procedure (Vol-1) 1997-2002. The Company has fulfilled the entire EO. The application for redemption of EPCG license was filed on March 2013 and final redemption is awaited.
- f) Estimated amounts of contracts remaining to be executed on Capital Account (net of advances) is Rs. 31,075.73 lacs (31.03.2013 : Rs. 30,370.17 lacs)

- 27** With a view to have a global presence in telecom, the Company has incorporated a wholly owned subsidiary in Dubai, viz. "AOL (FZE)" for expansion of Companies businesses. The subsidiary Company has signed an agreement with Africa One, a Company which has been mandated to provide majority stake in Company, holding GSM licenses with spectrum in African continent for Broadband, IPTV and FTTH projects. In Compliance of the terms of the agreement, the subsidiary Company has advanced towards part consideration an amount aggregating Rs 10,782.68 lacs (equivalent to AED 660.06 lacs) (31.03.2013 : Rs 9,755.64 (equivalent to AED 660.06 lacs)

28 Related Party Disclosures

Related party disclosures as required under Accounting Standard - 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as given below as on 31st March, 2014:

- a) Individuals exercising significant influence and their relatives:
- Dr. Kailash S. Choudhari (Chairman)
 - Mr.P. F. Sundesha (Related upto 20th September, 2013)
 - Mr.Shailash Popat Lal (Relative of Mr. P. F. Sundesha) (Related upto 20th September, 2013)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

b) Key Management personnel:

- Mr. Chetan Choudhari (Managing Director)

c) Enterprises over which personnel referred in (a) and (b) aforementioned exercise significant influence:

- Fulchand Finance Private Limited (Relates to Mr. P .F . Sundesha) (Related upto 20th September, 2013)

Related Party Transactions

				(Rs. in lacs)
S.No.	Nature of Transaction	Key Management Personnel	Others	Total
1	Remuneration Paid	112.40	422.86	535.26
		95.54	369.20	464.74
2	Interest Expenses	-	5.50	5.50
		-	37.10	37.10
3	Repayment of loan	-	81.75	81.75
		-	477.00	477.00
4	Sitting Fees	-	0.60	0.60
		-	0.95	0.95
5	Rent Paid	-	16.52	16.52
		-	29.40	29.40
Balance due to/(from) as at 31st March, 2014				
	Trade and other Payables	-	10.70	10.70
		-	123.59	123.59

Note :- Figures in italic represents Previous Year

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

			(Rs. in lacs)
Particulars	Minimum Lease Payments		
	31-Mar-14	31-Mar-13	
Not later than 1 year	8.86	-	
Later than 1 year and not later than 5 years	34.69	-	
Later than 5 years	-	-	

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

Lease rental expense in respect of operating leases is Rs.0.74 lacs (31.03.2013 : Rs. Nil)

Contingent rent recognised in the Statement of Profit and Loss is Rs. Nil (31.03.2013 : Rs. Nil)

30 Exceptional items represents net foreign exchange gain on translation of foreign exchange assets and liabilities other than operational of Rs. 717.10 lacs (31.03.2013: Rs. 345.98 lacs), profit / (loss) on sale of fixed assets of Rs. (20.76) lacs (31.03.2013: Rs. 915.14 lacs), liabilities written back of Rs.10.26 lacs (31.03.2013: Rs. 28.10 lacs), advances written off of Rs.Nil (31.03.2013: Rs. 670.20 lacs).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014
31 Segmental Reporting

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

Particulars	(Rs. in lacs)							
	Manufacturing		Services		Trading		Total	
	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013	2013-2014	2012-2013
1 Segment Revenue								
External Turnover	20,879.48	21,584.32	894.29	1,550.76	2,100.51	2,542.22	23,874.28	25,677.30
Inter Segment Turnover	20.39	31.18	-	-	-	0.35	-	-
Total Revenue	20,899.87	21,615.50	894.29	1,550.76	2,100.51	2,542.57	23,874.28	25,677.30
2 Segment Results before Interest and Taxes	3,904.15	3,648.82	(1,232.82)	(1,364.28)	204.55	286.18	2,875.88	2,570.72
Less : Finance Cost							709.48	376.25
Add : Interest Income							217.37	124.26
Add : Exceptional Items							706.60	619.03
Add/(Less): Unallocated (Expenses)/Income							(923.75)	(359.55)
Profit before Tax							2,166.62	2,578.21
3 Other Information								
Segment Assets	14,748.38	11,051.65	27,286.23	27,926.28	4,599.53	5,388.82	46,634.14	44,366.75
Unallocated Assets	-	-	-	-	-	-	11,452.73	10,425.65
Total Assets	14,748.38	11,051.65	27,286.23	27,926.28	4,599.53	5,388.82	58,086.87	54,792.40
Segment Liabilities	8,294.06	4,697.21	11,577.27	10,376.63	672.87	1,358.04	20,544.20	16,431.88
Share Capital and reserves	-	-	-	-	-	-	37,542.67	38,360.52
Total Liabilities	8,294.06	4,697.21	11,577.27	10,376.63	672.87	1,358.04	58,086.87	54,792.40
Capital Expenditure	592.54	265.85	46.80	158.54	-	-	639.34	424.39
Depreciation and Amortization	374.38	521.00	1,128.02	1,142.21	-	-	1,502.40	1,663.21

Note :- Total Revenue is after elimination of inter segment turnover of Rs. 20.39 lacs (31.03.2013 : Rs. 31.53 lacs)

32 Basic and diluted earnings per share

S. No.	Particulars	31-Mar-14	31-Mar-13
a.	Net Profit for the year (Rs. in lacs)	2,166.62	2,578.21
b.	Weighted Average No of Equity Shares used in computing Basic-Earning per Share (Nos.)	148,564,989	146,499,744
c.	Impact of diluted instruments on Net Profit for the year (Rs. in lacs)	-	-
d.	Net Profit used for the computation of diluted earning per share (Rs. in lacs)	2,166.62	2,578.21
e.	Weighted average number of equity shares from dilutive instruments (Nos.)	14,100,086	-
f.	Weighted Average No of Equity Shares used in computing Diluted Earning per Share (Nos.)	162,665,075	146,499,744
g.	Nominal Value of Equity Shares (Rs.)	5.00	5.00
h.	Basic-Earning Per Shares (Rs.)	1.46	1.76
i.	Diluted -Earning Per Share (Rs.)	1.33	1.76

33 There are no Micro and Small Enterprises, to whom the Group owes any sum, which are outstanding for more than 45 days as at 31st March, 2014. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information received from vendors.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2014

- 35** In the case of APAKSH, Bank Guarantee of Rs. 150.00 lacs (31.03.2013 Rs. 150.00 lacs) was invoked by Andhra Pradesh Technology Services Limited due to failure of implementation of the project, shown in advance recoverable as Company is contesting. In the case of APAKSH, no provision has been made in respect of various expenses viz. rent, commission, bandwidth expenses as these are not quantifiable due to non availability of information and for interest of Rs. 187.27 lacs (31.03.2013 Rs. 164.57 lacs) on secured loan taken from Cisco Systems Capital India Private Limited.
- 36** In case of APAKSH, The operations are suspended due to litigation filed by one of the shareholder APAKSH which finally dismissed by the Hon'ble Supreme Court vide it's order dated 7th May, 2010. The management of the Company is in discussion on the revival of the project.
- 37** Previous year's figures have been reworked, regrouped, rearranged and reclassified to conform to those of current year's figures wherever necessary.

The accompanying notes (1-37) are an integral part of the consolidated financial statements.

As per our report of even date

For and on behalf of the Board of Directors

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

Dr. KAILASH S. CHOUDHARI
Chairman
DIN No. 00023824

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

CHETAN CHOUDHARI
Managing Director
DIN No. 00872366

B.R. RAKHECHA
Director
DIN No. 00026729

Place: New Delhi
Date : 26th May, 2014

SATYENDRA GUPTA
Chief Financial Officer

GAURAV MEHTA
Company Secretary

AKSH OPTIFIBRE LIMITED

CIN: L24305RJ1986PLC016132

Regd. Office: F-1080, RIICO Industrial area, Phase –III, Bhiwadi -301019, Rajasthan.

Phone No.: 91-1493-220763, 221333, Fax No. : 91-1493-221329

Website:- www.akshoptifibre.com

BALLOT FORM

1. Name(s) & Registered Address
of the Sole/First Named Member :
2. Name(s) of the Joint Holders(s), :
If Any
3. Registered Folio Number/
DP ID No./Client ID No*
(* Applicable To investors holding
shares in demat form) :
4. Number of Ordinary Share(s) held :
5. I/We hereby exercise my/our vote(s) in respect of the Resolutions set out in the Notice of the 27th Annual General Meeting (AGM) of the Company to be held on Saturday, 27th September, 2014 by sending my/our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below:

Item No.	Description of Resolution	No. of Ordinary Shares for which votes cast	(FOR)	(AGAINST)
			I/We assent to the Resolutions	I/We dissent to the Resolutions
1.	To Consider and adopt the Audited Financial Statements as at 31 st March, 2014 and the Report of the Auditors' and Board of Director's thereon.			
2.	To declare dividend on equity shares.			
3.	To appoint a Director in place of Mr. B. R. Rakhecha, who retires by rotation and being eligible offers himself for re-appointment.			
4.	Appointment of Auditors for a term of three years (subject to ratification of their appointment at every AGM) and fixing their remuneration.			
5.	Appointment of Cost Auditors			
6.	Appointment of Mr. Amrit Nath as an Independent Director for a term of 5 consecutive years			
7.	Appointment of Mr. Narendra Kumbhat as an Independent Director for a term of 5 consecutive years			
8.	Appointment of Mr. Dinesh Kumar Mathur as an Independent Director for a term of 5 consecutive years			
9.	Appointment of Mr. B.R. Rakhecha as a Professional Consultant of the Company			
10.	Conferring the powers to the Board of Directors to borrow upto Rs. 500 Crores.			
11.	Conferring the powers to the Board of Directors to create mortgage etc, on the properties of the Company to secure borrowing etc upto Rs. 500 Crores.			
12.	Adoption of New Articles of Association (AOA) of the Company.			

Signed this..... day of.....2014

.....
Signature of shareholder

Notes: Please read the instructions printed below carefully before exercising your vote.

INSTRUCTIONS

- 1) This Ballot Form is provided for the benefit of Members who do not have access to e-voting facility.
- 2) A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member cast votes by both modes, then voting done through e-voting shall prevail and ballot shall be treated as invalid.
- 3) For detailed instructions on e-voting, please refer to the notes appended to the Notice of the AGM.
- 4) The scrutinizer will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the Resolutions forming part of the Notice of the AGM.

Process and manner for Members opting to vote by using the Ballot Form

- 1) Please complete and sign the Ballot Form and send it so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Ms. Pooja Anand, Company Secretary in Practice, at the Corporate Office of the Company i.e. J-1/1, B-1 Extension, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi- 110044
- 2) The Form should be signed by the Member as per the specimen signature registered with the Company/ Depositories. In case of joint holding, the Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. Exercise of vote by Ballot is not permitted through proxy.
- 3) In case the shares are held by companies, trusts, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution/Authorization.
- 4) Votes should be cast in case of each resolution, either in favour or against by putting the tick (") mark in the column provided in the Ballot.
- 5) The voting rights of shareholders shall be in proportion of the shares held by them in the paid up equity share capital of the Company.
- 6) Duly completed Ballot Form should reach the Scrutinizer not later than Friday, 19th September, 2014 (6:00 p.m. IST). Ballot Form received after 19th September, 2014 will be strictly treated as if the reply from the Members has not been received.
- 7) A Member may request for a duplicate Ballot Form, if so required. However, duly filled in and signed duplicate Form should reach the Scrutinizer not later than the date and time specified in serial no. 6 above.
- 8) Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favour or against or if the signature cannot be verified.
- 9) The decision of the Scrutinizer on the validity of the Ballot Form and any other related matter shall be final.
- 10) The results declared along with Scrutinizer's Report, shall be placed on the Company's website www.akshoptifibre.com and on the website of the National Securities Depository Limited and communicated to the Bombay Stock Exchange Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

PROXY FORM

{Pursuant to Section 105(6) of the Companies Act,
2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014}



AKSH OPTIFIBRE LIMITED

CIN: L24305RJ1986PLC016132

Regd. Office: F-1080, RIICO Industrial area, Phase –III, Bhiwadi -301019, Rajasthan.

Phone No.: 91-1493-220763, 221333, Fax No. : 91-1493-221329

Website:- www.akshoptifibre.com

Name of the Members(s):		e-mail ID:	
Registered Address:		Folio No:	
		Client ID/DP ID*:	

I/We, being the member(s) of _____ shares of Aksh Optifibre Limited, hereby appoint:

- 1) _____ of _____ having E-mail Id _____ or failing him
- 2) _____ of _____ having E-mail Id _____ or failing him
- 3) _____ of _____ having E-mail Id _____ or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my behalf at the **27th Annual General Meeting** of the Company, to be held at 11.30 A.M. on Saturday the 27th September, 2014 at the Registered Office of the Company at F-1080, RIICO Industrial area, Phase –III, Bhiwadi -301019, Rajasthan and at any adjournment thereof in respect of such resolutions as are indicated below:

****** I wish my above Proxy to vote in the manner as indicated in the box below:

	Resolutions	For	Against
1.	To Consider and adopt the Audited Financial Statements as at 31 st March, 2014 and the Report of the Auditors' and Board of Director's thereon.		
2.	To declare dividend on equity shares.		
3.	To appoint a Director in place of Mr. B. R. Rakhecha, who retires by rotation and being eligible offers himself for re-appointment.		
4.	Appointment of Auditors for a term of three years (subject to ratification of their appointment at every AGM) and fixing their remuneration.		
5.	Appointment of Cost Auditors		
6.	Appointment of Mr. Amrit Nath as an Independent Director for a term of 5 consecutive years		
7.	Appointment of Mr. Narendra Kumbhat as an Independent Director for a term of 5 consecutive years		
8.	Appointment of Mr. Dinesh Kumar Mathur as an Independent Director for a term of 5 consecutive years		
9.	Appointment of Mr. B.R. Rakhecha as a Professional Consultant of the Company		
10.	Conferring the powers to the Board of Directors to borrow upto Rs. 500 Crores.		
11.	Conferring the powers to the Board of Directors to create mortgage etc, on the properties of the Company to secure borrowing etc upto Rs. 500 Crores.		
12.	Adoption of New Articles of Association (AOA) of the Company.		

Signed this..... day of.....2014

Signature of shareholder

Affix a
Rs. 1.00
Revenue
Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

- (1) **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- (2) **A Proxy need not be a member of the Company.**
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- ** (4) This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.



Aksh Optifibre Limited

AKSH OPTIFIBRE LIMITED

Regd. Office : F-1080, RIICO Industrial Area, Phase - III, Bhiwadi - 301 019 (RAJASTHAN)

ATTENDANCE SLIP

(To be completed and handed over at the entrance of the meeting hall)

DP. Id.

Folio No.....

Client Id.....

No. of shares held.....

All particulars should tally with the Company's records

I hereby record my presence at the 27th Annual General Meeting of the Company held at 11.30 A.M. on Saturday the 27th September, 2014 at F-1080, RIICO Industrial Area, Phase-III, Bhiwadi-301 019 (Rajasthan).

Member's Name (Sole Applicant)
(1st Joint holder)
(2nd Joint holder)

Father's Name

Complete Address

Proxy's Name

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company.

(Member's/ Proxy's Signature)

- NOTES : 1. Attendance slip which is not complete in all respects shall not be accepted.
2. This attendance slip is valid only in case shares are held on the date of the meeting.
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Aksh Optifibre Limited

Notes

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.