

AKSH OPTIFIBRE LIMITED

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CIN NO. L24305RJ1986PLC016132

May 25, 2022

To,

National Stock Exchange of India Ltd Exchange Plaza, BandraKurlaComplex, Bandra (E), Mumbai- 400 051. Scrip Code: AKSHOPTFBR	BSE Ltd PhirozeeJeejeebhoy Towers, Dalal Street, Mumbai- 400 001 Scrip Code: 532351
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Subject: Update on Consolidated Financial Results for the quarter and year ended March 31, 2022.

Dear Sir,

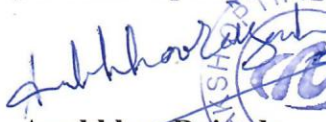
With reference to the captioned subject and in continuation of our letter dated May 13, 2022 regarding the Audited Financial Results submitted by the Company for the quarter and year ended March 31, 2022, we hereby submit the following document for the purpose of rectifying the discrepancies:

1. The Auditors' Report on the Audited Consolidated Financial Results for the quarter and year ended March 31, 2022

Kindly consider the above as a part of the financial results for the quarter and year ended March 31, 2022, submitted to the exchange on May 13, 2022.

Thanking you,

for Aksh Optifibre Limited


Anubhav Raizada
Company Secretary

We smarten up your life..™



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

To
The Board of Directors of
Aksh Optifibre Limited

Report on the audit of Consolidated Financial Results

Qualified Opinion

We have audited the annual consolidated financial results of Aksh Optifibre Limited (the 'Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") for the year ended 31st March, 2022 and the consolidated statement of the balance sheet and the consolidated statement of cash flows as at and for the year ended on that date attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by SEBI from time to time.

In our opinion and to the best of our information and according to the explanations given to us, except for possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial results:

- a) Include the financial results of following entities:
 - i. AOL FZE (Foreign Subsidiary)
 - ii. AOL Technologies FZE (Foreign Subsidiary)
 - iii. Aksh Technologies (Mauritius) Limited (Foreign Subsidiary)
 - iv. AOL Composites (Jiangsu) Co. Limited (Foreign Step-down Subsidiary)
 - v. Aksh Composites Private Limited (Domestic Subsidiary)
- b) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- c) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the profit (including other comprehensive income) and other financial information for the year ended 31st March, 2022.

Basis for Qualified Opinion

- a) We draw your attention to note 7 to the consolidated financial results, which states, the Subsidiary Company namely AOL Technologies FZE, Dubai has Capital work in progress as on 31st March 2022 amounting to Rs. 9,294.38 lakhs in respect of Optical Fibre Manufacturing Plant. Presently the project has been suspended due to paucity of funds and no impairment testing has carried out by the management of Subsidiary Company. In the absence of assessment of impairment, we are unable to comment on the recoverable amount with regard to assets of subsidiary company.



- b) We draw your attention to note 7 to the consolidated financial results, which states, the Subsidiary Company namely AOL FZE, Dubai has been incurring losses from last few years, resulting in erosion of net worth. The Subsidiary Company is also in default with the Banks towards repayment of its borrowing obligation. Presently operation of subsidiary are suspended due to paucity of funds, however all value in financial results have been taken at cost and impairment testing has not been carried out by the management of Subsidiary Company. In the absence of assessment of impairment, we are unable to comment on the recoverable amount with regard to assets of subsidiary company.

We are unable to ascertain the Impact of the above qualification on the consolidated financial results in respect of above-mentioned matter.

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

Emphasis of Matter

We draw your attention to;

- a) Note 3 to the consolidated financial results, which explains the uncertainties and the management's assessment of the financial impact related to COVID-19 pandemic situation, for which a definitive assessment of the impact in subsequent period is highly dependent on future economic developments and circumstances as they evolve.
- b) Note 4 to the consolidated financial results, regarding, balance confirmations of Receivable / Payable / Advances paid / Advances received. The Holding Company has sent e-mail to parties with request to confirm their balances out of which only few have responded Pending receipt of such confirmations the balances have been considered as per books as the management does not foresee any impact arising on account of it.
- c) Note 5 to the consolidated financial results, regarding that all secured lenders have classified bank account of the Company with them as Non-Performing Assets (NPA) as per prescribed norms issued by Reserve Bank of India (RBI), although provision of interest in respect of such borrowings has been accounted for in books of accounts.
- d) Note 6 to the consolidated financial results, regarding, Holding Company has foreign currency payable aggregating to Rs.227.48 lakhs and Rs.1,604.52 lakhs which are outstanding for more than six months and three years respectively, as of 31st March,2022.The Holding Company also has foreign currency receivable balances aggregating to Rs.4,000.92 lakhs which are outstanding for more than nine months, as of 31st March,2022. As on the date of signing of financial results, the Holding Company is in the process of applying for necessary extension in consultation with RBI consultant. Management does not expect any material implication on account of delays under the existing regulations.

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



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

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

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

- a. Identify and assess the risks of material misstatement of the consolidated annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the domestic company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



- b. The Consolidated financial results include the unaudited financial statement of two subsidiaries and one step-down subsidiary, whose Financial Results reflect total assets of Rs.18,997.80 lakhs as at 31st March,2022, total revenue of Rs.26.01 lakhs and Rs. 451.33 lakhs, total net loss after tax of Rs.316.85 lakhs and Rs.1,559.22 lakhs, total comprehensive loss of Rs.308.44 lakhs and Rs.1,529.98 lakhs for the quarter ended 31st March,2022 and for the period from 01st April, 2021 to 31st March, 2022 respectively and net cash outflow of Rs.1.84 lakhs for the year ended on that date, as considered in the consolidated Financial results, which have not been audited. These financial results are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosure in respect of such subsidiary is based on such unaudited financial statements.
- c. The consolidated annual financial results include the results for the quarter ended 31st March 2022 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.



For B G G & Associates
Chartered Accountants
FRN 016874N

CA Alok Kumar Bansal
Partner
Membership No.092854

Place: New Delhi
Date: 13th May,2022

UDIN: 22092854AIXQXL 2741