



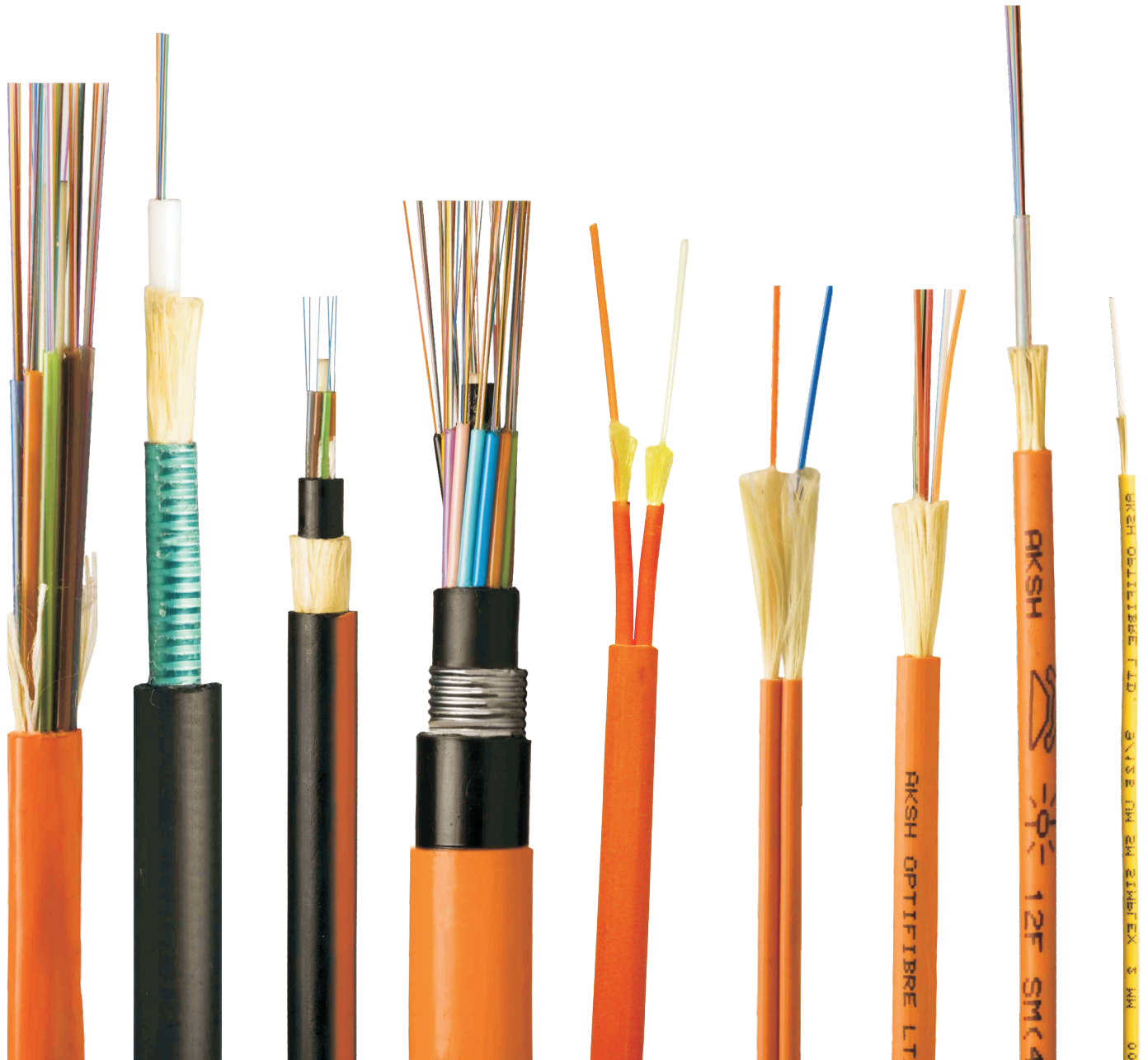
AKSH OPTIFIBRE LIMITED

A blue laurel wreath graphic is located on the left side of the lower half of the cover. It is composed of several layers of stylized leaves, creating a sense of depth and texture. The leaves are a medium blue color, matching the background.

25TH

ANNUAL REPORT
2011-2012

OPTICAL FIBRE CABLES FOR EVERY NEED



AKSH OPTIFIBRE LIMITED

J-1/1, B-1 Extension, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi, INDIA
Telephone : +91-11-26991508, 1509 | Fax : +91-11-26991510
Email: aksh@amail.co.in | Website : www.akshoptifibre.com

Chairman

Dr. Kailash S. Choudhari

Whole Time Director

Mr. Chetan Choudhari

Directors

Mr. P.F. Sundesha
Mr. B.R. Rakhecha
Mr. Narendra Kumbhat
Mr. Arun Sood
Mr. Amrit Nath
Mr. D. K. Mathur

Company Secretary

Mr. Gaurav Mehta

Auditors

P.C. Bindal & Co.

Bankers

Union Bank of India
ICICI Bank Limited
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, Bhiwadi,
Rajasthan-301019.

Corporate Office

J-1/1, B-1 Extension, MCIE, Mathura Road,
New Delhi-110044.

Network Operating Centers
Delhi

A-16, MCIE, Mathura Road, New Delhi-44.

Chandigarh

SCO-186 Sector-38 C&D, Chandigarh-36.

Jaipur

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

Mumbai

702, Corporate Arena, Kamla Nagar Road, Behind
Mahindra Gardens off S.V. Road, Goregaon (W)
Mumbai-400 062.

Plant Locations:
Fibre & Cable Division, Bhiwadi

F-1075-1081, RIICO Industrial Area, Phase-III
Bhiwadi – 301 019(Rajasthan).

FRP & Cable Division, Reengus

A-58-59, Shree Khatu Shyam Ji Industrial Complex,
Reengus, District Sikar (Rajasthan).

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IMPORTANT COMMUNICATION TO THE STAKEHOLDERS/MEMBERS

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/ other documents including the Annual report can be sent by e- mail to its members. To support this green initiative of the government the Stakeholders/ Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the appropriate column in the following format :-

Name : e-mail Id :

Address :

DP ID :

Client ID :

Folio No :

No of equity shares held :
(in case of physical holdings)

Signatures :

and register the same with MCS Limited, F-65, First Floor, Okhla Indl. Area, Phase I, New Delhi- 110020(or) send the same to the Company Secretary, Aksh Optifibre Limited, J-1/1, B-1 Extn. Mohan Co-operative Industrial Estate, Mathura Road, New Delhi – 110044.

CHAIRMAN'S MESSAGE



Dear Shareholders,

It gives me immense pleasure to address you on the **25th – Silver Jubilee AGM** of your Company. This is a milestone event and I must admit pride, a sense of accomplishment and deep humility surrounding me. It is also a special occasion for me personally as I will be completing my 25 years of service to your Company in various capacities over the years. I will continue to serve your Company as long as I believe I am adding value to the Company and would like to hand over the reign in the very capable hands of younger generation in the near future.

Aksh founded in 1986 with a modest beginning as a copper cable manufacturing Company, with continuous innovations has grown steadily to become a technology leader and a global player in the Optical Fibre (OF), Optical Fibre Cables (OFC) & FRP rods manufacturing and is now knocking the doors of becoming a international technology and service provider in the Fibre to Home (FTTH) arena.

Relentless backward integration was the theme now being transformed in to forward integration. From being a global supplier of products we now look forward to establishing a global presence by establishing new plants and providing services internationally.

Developing unique products such as interconnecting cables, ceramic armoured cables for Solar and Windmill operations and Air blown FTTH cables for FTTH solution has paved the way for Aksh becoming “**Star Export House**” with export turnover in excess of 75% to 60 countries across 6 continents like Japan, China, USA etc making the Company a unique Indian Company to do so.

On the domestic front the Company's turnover continues to grow robustly as in the telecom field voice revenue moves to data revenue and wireless connectivity to Fibre connectivity. If the last decade was wireless the next decade will be Optical Fibre with government initiative to connect villages. Moreover the increased usage of smartphones, Tablet PCs and proliferation of high bandwidth devices will necessitate OFC deployment. Projects like Aadhar and direct money transfers to bank accounts require OF initiatives.

I am glad to say that the cultural evolution of Aksh has matched the technical growth with excellent and path breaking HR practices, Corporate Governance and fair practices recognized through various awards.

Aksh has developed soft IPRs and has supervised the first commercial vertically integrated triple play FTTH service outside India showing exceptional technology transfer and training skillset.

The next decade will see rapid globalization of Aksh and the fruits of same shall be available to all the stakeholders.

I take this opportunity to thank all the shareholders for their continued trust in the Board of Directors and the Management. I would also like to thank all the members of the Board, business associates, employees, vendors, suppliers, Government agencies and lenders who have always supported the Company.

I have always believed that people are the key to achieve the corporate goals and with the volatility in the global economy, people need to constantly improve their competencies to meet these challenges. Your Company continues to pay a lot of emphasis on their developments.

With best wishes,



Dr. Kailash S Choudhari
(Chairman)

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the **25th** Annual Report together with the audited statement of accounts for the financial year ended 31st March, 2012.

FINANCIAL RESULTS

The financial performance of the Company, for the financial year ended March 31, 2012 is summarized below:

Particulars	(Rs. in Lacs)	
	F.Y. ended 2011-2012	F.Y. ended 2010-2011
Turnover	18885.94	508.55
Profit / (Loss) before Interest, Depreciation and Tax	3043.77	(1,461.26)
Finance Cost	534.81	245.42
Depreciation	1330.09	919.34
Profit/ (Loss) before Tax	1178.87	(2,626.02)
Provision for Tax		
- Deferred tax Assets Reversed	109.91	2,155.12
Net Profit / (Loss) after Tax	1068.96	(4,781.14)

OPERATIONAL REVIEW

Figures for the current year are inclusive of erstwhile Aksh Technologies Limited (ATL), wholly owned subsidiary of the Company amalgamated with the Company with effect from April 1, 2011, the appointed date and are therefore not comparable with the previous year. During the year under review, your Company achieved a gross turnover of Rs. 18885.94 Lacs and registered a net profit after tax of Rs. 1068.96 Lacs. The profit is attributed due to overall improved performance from the manufacturing division of the Company.

Your Company successfully expanded market globally to prepare for a better future. In line with the strategic objective of global leadership; we further expanded our market presence in new geographies like America, Malaysia and Bhutan. Your Company is now globally recognized for high quality FRP (Fibre Reinforced Plastic) Rods, ARP (Aramid Reinforced Plastic) rods and OFC.

Your Company has one of the largest subscriber base of IPTV Customers. In India IPTV has gained much momentum in the recent years after the introduction of bundled services in the form of triple play or quadruple play together with the development of the interactive TV platform which has revolutionized the TV market. In addition, services such as time shift TV experience, in which your Company is pioneer, have encouraged TV households to shift from their existing TV platforms to IPTV. The company is also the leader in the FTTH (Fibre- To – The – Home) Segment and has consolidated its spot by starting its FTTH services in Jaipur, Ajmer, Faridabad and Ambala.

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

FUTURE OUTLOOK

As per CRU estimates, the global fibre demand last year was about 215 mn fkm which is highest ever showcasing the growth of 10% over previous year. Indian OFC market has grown at a growth rate of 11.4% over previous year and is expected to grow at a CAGR of 12.5%. The growth in networks based on optical fibre cable is likely to pick up speed over the next few years, making India one of the fastest growing markets in this area. The growth in fibre can also be correlated to the growth in global bandwidth. As more and more data gets consumed, the bandwidth requirement continues to increase which in turn put strain on existing network and paving the way for optical fibre which only can support high data traffic flow.

IPTV in India has a better future given the availability of integrated services such as broadband internet, TV and telephone services under a single package or scheme that too at a reasonable price or a price which is comparatively less than the cost involved in subscribing for internet, broadcast TV and telephone services individually.

DIVIDEND

In the absence of the divisible profits during the current year, your Directors are unable to recommend any dividend for the year under review.

MERGER

Aksh Technologies Limited, a wholly owned subsidiary of the Company has merged with your Company pursuant to order of Hon'ble High Court of Rajasthan, Jaipur dated November 8, 2012 which became effective on November 24, 2012 upon filing the certified copy of the order with the Registrar of Companies, Jaipur. The appointed date of Merger is April 1, 2011. The merger of Aksh Technologies Limited, with your Company would make the Company a leading diversified optical fibre manufacturer and IPTV service provider Company. This merger will also provide a greater scale and financial capability to capture future growth opportunities with a potential to realise operating and strategic synergies across the regions.

SUBSIDIARY COMPANIES

During the year under review, the Company has incorporated one Step-down Wholly Owned Overseas subsidiary namely AOL PROJECTS-JLT incorporated in Jumeirah Lakes Towers, Multi Commodities Centre, Dubai (U.A.E). AOL Projects JLT is direct wholly owned subsidiary of AOL FZE, Dubai.

As on date the Company has one Indian, viz., APAKSH Broadband Limited and one Wholly Owned Overseas Subsidiary AOL-FZE, incorporated in SAIF Zone, Sharjah Dubai (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, form part of financial statements 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 February 8, 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. FCCBs and GDRs 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 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 ISO 9001:2008 and 1400:2004.

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 requirements of the Companies Act, 1956 and the Articles of Association of the Company, Dr. Kailash S. Choudhari and Mr. D.K. Mathur, Directors will retire by rotation, and being eligible, have offered themselves for re-appointment.

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.

MANAGEMENT DISCUSSION AND ANALYSIS

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

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.

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.

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 25th Annual General Meeting and has expressed their willingness

to be re-appointed. Their appointment, if made, would be within the limits specified under Section 224(1)(B) of the Companies Act, 1956.

COST AUDITORS

As per the requirement of the Central Government and pursuant to section 233B of the Companies Act, 1956, the Company is required to carry out the audit of the cost accounts. Accordingly, the Company has appointed M/s. K.G. Goyal & Associates, practicing cost accountants as Cost Auditors for conducting the audit of the Companies cost accounts for the financial year 2012-13.

EMPLOYEES STOCK PURCHASE SCHEME

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

ACKNOWLEDGEMENT

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

Kailash S. Choudhari
Chairman

Place: New Delhi
Date : 26.11.2012

ANNEXURE 'A' TO THE DIRECTORS' 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, 2012 is as follows:

1.	CONSERVATION OF ENERGY	
a	Energy conservation measures taken	The Company is continuously engaged in the quest of energy conservation. It has adopted the following: <ul style="list-style-type: none"> i. Energy efficient AC motors. ii. Water chillers in place of VAM & oil based boilers. iii. LED lamps in place of conventional lamps.
b	Additional investments & proposals, if any, being implemented.	The company has invested approx. Rs. 45 Lacs for implementation of the above measures.
c	Impact of measures of a & b above for reduction of energy consumption & consequent impact on cost of production	The company has saved around 30- 35% in terms of energy costs and increased the production capacity by 10% -15%.
	Total energy consumption and energy consumption per unit of production as perform 'A' of the Annexure in respect of Industries specified in the schedule thereto	Not Applicable
2.	TECHNOLOGY ABSORPTION Research & Development (R&D)	
1.	Specific area in which R & D is carried by the Company	The Company is conducting R&D to make its services business more user effective. This has helped the company in cost reduction, increased quality checks, as well as increased market penetration of the Company, both domestic and at international levels.
2.	Benefits derived as a result of the above R&D	The company has developed : <ul style="list-style-type: none"> i. 1F/2F/4F low friction droplite cables for FTTH application. ii. 144 Fibre tripled layered stranding construction cables. iii. 144F micro armoured cables iv. 4F hybrid (Fibre & copper) cables for security systems. v. ARP Rods of higher sizes
3.	Future Plan of action	The Company would continue R& Ds for more customer awareness. Further, would develop: <ul style="list-style-type: none"> i. Higher fiber count ring marked cables & normal high count fibre cables. ii. Intrusion proof non-metallic optical fibre cables. iii. Carbon FRP, Flat Rods with more flexibility. iv. FRP Rods with UV curing technology. The Company is further exploring the possibility to tap international turnkey tenders involving Optical fibre cables.
4.	Expenditure on R & D. <ul style="list-style-type: none"> i) Capital ii) Recurring iii) Total iv) Total R & D Expenditure as a percentage of total turnover 	The Company has not undertaken any major Expenditure on R& D.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION

1	Efforts in brief, made through towards technology absorption, adaptation and innovation.	Not Applicable.
2	Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.	Not Applicable
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.	None Not Applicable Not Applicable Not Applicable

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.	Participation in telecom exhibitions worldwide. Participation in all telecom tenders worldwide. Vendor registration in website portal of various telecom operators & promoting Aksh brand cables in international market and through exports.
b.	Total foreign exchange used and earned	The information of foreign exchange earnings and outflow is furnished in notes to accounts.