

APAKSH BROADBAND LIMITED
BALANCE SHEET AS AT 31 MARCH 2016

	Notes	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Equity and liabilities			
Shareholders' funds			
Share capital	3	1,352,250,000	1,352,250,000
		1,352,250,000	1,352,250,000
Non-current liabilities			
Trade payables	4	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		153,909,957	154,320,149
		153,909,957	154,320,149
Current liabilities			
Short-term borrowings	5	54,792,559	54,792,559
Other Short-term liabilities	5.1	667,480	9,843,098
		55,460,039	64,635,657
TOTAL		1,561,619,996	1,571,205,806
Assets			
Non-current assets			
Fixed assets			
Property, Plant and Equipment	6	982,081	1,224,411
Intangible assets	7	-	-
Capital work-in-progress	7.1	1,462,191,325	1,462,191,325
Project Development Expenditure	7.2	98,259,987	71,135,159
		1,561,433,393	1,534,550,895
Current assets			
Cash and bank balances	8	90,925	50,687
Short-term loans and advances	9	95,678	36,604,224
		186,603	36,654,911
TOTAL		1,561,619,996	1,571,205,806

Summary of significant accounting policies 2.1
 The accompanying notes (1-20) are an integral part of the financial statements.

As per our report of even date attached
For P.C. Bindal & Co

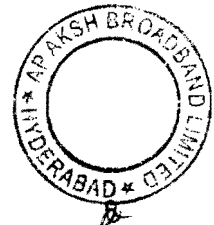
Chartered Accountants
 Firm registration number: 008824N
 New Delhi
CA. K.C. Gupta
 Partner
 Membership No. 088638

For and on behalf of the Board of Directors

Kailash S. Choudhari
Dr. Kailash S. Choudhari
 Director
 DIN 00023824

Chetan Choudhari
Chetan Choudhari
 Managing Director
 DIN 00872366

Place : New Delhi
 Dated: 28th May 2016



APAKSH BROADBAND LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
A) Cash flow from operating activities	-	-
Net cash flow from/ (used in) operating activities (A)	-	-
B) Cash flows from investing activities		
Adjustment for change in current assets & Pre-operative Expenditure	9,626,048	(1,013,532)
Adjustment for change in current liabilities	(9,175,618)	(88,216)
Adjustment for change in Non current liabilities	(410,192)	1,133,399
Net cash flow from/ (used in) investing activities (B)	40,238	31,651
C) Cash flows from financing activities	-	-
Net cash flow from/ (used in) in financing activities (C)	-	-
Net increase/(decrease) in cash and cash equivalents (A + B + C)	40,238	31,651
Cash and cash equivalents at the beginning of the year	50,687	19,036
Cash and cash equivalents at the end of the year	90,925	50,687
Components of cash and cash equivalents		
With banks- on current account	90,925	50,687
- on deposit account	-	-
Total cash and cash equivalents (note 8)	90,925	50,687
Summary of significant accounting policies	2.1	
The accompanying notes (1-20) are an integral part of the financial statements.		

As per our report of even date attached

For P.C. Bindal & Co

Chartered Accountants
 Firm registration number: 008824N

CA. K.C. Gupta
 Partner
 Membership No. 088836

Place : New Delhi
 Dated: 28th May 2016

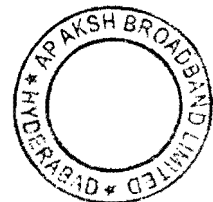
For and on behalf of the Board of Directors

Kailash S. Choudhari

Dr. Kailash S. Choudhari
 Director
 DIN 00023824

Chetan Choudhari

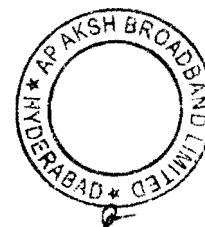
Chetan Choudhari
 Managing Director
 DIN 00872366



APAKSH BROADBAND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

1	<p>CORPORATE INFORMATION</p> <p>APAKsh Broadband Limited (the company) is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 2013. The Company is a subsidiary of Aksh Optifibre Limited (AOL).</p>								
2	<p>BASIS OF PREPARATION</p> <p>The financial statements have been prepared to comply in all material respects with the notified Accounting Standards by Companies Accounting Standard (as amended) Rules 2006 and the relevant requirements of the Companies Act, 2013. The financial statements have been prepared under historical cost convention on an accrual basis of accounting except in case of assets for which impairment is carried out. The accounting policies have been consistently applied by the Company.</p>								
2.1	<p>SIGNIFICANT ACCOUNTING POLICIES</p>								
	<p>a) Fixed Assets</p> <p>Fixed Assets are stated at cost of acquisition less accumulated depreciation. Cost includes any borrowing costs directly attributable to the acquisition/ construction of fixed assets and bringing the assets to its working condition for its intended use.</p>								
	<p>b) Capital Work-in-Progress</p> <p>costs 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 costs are included under Capital Work-in-Progress.</p>								
	<p>c) Depreciation</p> <p>Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.</p> <p>Depreciation on tangible fixed assets has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Particulars</th> <th style="text-align: center;">Useful life in years</th> </tr> </thead> <tbody> <tr> <td>Office equipment</td> <td style="text-align: center;">20</td> </tr> <tr> <td>Furniture and fixtures</td> <td style="text-align: center;">15</td> </tr> <tr> <td>Data Processing System</td> <td style="text-align: center;">5</td> </tr> </tbody> </table> <p>Intangible assets are amortized over their estimated useful life on straight line method.</p>	Particulars	Useful life in years	Office equipment	20	Furniture and fixtures	15	Data Processing System	5
Particulars	Useful life in years								
Office equipment	20								
Furniture and fixtures	15								
Data Processing System	5								
	<p>d) Project Development Expenditure</p> <p>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.</p>								
	<p>e) Revenue Recognition</p> <p>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.</p>								
	<p>f) Foreign Currency transactions</p> <p>Transactions in foreign currency are recorded at the exchange rates prevailing at the dates of the transactions. In case of liabilities incurred for the acquisition of fixed assets, the loss or gain on restatement of liabilities (at the rates prevailing at the year end) is included in the carrying amount of the related fixed assets. In the case of other foreign currency denominated monetary assets and liabilities, the loss or gain arising as above is charged or credited to profit and loss account of the year of restatement / settlement.</p>								
	<p>g) Gratuity and other retirement benefits are added to Project Development Expenditure through a provision for accruing liability based on assumption that such benefits are payable to the eligible employees at the time of retirement.</p>								



APAKSH BROADBAND LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

3. Share capital

	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Authorized shares (No.)		
350,000,000 (31 March 2015:350,000,000) Equity Shares of Rs. 5/- each	1,750,000,000	1,750,000,000
Issued and subscribed (No.)		
300,000,000(31 March 2015:300,000,000) equity shares of Rs. 5/- each	1,500,000,000	1,500,000,000
Total issued and subscribed share capital	1,500,000,000	1,500,000,000
Paid-up shares (No.)		
226,125,000(31 March 2015:226,125,000) equity shares of Rs. 5/- each fully paid up .	1,130,625,000	1,130,625,000
Forfeited Shares- 73,875,000 equity shares forfeited, paid up Rs. 3/- each (31 March 2015: - 73,875,000 equity shares forfeited , paid up Rs 3/- each)	221,625,000	221,625,000
Total Paid-up share capital	1,352,250,000	1,352,250,000

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

Equity shares

	31 March 2016		31 March 2015	
	No.	Amount in Rs.	No.	Amount in Rs.
At the beginning of the year*	300,000,000	1,352,250,000	300,000,000	1,352,250,000
Issued during the year	-	-	-	-
Outstanding at the end of the year*	300,000,000	1,352,250,000	300,000,000	1,352,250,000

* including Forfeited Shares

(b) 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 the 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.

(c) Shares held by holding/ ultimate holding Company and/ or their subsidiaries/ associates

Out of equity shares issued by the Company, shares held by its holding Company, ultimate holding Company and their subsidiaries/ associates are as below:

Name of the shareholder	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Aksh Optifibre Limited, the holding Company 225,950,000 (31 March 2015: 225,950,000) equity shares of Rs. 5/- each fully paid	1,129,750,000	1,129,750,000

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

Name of the shareholder	As at 31 March 2016		As at 31 March 2015	
	Amount in Rs.	% holding in the class	Amount in Rs.	% holding in the class
Equity shares of Rs. 5/- each fully paid Aksh Optifibre Limited, holding Company	1,129,750,000	99.92	1,129,750,000	99.92

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

4. Non current liabilities

	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Trade payables (including acceptances) (refer Note 15 for details of dues to micro and small enterprises)	153,909,957	154,320,149
	153,909,957	154,320,149



APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016****5. Short-term borrowings**

	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Secured From:-		
-Banks	-	-
-Others	49,792,559	49,792,559
Unsecured From:-		
-Banks	-	-
-Others	5,000,000	5,000,000
	54,792,559	54,792,559

Secured against first and exclusive charge on Plant and Machinery of the Company covered under loan agreement. Further, this loan secured by Corporate Guarantee of Aksh Optifibre Limited and personal guarantee of Dr Kailash S. Choudhari.

5.1. Short-term liabilities

	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Other Current liabilities		
Expense Payable	667,480	9,843,098
	667,480	9,843,098



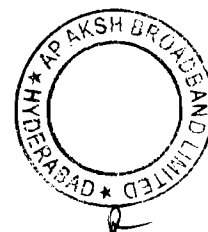
APAKSH BROADBAND LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016
6. Property, Plant and Equipment

(Amount in Rs.)

	Office equipment	Data processing	Furniture and fixtures	Vehicles	Total
Cost or valuation					
At 1 April 2014	1,329,193	4,883,771	1,156,584	1,108,627	8,478,175
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2015	1,329,193	4,883,771	1,156,584	1,108,627	8,478,175
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2016	1,329,193	4,883,771	1,156,584	1,108,627	8,478,175
Depreciation					
At 1 April 2014	590,361	4,883,771	643,193	894,770	7,012,095
Charge for the year	63,137	-	73,212	105,320	241,669
Disposals	-	-	-	-	-
At 31 March 2015	653,498	4,883,771	716,405	1,000,090	7,253,764
Charge for the year	63,310	-	73,412	105,608	242,330
Disposals	-	-	-	-	-
At 31 March 2016	716,808	4,883,771	789,817	1,105,698	7,496,094
Net Block					
At 31 March 2015	675,695	-	440,179	108,537	1,224,411
At 31 March 2016	612,385	-	366,767	2,929	982,081

7. Intangible assets

	Computer software	Total
Gross block		
At 1 April 2014	6,420,562	6,420,562
Additions	-	-
Internal development	-	-
At 31 March 2015	6,420,562	6,420,562
Additions	-	-
At 31 March 2016	6,420,562	6,420,562
Amortization		
At 1 April 2014	6,420,562	6,420,562
Charge for the year	-	-
At 31 March 2015	6,420,562	6,420,562
Charge for the year	-	-
At 31 March 2016	6,420,562	6,420,562
Net block		
At 31 March 2015	-	-
At 31 March 2016	-	-

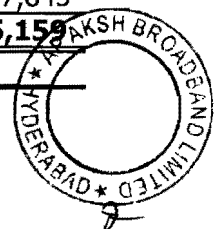
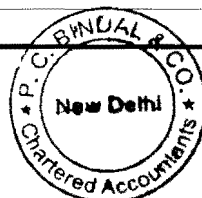


APAKSH BROADBAND LIMITED**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016****7.1. Capital Work in progress**

	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Accessories- Aerial & Underground	32,346,923	32,346,923
Cable TV Equipment	31,845,719	31,845,719
Duct, Cables & Others	1,074,747,242	1,074,747,242
50 KVA Diesel Generator	520,000	520,000
Other Equipment	36,194,218	36,194,218
Cables Laying	94,650,474	94,650,474
Survey & Other Works	131,724,619	131,724,619
Switches	60,162,130	60,162,130
	1,462,191,325	1,462,191,325

7.2. Project Development Expenditure

	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Preliminary Expenses	26,800	26,800
Advertising Expenses	1,228,246	1,228,246
Appraisal Charges	3,080,431	3,080,431
Audit Fees	1,306,090	1,193,730
Bandwidth Expenses	21,431,912	21,431,912
Books & Periodicals	20,934	20,934
Business Promotion Charges	533,032	533,032
Certification Fees	25,000	25,000
Commission	361,419	361,419
Consultation Charges	1,919,055	1,919,055
Consumables (Comp & Elect)	91,796	91,796
Courier & Xerox Charges	16,900	16,900
Depreciation On Fixed Assets	13,916,655	13,674,325
Donations	70,000	70,000
Electricity Charges	1,057,494	1,057,494
Filing Fee	8,937,234	8,923,177
Financial Charges	1,244,101	1,242,275
Fuel Expenses	247,798	247,798
Insurance	4,219,571	4,004,633
Legal & Professional Charges	2,641,426	2,625,176
Misc. Expenses	30,167	30,167
Misc Balance W/off Assets	25,863,007	-
Network Maintenance Charges	102,145	102,145
Office Maintenance	1,245,176	1,245,176
Printing & Stationary	196,762	196,262
Rates & Taxes	309,882	181,833
Rent	7,811,159	7,362,935
Sitting Fee	200,000	200,000
Staff Salary & Other Exp.	15,213,738	15,213,738
Telephone Charges	1,103,386	1,103,386
Travelling Expenses	2,686,506	2,603,219
Vehicle Maintenance	20,010	20,010
	117,157,832	90,033,004
Less Miscellaneous Income	18,897,845	18,897,845
	98,259,987	71,135,159



APAKSH BROADBAND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

8. Cash and bank balances

	Current	
	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Cash and cash equivalents		
<i>Balances with banks:</i>		
- On current accounts	90,925	50,687
	90,925	50,687

9. Loans and advances

	Current	
	31 March 2016 Amount in Rs.	31 March 2015 Amount in Rs.
Security deposit		
Secured, considered good	-	-
Unsecured, considered good	26,606	2,047,202
	26,606	2,047,202
Advances recoverable in cash or kind		
Secured considered good	-	-
Unsecured considered good	-	28,668,875
	-	28,668,875
Other loans and advances		
Income-Tax Refund Due	-	378,096
Prepaid Expenses	69,072	208,659
Balances with statutory / government authorities	-	5,301,392
	69,072	5,888,147
	95,678	36,604,224



APAKSH BROADBAND LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

10 Contingent Liabilities:

- Rs. 3,50,00,000 were demanded by M/s. Andhra Pradesh Technology Services Ltd towards liquidated damages, not acknowledged as debt.
- Sales Tax demands Rs Nil (P.Y. Rs.25,815,217) and Rs Nil (P.Y. Rs.6,051,473/-) for the year 2005-06 and 2006-07 has been decided in favour of the Company.
- Rs 23,75,000 claimed by M/s Broadband Net Inc towards supply of equipments, which were not approved and returned to the supplier. Case is under sub judice.

11 The Company is setting up a Broadband Project in the state of Andhra Pradesh. No Statement of Profit and Loss has been prepared 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.

12 Related Party Disclosures

Related party disclosures as required under Notified Accounting Standard (as amended) - 18 on "Related Party Disclosures" issued by The Institute of Chartered Accountants of India are as given below as on 31 March, 2016:

- Holding Company :
- Aksh Optifibre Limited
- Key Management Personnel & their relatives
- Dr. Kailash S. Choudhari
- Mr. Chetan Choudhari

Related Party Transactions

		Current Year	Previous Year
a)	Holding Company		
	Aksh Optifibre Limited		
	Reimbursement of Expenses	725,446	1,043,399
	Outstanding balance due to / (from)	153,909,957	157,654,511

13 Expenditure/ Income in Foreign Currency

Rs. NIL (Previous Year Rs. NIL)

14 Segment Reporting

The company's activities during the year revolve around setting up of the Broadband Project. Considering the nature of company's business and operations, there are no separate reportable segments in accordance with the requirements of Accounting Standards 17-Segment Reporting notified in the companies (Accounting standards) rules 2006.

15 There are no Micro and Small Enterprises, to whom the Group owes, which are outstanding for more than 45 days as at 31st March, 2016. 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 Group.

16 Amount Paid / payable to auditors

Particulars	Current Year	Previous Year
Audit Fees	112,360	112,360

17 The Company operations are suspended due to litigation filed by one of the shareholder which finally dismissed by the Hon'ble Supreme Court vide it's order dated 7th May 2010. Considering creation of spreading OFC network by all the orders in the county, the Management of the Company is in discussions on the revival of the project .

18 The board of director has approved the merger of Company with its holding Aksh optifibre limited subject to necessary statutory approvals and process to be finalised in due course with requisite agencies.

19 The company does not have any deferred tax assets or deferred tax liabilities.

20 Previous year's figures have been reworked, regrouped, rearranged and reclassified to conform to those of current year's figures wherever necessary.

As per our report of even date attached

For P.C. Bindal & Co
Chartered Accountants
Firm registration number: 003824IN
New Delhi
CA. K. C. Gupta
Partner
Membership No. 080638

For and on behalf of the board of directors

Kailash S. Choudhari

Chetan Choudhari

Dr. Kailash S. Choudhari **Chetan Choudhari**
Director Managing Director
DIN 0023824 DIN 00872366

Place : New Delhi
Dated: 28th May 2016

