

ISO:9001:2015 Certified Company



55th ANNUAL REPORT



2022-2023



AFC INDIA LIMITED

(A Deemed Government Organisation)

Wholly Owned by NABARD, Commercial Banks & EXIM Bank

ISO:14001:2015 Certified Company



Company Information

Authorized Capital
Paid-Up Capital

Rs. 100 Crores
Rs. 15 Crores

Board of Directors



Mr. Deepak Thombre
Chairman of the Board



Mr. Nitin Deshpande
CGM, Bank of India



Mr. David Sinate
CGM, EXIM Bank



Mr. Goverdhan S. Rawat
CGM, NABARD



Mr. Nityananda Behera
GM, Bank of Baroda



Mr. S. S. Rao
GM, Central Bank of India



Mr. Bhagirath Choudhary
Founder Director, SABC



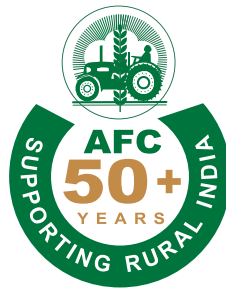
Mr. Ravindra Boratkar
President, MEDC



Mr. Mashar Velapurath
MD, AFC India Ltd.

55th ANNUAL REPORT

2022-2023



Since 1968

AFC INDIA LIMITED

(A Deemed Government Organisation)

Wholly Owned by NABARD, Commercial Banks & EXIM Bank

Corporate Office: I-103, Kirti Nagar, New Delhi-110 015

Phone: 91-11-46160565 **E-mail:** afc@afcindia.org.in

Registered Office: Dhanraj Mahal, C.S.M. Marg, Mumbai - 400 001

Phone: 91-22-22028924 **Web:** www.afcindia.org.in

CIN: U65990MH1968GOI013983 ISO-9001:2015 Certified Company

ISO:14001:2015 Certified Company

Member Banks & Institutions

- AMREX MARKETING PVT LTD
- BANK OF MAHARASHTRA
- BANK OF AMERICA NA
- BANK OF BARODA
- BANK OF INDIA
- BNP PARIBAS
- CANARA BANK-MUMBAI
- CENTRAL BANK OF INDIA
- CITIBANK N.A.
- CSB BANK LIMITED
- EXPORT- IMPORT BANK OF INDIA
- HDFC BANK LTD
- ICICI BANK LTD
- INDIAN BANK
- INDIAN OVERSEAS BANK
- KOTAK MAHINDRA BANK LTD
- PUNJAB AND SIND BANK
- PUNJAB NATIONAL BANK
- STANDARD CHARTERED BANK
- STATE BANK OF INDIA
- THE GUJARAT STATE CO OPERATIVE BANK LTD
- THE HONGKONG AND SHANGHAI BANKING CORP. LTD
- THE J AND K BANK LTD.
- THE KARNATAKA BANK LTD
- THE KARUR VYSYA BANK LTD
- THE NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT
- THE SOUTH INDIAN BANK LIMITED
- UCO BANK
- UNION BANK OF INDIA



AFC INDIA LIMITED
Dhanraj Mahal, First Floor, CSM Marg, Mumbai – 400001
CIN: U65990MH1968GOI013983

DIRECTORS' REPORT 2022-23

To Members,
AFC INDIA LIMITED

Dear Shareholders,

Your Directors have pleasure in presenting the Fifty- fifth Annual Report and Audited Statement of Accounts on the business and operations of your Company for the year ended 31st March, 2023.

1. FINANCIAL RESULTS:

The Financial Results of the Company for the Financial Year under review are summarized below:

Sr. No	Particulars	2022-23	2021-22
		Rs.	Rs.
1.	Income for the year	319,683,836	306,328,507
2.	Less: Expenditure	(315,685,525)	(302,444,485)
3.	Profit Before Depreciation, Extraordinary Items & Tax	3,998,311	3,884,022
4.	Less: Depreciation	(908,339)	(1,193,918)
5.	Less: Extraordinary Items / Prior Period Expense	-	(413,061)
6.	Profit / (Loss) before tax (PBT)	3,089,972	2,277,043
7.	Less: Provision for current tax	(777,746)	(830,743)
8.	Less: Provision for deferred tax	(105,270)	(332,149)
9.	Less : Tax expense for earlier years	(1,087,126)	(404,678)
10.	Profit / (Loss) after tax (PAT)	1,119,830	7,09,473
11.	Less : Preference Dividend provision	-	-
12.	Balance brought forward from previous year	112,468,431	111,758,957
13.	Less: Retained earnings	-	-
14.	Balance carried to Balance Sheet	113,588,260	112,468,431

2. STATEMENT OF AFFAIRS OF THE COMPANY IN THE FINANCIAL YEAR 2022-23

Your company with the dedicated efforts of the business team, has achieved an all-time record business of **Rs.93.04 crore**, during 2022-23, surpassing this years' target and registering a whopping growth of 59.5% over the previous year (Rs.58.33 Crore). In all, AFC has successfully bagged total of **55 assignments (Annexure 1)** during the year, compared to 45 during 2021-2022.

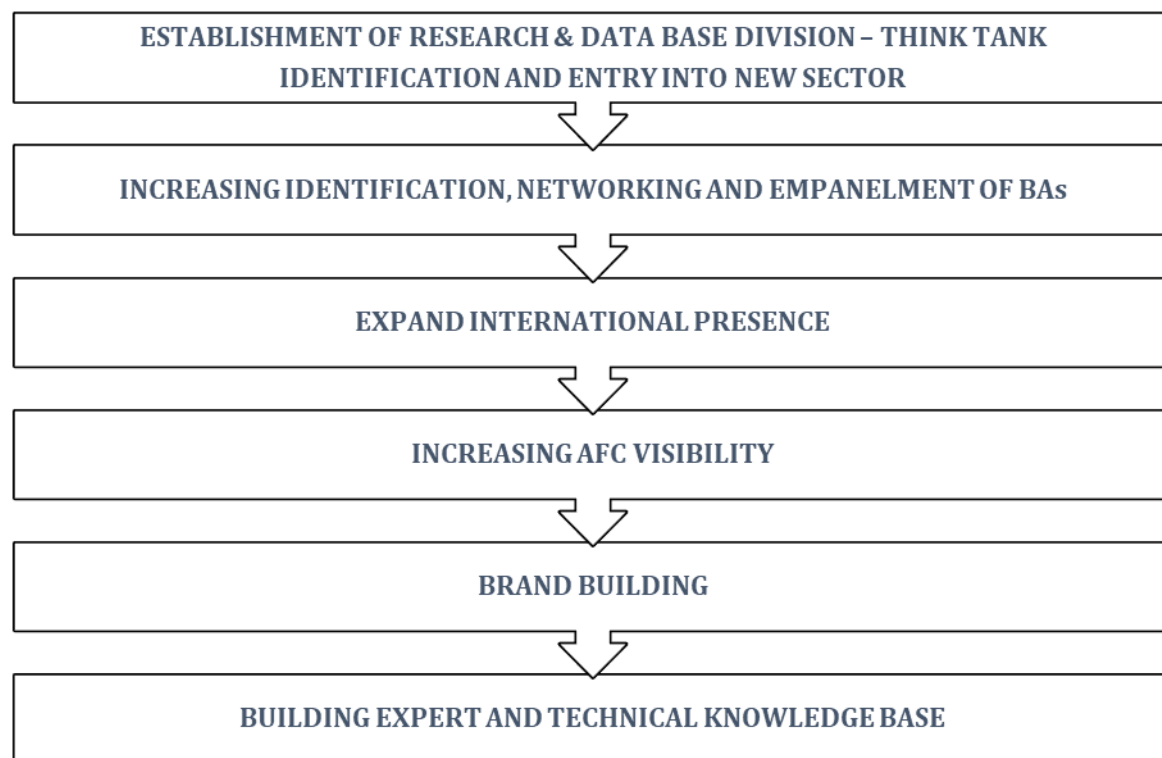
3. DIVIDEND

The Company has not declared any dividend for the Financial Year 2022-23.

4. BUSINESS OUTLOOK FOR THE YEAR 2023-24

As the company moves forward in 2023-24, AFC is committed towards business expansion and diversification. AFC has undertaken rigorous deliberation and developed a strategic action plan as a way forward towards expansion and diversification. The company aims to tap the prime national and international sectors and emerge as one of the most demanding consultancies in the country.

The Business Outlook Strategy for the year 2023-24 is as below:



The sectors like Infrastructure, Artificial Intelligence (AI), IT application, Environment and Social Governance (ESG), Carbon Credit, Sustainable Reporting, etc. are the lucrative

sectors where AFC plans to penetrate strategically. AFC plans to achieve recognition in these sectors through rigorous networking, liaisoning and partnerships. We will also be laying emphasis on enhancing our credibility in the new and existing sector by increasing AFC's visibility and brand building. Another focus area for AFC this year will be opening dialogues with domain experts and undertake active liaisoning within the newly identified sectors like climate change, banking, environment sustainability, health etc.

As there is a major emphasis on promoting entrepreneurship in the country by the Government of India, AFC is making sustained and concerted efforts to scout for business opportunities in areas such as Agri & entrepreneurship, rural entrepreneurship, social and environment entrepreneurship and other prospective. Besides, we are also dedicated focusing on specialist consulting advisory services specifically in the sunrise sectors and in sectors of our interest viz. zero budget natural farming, organic agriculture, medicinal plants, agri-export cluster development, etc. with a renewed push.

Future Opportunities

- AFC is exploring to play a significant role in implementation of Agriculture Infrastructure Fund (AIF) for farm-gate infrastructure for farmers and "Pradhan Mantri Formalization of micro food processing enterprises scheme (PMFME) scheme. Gujarat Agro Industries Corporation (GAIC) is the nodal agency to undertake the implementation of the AIF and PMFME schemes. AFC India Limited is in dialogue with GAIC towards establish State Program Implementation Unit (SPMU) to help GAIC in effective implementation and to achieve the intend objective of these Centrally Sponsored Schemes." Towards this, AFC in association with Choice Consultancy Pvt Ltd has submitted a proposal under AIF & PMFME schemes to GAIC. We are also identifying similar opportunities in the fields AIF & PMFME in collaboration with Choice Consultancy Pvt Ltd in other States also In Jammu & Kashmir, liaisoning with Directorate of Agriculture, Rural and Urban Development Department with regard to potential Monitoring and Evaluation of their work is also progressing at good pace.
- AFC will also be exploring opportunities in the domain of E-Governance services across the country. In this regard, prospects will be explored along with BLS E-Services Pvt Ltd to promote cooperation through collaborative Research, Evaluations/Assessments, interventions, consultations and joint studies in the areas of mutual interest.
- Laying major emphasis on gaining recognition in the IT sector, AFC has established networks and in the process of further empaneling the companies having expertise in IT sector. NIRWANA Micro system, Bluefrog Technologies and Synergy connect have been identified as IT based companies for future collaborations and IT assignments.
- AFC proposes to explore carbon credit projects as our major future opportunities in the year 2023-24. In this context dialogues have been initiated with prominent carbon credit

companies like Amrut Nature Solution Pvt. Ltd, Varaha Climate Ag. Pvt. Ltd.' (Varaha), C4CRED, Renew Power etc. Project proposal on reviving the Van Panchayat in Uttarakhand and another on Mangroves in Gujarat were submitted with the help of Amrut Nature Solutions and Varaha respectfully.

- AFC holds long connections with the Banks and continues to be a potential sector for diversification of activities. AFC plans to sign a MoU with HDFC Bank with aim to providing financial assistance to banks, support and promote their enterprise and assisting them in Preparation of Detailed Project Reports (DPRs).
- Tapping IT sector opportunities remains the core focus area for AFC. Thus, in addition to opening dialogues with the departments for Unified Digital Platforms in Puducherry and Tamil Nadu, AFC will track similar projects in other States across the country also as a potential opportunity.
- As an International business strategy, AFC has addressed a letter to the Head of the State, Guinea-Bissau, a country in West Africa, stating our interest in undertaking assignments and possible associations in the country. The state has written back to the Ministry of External Affairs, Government of India and subsequent follow ups are underway in realizing the process
- Along with the emphasis on clean energy solutions by the Government of India, AFC is realizing significance of sustainable biomass innovations. Consequently, AFC is also aiming at engaging in assignments contributing to increasing role of biomass and waste utilization in the energy transition and circular economy. In this regard, AFC is in process of establishing partnership with Bio Trend Energy Pvt Ltd dedicated towards clean energy solutions and achieving cleaner environment.
- Similarly, towards Environment Social Governance (ESG) and Sustainable Reporting, AFC is also establishing partnership with Logic Ladder, working for net zero reality, for future opportunities.
- AFC is making concerted efforts to tap into the Railway sector. In this regard an Industrial Safety Training Module was submitted to the Principal, Modern Rail Coach Factory, Raebareli, Uttar Pradesh. The client in return has asked AFC to submit Module based financials and we are hopeful that a MoU will be signed soon.

In Pipeline

AFC is anticipating kicking off the next financial year with notable projects in pipeline. Presentations and dialogues are already underway for few of the assignments listed below:

- AFC undertook the implementation of Himachal Pradesh Subtropical Horticulture, Irrigation and Value Addition Project (HP-SHIVA) (CS 08 package) in 2022-23. The project was also given extension under which the project is extended till June 2023. Furthermore, based on the negotiation

meeting participated by our Managing Director and Dr. N.P Baduni, AGM, the Project Director and HP SHIVA officials have in-principle agreed to allocate the Phase II of the project with an outlay of Rs.35.00 crore to AFC for implementation for the next 5 years

- Procurement of Process Monitoring Agency (PMA) under REWARD programme: The Director, Directorate of Soil Conservation & Watershed Development, (DSC&WD) Odisha, Bhubaneswar appreciated AFC India for its technical proposal and presentation for the assignment. As the dialogues are underway, we are expecting the project to be awarded to AFC India.
- AFC has initiated dialogues in several departments (women and child development, social welfare and health and family welfare services) in Puducherry and Tamil Nadu for extending services for developing Unified Digital Platform. This will be an another significant initiative by AFC in the IT sector.
- In line with the Selection of national level PACS software vendor (NLPSV), we have already initiated the field work for the digitization of 300 PACS across the country. It is expected that the consortia will also rope in AFC in other activities of NLPSV project. Some other high value proposals in the IT sector have also been prepared and submitted to various clients at state level. We have also submitted proposal to Tribal Department, Governor of Tamil Nadu for extending services for developing a unified digital platform to understand the gaps and areas of improvement for ensuring effective progress and net core assessment of activities and programs of Adi Dravida and Tribal Department.
- Being a CBBO, AFC is providing hand holding support for significant number FPOs. AFC is making constant efforts for submitting bids for the same. It is expected that AFC will bag assignments for FPOs as a CBBO in Uttar Pradesh, Lucknow
- Under skilling, dialogue already opened with Power Finance Corporation (PFC) for awarding of some more assignments to AFC under CSR activities. As per the discussion, one project proposal worth Rs. 6 Crores has been submitted to the PFC recently.
- Skill Development Training of 216 Candidates in Ballia for Apperal Trade as GTP: AFC has reached the presentation stage with the client NCUI for the assignment in Uttar Pradesh, Lucknow.
- This year AFC had undertaken third party verification assignment for Jal Jeevan Mission, Haryana. AFC is keeping a track of JJM assignments in the other states as well. We are positive and expecting successful bagging of assignment Third Party Inspection Agencies (TPIAs) under State Water & Sanitation Mission (SWSM), Govt. of Sikkim for Implementation of Jal Jeevan Mission (JJM).
- Several other assignments are in pipeline for AFC after delivering successful presentation, such as

- Technical Support Agency (TSA) for Agriculture and Horticulture Extension Services
- Third Party Evaluation of central Sector Scheme of DoA&FW, "National Beekeeping and Honey Mission (NBHM)
- SPMU FOR Pradhan Mantri Formalization of Micro Food Processing Enterprise Scheme (PMFME)
- Technical Assistance (PMU) cum Appraisal Agency to augment Agriculture Infrastructure Scheme in Gujarat

5. INTERNAL CONTROLS AND SYSTEMS

The Company has a well established procedure for internal control systems. The Company has Internal Control and Audit System commensurate with its size and nature of its business. The Company has entrusted the internal & operational audit to M/s. Shailendra S. Singh & Associates, reputed firm of Chartered Accountants. The main thrust of the internal audit process is test and review of controls, independent appraisal of risks, business processes and benchmarking internal controls with best practices.

The Audit Committee of the Board of Directors, Statutory Auditors and Business Heads are periodically apprised of the Internal Audit Findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors.

6. CAUTIONARY STATEMENT:

Statements made in this report in describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements". Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized by the Company. Actual results could differ materially from those expressed in the statement or implied due to the influence of external and internal factors, which are beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events.

7. BOARD OF DIRECTORS

The composition of the Board of Directors as on 31st March, 2023 is as follows:

Sl. No.	Name	Particulars
1.	Shri Deepak Thombre	Chairman, Dalmia Bharat Refractories Ltd (DBRL)
2.	Shri David Sinate	Chief General Manager, Export Import Bank of India
3.	Shri Goverdhan S. Rawat	Chief General Manager, National Bank for

		Agriculture and Rural Development (NABARD)
4.	Shri S.S. Rao	General Manager, Central Bank of India
5.	Shri Nitin Deshpande	General Manager, Bank of India
6.	Shri Nityananda Behera	General Manager, Bank of Baroda
7.	Shri Bhagirath Choudhary	Board Member - The Agricultural and Processed Food Products Export Development Authority (APEDA)
8.	Shri Ravindra Boratkar	President, Maharashtra Economic Development Council (MEDC)
9.	Shri Mashar Velapurath	Managing Director, AFC India Limited

8. **AUDIT COMMITTEE**

Pursuant to the requirements of Section 177 of the Companies Act, 2013, an Independent Audit Committee deals with accounting matters, financial reporting and internal controls. The composition of the Audit Committee during the year under review has been as under:

Sl. No.	Name	Committee Designation
1.	Shri Deepak Thombre	Chairman
2.	Shri Bhagirath Choudhary	Member
3.	Shri Ravindra Boratkar	Member
4.	Shri Nitin Deshpande	Member

9. **DETAILS OF DIRECTORS and KMP APPOINTED/RESIGNED DURING THE YEAR**

A) **APPOINTMENT OF DIRECTORS**

Sl. No.	Directors	Date of Appointment
1	Shri Sundeep Gulati	27.06.2022
2	Shri S.S. Rao	29.09.2022

B) **CESSATION OF DIRECTORS**

The Cessation of Directors from the Board during the year under review has been as under:

S. No.	Director	Date of Cessation
1.	Shri Vijay V. Murar	07.06.2022
2.	Dr. Atanu Purkayastha	07.06.2022
3.	Dr. C.D. Mayee	30.06.2022
4.	Shri Sundeep Gulati	29.09.2022

C) COMPANY SECRETARY & COMPLIANCE OFFICER

CS Nidhi Shah is the Company Secretary of the Company pursuant to Section 203 of the Companies Act, 2013 for complying with the requirements Companies Act 2013.

10. DIRECTOR'S RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134 (5) of the Companies Act, 2013;

- i. In the preparation of the Annual Accounts of the Company, the applicable Accounting Standards had been followed.
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates 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 as at 31st March, 2023 and Profit or Loss for the year ended as on that date.
- iii. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.
- iv. The Directors had prepared the Annual Accounts on a going concern basis.
- v. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. PUBLIC DEPOSIT:

Your Company has neither invited nor accepted/renewed any "Deposit" from public within the meaning of the term "Deposits" under the Companies (Acceptance of Deposits) Rules 2014, as amended from time to time.

12. CORPORATE GOVERNANCE:

Corporate Governance is the set of process, customs, policies, rules, regulations, and laws by which the companies are directed, controlled and administered by the management in the best interest of stakeholders. It ensures fairness, transparency, accountability and independent monitoring. Your Company, since its inception, recognized the importance of Corporate Governance and is proactive in following the principles and practices of good corporate governance. Your company believes in transparency in all facets of its operations and in its interaction with shareholders, stakeholders, clients, employees & Government agencies. It places emphasis on integrity, accountability and regular & prompt compliance with all statutory and regulatory requirements. Your Company's Articles and Memorandum of Association fully reflect, in letter and spirit, the key elements of good Corporate Governance. The Board of Directors of your Company consists of five Co-opted Directors and five Shareholder Directors and one Managing Director. The Board meets regularly and the senior executives of your Company are invited to attend the Board Meetings.

13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information required under Section 134 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 with regard to Conservation of Energy & Technology absorption is not required to be given, as the same is not applicable to the Company.

Foreign Exchange Earning	:	NIL
--------------------------	---	-----

Foreign Exchange Outgo	:	NIL
------------------------	---	-----

14. MATERIAL CHANGES AND COMMITMENT IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relates and the date of this report.

15. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not anticipate any immediate business risk. However, the Board is taking steps to implement a Risk Management policy in the Company.

16. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

The particulars of Contracts or Arrangements made with related parties made pursuant to Section 186 is furnished in Profit And Loss Statement for the year ended 2023.

19. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There were no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

20. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in "Annexure A" and is attached to this Report.

21. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had 4 (Four) Board Meetings held on 7th June 2022, 29th September 2022, 12th December 2022 and 9th March 2023 during the financial year under review.

22. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company had formed a Trust in the name of "AFC Foundation". AFC Foundation looks forward to collaborate and partner with reputed institutions at the National level and civil society organizations engaged in innovative and sustainable initiatives to make a visible difference. The endeavor is to provide innovative and sustainable solutions to improve the lot of the poor and marginalized.

23. DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

24. APPOINTMENT OF STATUTORY AUDITORS

The Comptroller and Auditor General of India had appointed M/s. Kulkarni & Khanolkar, Chartered Accountants, Mumbai as Statutory Auditors of your Company for the Financial Year 2022-23 to hold office until the conclusion of the ensuing Annual General Meeting.

25. DEMATERIALISATION OF SHARES

100% of the Company's paid up share capital has been dematerialized.

26. PARTICULARS OF EMPLOYEES

During the year under review, there were no employees drawing remuneration of Rs.1.02 Crore p.a. or Rs. 8.50 Lakhs /- p.m. or more. Hence there is no information to be provided in accordance to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENTS

The Directors would like to place on record their appreciation for the cooperation and support provided by the Clientele and takes this opportunity to gratefully thank them. The Directors extend their gratitude towards the Ministries of the Government of India, in particular, Ministries of Agriculture, Rural Development, Tribal Affairs, Environment and Forests and to the Ministries of Panchayati Raj, Health and Family Welfare etc., as also to the various State Government Departments, other institutions for their continued patronage to your Company. The Directors would also like to place on record their appreciation of Member Banks and NABARD for their continued support and guidance. The Directors also thank the Statutory Auditors as well as the Audit Board (Commercial Audit), Government of India for their guidance and support.

The Directors further express their thanks to the Business Associates and experts engaged in various assignments for completing the same in time and for submitting quality reports. Needless to mention, thanks are also due to the officers and staff of the Company for their very cordial relations and excellent cooperation in increasing productivity and achieving higher volume of business and income for the company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



CHAIRMAN

Place: Mumbai

Date: 06.07.2023

BOARD'S REPORT

EXTRACT OF ANNUAL RETURN

as on the Financial Year ended 31.03.2023

[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT - 9

I Registration and other Details	
CIN	U65990MH1968GOI013983
Registration Date	10/04/1968
Name of the Company	AFC INDIA LIMITED
Category / Sub-Category of the Company	Public Company having Share Capital
Address of the Registered Office and contact details	Dhanraj Mahal, 1st Floor, Chhatrapati Shivaji Maharaj Marg, Mumbai 400001 Contact: +91-22-22029517 / +91-22-22028924 Email: afc@afcindia.org.in Website: https://www.afcindia.org.in/
Whether listed company	No
Name, address and contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt Ltd

II Principal Business Activity of the Company

S.No	Principal Business Activity of the Company
1	Agricultural Consultancy

III Holding / Subsidiary and Associate Companies

Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
NA				

IV Shareholding Pattern (Equity Share Capital Break up as a percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	0	0	0	0	0	0	0	0
e) Banks / FI	6409	00	6409	42.73	6409	00	6409	42.73	0
f) Any Other	0	0	0	0	0	0	0	0	0
Directors	0	0	0	0	0	0	0	0	0
Directors Relatives	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1)	6409	00	6409	42.73	6409	00	6409	42.73	0.00
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other -	0	0	0	0	0	0	0	0	0

Individuals										
c) Bodies Corporate	0	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2)	0	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	6409	00	6409	42.73	6409	00	6409	42.73	0.00	
B. Public Shareholding										
(1) Institutions										
a) Mutual Funds / UTI	0	0	0	0	0	0	0	0	0	0
b) Banks / FI	8451	0	8451	56.34	8451	0	8451	56.34	0	
c) Central Govt	0	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0
i) Others (Private Company)	140	0	140	0.93	140	0	140	0.93	0	
Sub-Total (B)(1):	8591	00	8591	57.27	8591	00	8591	57.27	0	
(2) Non-Institutions										
a) Bodies Corporate	0	0	0	0	0	0	0	0	0	00
b) Individuals										
i) Individual Shareholders holding nominal share capital upto ` 1 lakh	0	0	0	0	0	0	0	0	0	00
ii) Individual Shareholders holding nominal share capital in	0	0	0	0	0	0	0	0	0	00

excess of ` 1 lakh									
c) Others (specify)									
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	0	0	0	0	0	0	0	0
ii) Other Foreign Nationals	0	0	0	0	0	0	0	0	0
iii) Foreign Bodies	0	0	0	0	0	0	0	0	0
iv) NRI (Non-Repatriated)	0	0	0	0	0	0	0	0	0
NRI (Repatriated)	0	0	0	0	0	0	0	0	0
v) Clearing Members / Clearing House	0	0	0	0	0	0	0	0	0
vi) Trusts	0	0	0	0	0	0	0	0	0
vii) Limited Liability	0	0	0	0	0	0	0	0	0
Hindu Undivided Family	0	0	0	0	0	0	0	0	0
viii) Foreign Portfolio Partnership Investor (Corporate)	0	0	0	0	0	0	0	0	0
ix) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	8591	00	8591	57.27	8591	00	8591	57.27	0
C. Shares held by Custodian for GDRs &									

ADRs									
Grand Total	15000	0	15000	100	15000	0	15000	100	0

ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
BANK OF BARODA	2250	15.00	-	2250	15.00	-	-
CENTRAL BANK OF INDIA	1608	10.72	-	1608	10.72	-	-
STANDARD CHARTERED BANK	970	6.47	-	970	6.47	-	-
UNION BANK OF INDIA	831	5.54	-	831	5.54	-	-
CANARA BANK (Formerly Syndicate Bank)	750	5.00	-	750	5.00	-	-

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	6409	42.73	6409	42.73
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer/ bonus / sweat equity)	No Change	-	No Change	-

etc):				
At the end of the year	6409	42.73	6409	42.73

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
PUNJAB NATIONAL BANK	1769	11.79	1769	11.79
BANK OF INDIA	1261	8.41	1261	8.41
THE NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT	1000	6.66	1000	6.66
STATE BANK OF INDIA	950	6.33	950	6.33
INDIAN BANK	946	6.31	946	6.31
UCO BANK	803	5.35	803	5.35
EXIM BANK	750	5.00	750	5.00
BANK OF MAHARASHTRA	303	2.02	303	2.02
INDIAN OVERSEAS BANK	183	1.22	183	1.22
AMREX MARKETING PVT LTD	140	0.93	140	0.93

v) Shareholding of Directors and Key Managerial Personnel

For Each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
None of the Directors or KMP hold shares in company	NIL	-	NIL	-

V Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits
Indebtedness at the beginning of the financial year	
i) Principal Amount	-
ii) Interest due but not paid	-
iii) Interest accrued but not due	-
Change in Indebtedness during the financial year	
Addition	-
Reduction	-
Net Change	
Indebtedness at the end of the financial year	-
i) Principal Amount	-
ii) Interest due but not paid	-
iii) Interest accrued but not due	-
Total	-

VI Remuneration of Directors and Key Managerial Person

A Remuneration to Managing Director, Whole-time Directors and/or Manager:

S. No	Particulars of Remuneration	Shri Mashar V. (Managing Director)
1	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	Rs. 26,17,845/-
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	Rs. 11,28,737 /-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-
2	Stock Options	-
3	Sweat Equity	-
4	Commission	-
	as % of profit	-
	others, specify	-
5	Others, please specify	-
	Total (A)	Rs. 37,46,582 /-

B. Remuneration to other Directors:

1. Independent Directors

No	Remuneration	Name of Directors					Total (Rs)
		Shri Deepak Thombre	Dr. C. D. Mayee	Shri Bhagirath Choudhary	Dr. Atanu Purkayastha	Shri Ravindra Boratkar	
	Fee for attending Board/Committee Meetings	80,000	30,000	50,000	10,000	80,000	2,50,000
	Commission	-	-	-	-	-	-
	Others, please Specify (Honorarium)	-	-	-	-	-	-
	Total	80,000	30,000	50,000	10,000	80,000	2,50,000

2. Non Executive Directors

Remuneration	Name of Directors				
	1. Shri David Sinate 2. Shri G.S. Rawat 3. Shri Vijay V. Murar 4. Shri Nitin Deshpande 5. Shri Nityananda Behera 6. Shri S.S.Rao				
Fee for attending Board/Committee Meetings	-	-	-	-	-
Commission	-	-	-	-	-
Others, please specify	-	-	-	-	-
Total (B)(2)	-	-	-	-	-
Total (B)= (B)(1)+ (B)(2)	-	-	-	-	-

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD

Sr. No	Particulars of Remuneration	Key Managerial Personnel		
		CA. MAMTA SAHAL (CFO)	CS. Nidhi Shah	Total Amount (Rs)
1	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	Rs. 18,06,748/-	Rs.8,96,558/-	Rs. 27,03,306
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	as % of profit	-	-	-
	others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (C)	Rs. 18,06,748/-	Rs.8,96,558/-	Rs. 27,03,306

VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN					

DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



CHAIRMAN

Place: Mumbai

Date: 06.07.2023

Annexure 1

Details of Assignments Canvassed during 2022-23:

S. No	Title of the Assignment	Name of Client	Project cost incl GST (Rs. In lakhs)
1	Selection of 3rd Party Assessment Agency for Evaluation of Ponds Renovation and De-silting Work done under the State Scheme during the FY 2016-17 & 2017-18	Jharkhand Agriculture and Soil Management Institute (JASMIN), Govt. of Jharkhand	75.00
2	Third-Party Inspection Agency to carry out Functionality Assessment of Household Tap Connections in Rural Areas of Haryana State under Jal Jeevan Mission	Public Health Engineering Department, Govt. of Haryana	830.43
3	To Conduct Monitoring & Evaluation of 'SWAYAM' project implemented to generate self-employment and inclusion of egg in the diet of children studying in Anganwadis of the Adivasi / Scheduled Area of the measures in the area and Poultry Farming in rural areas	Commissioner, Tribal Research & Training Institute (TRTI), Pune	8.97
4	Evaluation of Works Executed during 2019-20 to 2021 22 under J&K Compensatory Afforestation Fund Management and Planning Authority CAMPA by J&K Forest and allied Departments	Jammu & Kashmir State Forest Department Van Bhawan, Below Gumat, Jammu, 180001	103.95
5	Monitoring and Evaluation of Chhattisgarh CAMPA-2019-20	CEO CAMPA Raipur	47.2
6	Third Party Monitoring of 187 units financed under VCA Scheme by SFAC in the states of Gujarat	Small Farmers' Agri-Business Consortium (SFAC)	23.21
7	Third Party Monitoring of 204 units financed under VCA Scheme by SFAC in the states of Maharashtra	Small Farmers' Agri-Business Consortium (SFAC)	25.32
8	Third Party Monitoring of 110 units financed under VCA Scheme by SFAC in the states of Rajasthan	Small Farmers' Agri-Business Consortium (SFAC)	13.65

9	Third Party Monitoring of 59 units financed under VCA Scheme by SFAC in the State of Chhattisgarh	Small Farmers' Agri-Business Consortium (SFAC)	7.32
10	Third Party Monitoring of 54 units financed under VCA Scheme by SFAC in the states of Haryana	Small Farmers' Agri-Business Consortium (SFAC)	6.7
11	Third Party Monitoring of 77 units financed under VCA Scheme by SFAC in the states of Punjab	Small Farmers' Agri-Business Consortium (SFAC)	9.56
12	Third Party Monitoring of 151 units financed under VCA Scheme by SFAC in the states of Uttar Pradesh	Small Farmers' Agri-Business Consortium (SFAC)	18.74
13	Third Party Monitoring of 72 units financed under VCA Scheme by SFAC in the states of Karnataka	Small Farmers' Agri-Business Consortium (SFAC)	8.94
14	Third Party Monitoring of 90 units financed under VCA Scheme by SFAC in the states of Madhya Pradesh	Small Farmers' Agri-Business Consortium (SFAC)	11.17
15	Third Party Monitoring of 42 units financed under VCA Scheme by SFAC KYC for KYC details of the borrower for delivering court notice	Small Farmers' Agri-Business Consortium (SFAC)	5.21
16	Monitoring and Evaluation of Chhattisgarh CAMPA-2020-21	CEO CAMPA Raipur	47.2
17	Third Party Verification for 10 No. of farmers Net Houses	Department of Horticulture, Govt.t of Telangana	1.06
18	Consultancy Services for the Mid Term Review in Three cities Hubballi-Dharwad, Belagavi and Kalburgi in Karnataka State under the KUWSMP	Karnataka Urban Infrastructure Development Finance Corporation Ltd.,	34.77
19	Third Party Verification for 06 No. of farmers Net Houses	Department of Horticulture, Govt. of Telangana	0.64
20	Afghanistan Rice Sector Assessment	IFC, The World Bank Group	31.85
21	Technical Support Agency Adarsh Gram Yojana Uttarakhand	Directorate of Tribal Welfare Uttarakhand	9.91

22	Hiring of Technical Support Agency (TSA) for the implementation of NRLM/ NRETP-Model CLF initiatives	Ministry of Rural Development, Gol	528.63
23	Appointment of Technical Consultant for Executing the work of Bio- Metric Survey, preparation of DPR, Plan of Action (POA) and Project Management Consultancy work for Housing for All (HFA) Mission under Pradhan Mantri Awas Yojana (PMAY) - Nagar Panchayat Dhanki- Dist. Yavatma	Chief Officer, Dhanki Nagar Panchayat	120.00
24	Community Horticulture Production and Marketing Association (CHPMA) Group Facilitation and Training (Package No. CS08) (Extension)	PD, HPSHIVA PMU, Directorate of Horticulture, Shimla-2	143.49
25	Selection of Agency for Independent Verification of Results and Indicators Reported under World Bank Supported AHSSOH Programme	Department for Animal Husbandry & Dairying	229.72
26	Project Management Consultancy for Himachal Pradesh Crop Diversification Promotion Project Phase-II	Department of Agriculture, Govt. of Himachal Pradesh.	390.00
27	Community Horticulture Production and Marketing Association (CHPMA) Group Facilitation and Training (Package No. CS08) (Extension)	PD, HPSHIVA PMU, Directorate of Horticulture, Shimla-2	98.10
28	Organizing Awareness cum Training Camps/Events under Central Sector Schemes of SFAC	Small Farmers' Agri-Business Consortium (SFAC)	160.24
29	Entrepreneurship Skills Up-gradation of Primary (MFP) Cooperative Societies, JFMC and SHG Members for Up-scaling Livelihood through Sustainable Management of Medicinal Plants in 03 State viz Himachal Pradesh, Uttar Pradesh and Uttarakhand	NMPB, Ministry of Ayush Govt. of India,	14.35
30	Organizing Grass Root Level Training Programme (GLRTP) for WSHG members (3 programmes)	NABARD	0.66
31	Organizing of Grass Root Level Training Programme (GLRTP) (3 Nos) for WSHG members	DDM, NABARD, Kalahandi	0.44

32	Community Mobilization Activation Under JJM FY 2022-23 in Gridih Jharkahand	PMU (SWSM) Drinking water and Sanitation DepartmentJharkhand	89.56
33	International Seminar on Promotion of Medical and Aromatic Plants Sector and Opportunities for Investments in Setting-up MSME in the Sector	NMPB, Ministry of Ayush Govt. of India,	10.00
34	T&CB Programme of various cadres at Different Level of UPSRLM by AFC_ UPSRLM Resource Cell	UPSRLM	1791.73
35	T&CB Programme of various cadres at Different Level of UPSRLM by AFC_ UPSRLM Resource Cell	UPSRLM	28.58
36	T&CB Programme of various cadres at Different Level of UPSRLM by AFC_ UPSRLM Resource Cell	UPSRLM	1.06
37	T&CB Programme of various cadres at Different Level of UPSRLM by AFC_ UPSRLM Resource Cell	UPSRLM	206.22
38	T&CB Programme of various cadres at Different Level of UPSRLM by AFC_ UPSRLM Resource Cell	UPSRLM	2925.50
39	In-depth Assessment/Evaluation of Junior Cooperative Training Centres (JTDCs) of India	National Cooperative Union of India (NCUI), Gol New Delhi	47.2
40	Conducting diagnostic study for 44 PACS and business development plan in Andaman and Nicobar Islands	AN St. CB Ltd.	25.00
41	Generating Evidence on Children in Street Situation in Four Districts of Delhi	Save the Children	20.09
42	Development of Baseline Study for Gherkins' Sustainable Living Income Project	Uniliver	22.14
43	End-Term Evaluation Study for the Project –Setting Up of a Central Technical Support Unit on Crop Insurance (PMFBY)	UNDP	17.58

44	Baseline Study of MMU project in Himachal Pradesh	The Hans Foundation (THF) Dehradun	28.07
45	Carry out Surveys, prepare estimates, plans and Proposals, make presentations, obtain Technical Approvals,	District Water and Sanitation Mission, Zilla Parishad, Pune	38
46	Consultancy Services for Environment and Social Assessment and Development of E&S Instrument” for Assam Resilient Rural Bridges Program	PWD (Road), Govt. of Assam,	77.78
47	TEV Report for Financial Assistance for taking over 3 poultry layer units	SBI, SMS Branch Guntur	2.95
48	Conducting Beneficiary Satisfaction Survey for Community Led Landscape Management Project in Meghalaya	Meghalaya Basin Development Authority (MBDA), MegLIFE	30.66
49	Proposal for Need Assessment for Agri entrepreneurship program in four Blocks of Hardoi district in Uttar Pradesh	DCM Shriram Foundation	3.85
50	To Conduct Survey of the Shepherd Families in Sangli District of Maharashtra	Punyashlok Ahilyadevi Maharashtra Mendhi Va Sheli Vikas Mahamandal, Pune	10.00
51	Baseline Assessment and Data Collection for EID Parry - Sugar	IFC, The World Bank Group	19.76
52	Selection of Agency for conducting Benchmark Survey of all Scheduled Tribes in Nandurbar District	Tribal Research & Training Institute (TRTI), Pune	280.84
53	Organic Farming Under PKVY - Service Provider	Directorate of Agriculture	135.00
54	Organic Farming in 75 Cluster in Chandauli District Under PKVY - Service Provider	Directorate of Agriculture	236.00
55	CBBO FPO Programme 10 FPO	Project Coordination Unit UPDASP	250.00
	GRAND TOTAL		9304.00

Key Assignments during 2022-23

In the year 2022-23, AFC was awarded with a total of 55 assignments. In addition, there were ongoing assignments carried forward from the previous years. These assignments are in the following 6 broad sectors and a brief overview of the key assignments under each of the sector is discussed below:

1. Monitoring and Evaluation
2. Project Implementation
3. Survey/Research Studies
4. Technical Support Unit (TSU) /Project Management Consultancy (PMC)
5. Training and Capacity Building
6. DPR/Pre-feasibility study/Plan preparation

1. Monitoring and Evaluation

1.1 Evaluation of Works Executed during 2019-20 to 2021-22 under J&K Compensatory Afforestation Fund Management and Planning Authority (CAMPAs) by J&K Forest and allied Departments:

The works under J&K CAMPAs were executed by the Forest Department (Territorial & Non-Territorial) and Allied Departments during the years 2019-20 to 2021-22. The sites/assets developed under CAMPAs were evaluated through Third Party Monitoring and Evaluation project by AFC India Ltd. covering 30% of all the works. Under the evaluation, a total of 851 plantation



Enumeration of plantations at site in progress

sites, 56 civil works and 38 equipments were covered wherein assessment of artificial regeneration, natural regeneration, existing tree species and root stocks assessment were done. Every plantation unit was fenced for its protection of plants of artificial regeneration, natural regeneration and regeneration through root stocks. The quality of fencing was found to be good and effective. Civil work sites were also evaluated and most of them

were found to be in good condition and served their purpose. Thus, overall most of the equipment was found to be effective and functional.

1.2 Monitoring and Evaluation of Chhattisgarh CAMPAs - (2019-20) & (2020-21):



A CAMPAs site in Chhattisgarh

AFC India Ltd also received an assignment titled "Third party Monitoring & Evaluation of CAMPAs activities in Chhattisgarh" of the works carried out during 2019-20 and 2020-21. This work was assigned on *suo moto* basis to AFC for carrying out monitoring of wildlife management, civil works, and water conservation apart from regular forestry works.

Considering the AFC's quality oriented approach, methodological implementation, and smooth functioning, the state authorities extended the time duration of the assignment until the next season.

1.3 In-depth Assessment of Junior Cooperative Training Centres (JCTC):

The National Cooperative Union of India, (NCUI) is an apex cooperative institution in India representing the entire cooperative movement of the country and strengthening multi-sectoral cooperative services. The NCUI awarded an in-depth assessment of JCTC to AFC India Ltd on *suo moto* basis. The study covered a total 117 JCTCs and 30 SCUs spread over 26 States and 4 Union Territories.



Cooperative Training College cum Centre

The assessment provided insights into the existing situation of all 117 JCTCs with regard to coverage, present infrastructure, training programmes, training and teaching equipment, methods, course curriculum, etc. The study findings were envisioned to serve as the basis for updating the guidelines of the scheme and taking the necessary steps for revamping/ revival of JCTCs. "The future direction of JCTC will guide the direction of success towards the endeavour of "Sahkar se Samridhhi"- Vision of Ministry of Cooperation".

1.4 Afghanistan Rice Sector Assessment:

In Afghanistan more than four-fifth of the population rely on agriculture-related activities for their livelihood on 12 percent of arable of the country. Cereal crops play a key role in the diet of Afghans and rice is the second staple food after wheat. The Government of Afghanistan is investing in irrigation projects to improve the productivity of rice farms. In this regard, AFC India Ltd was awarded an assignment for undertaking Rice sector assessment in Afghanistan by the International Finance Corporation (IFC) of the World Bank Group. The Project is in its inception phase and intend to undertake (i) sector assessment and (ii) supplier's assessment and also understand the following:

- Better knowhow of the state of the rice sector and current status of supply chain of their different varieties.
- Determine immediate investment opportunities, exist or more upstream support can be designed to build sustainable rice production in Afghanistan to achieve self-sufficiency and maintain food security.

- Identification of opportunities and bottlenecks/hurdles that impede the growth of and have held back private investments in the sector.

1.5 Monitoring and Evaluation (M&E) of Chhattisgarh Inclusive Rural and Accelerated Agriculture Growth Project (CHIRAAG):

CHIRAAG is being implemented by the state Government of Chhattisgarh (GoCG) to improve income opportunities and availability of nutritious food in targeted households of Chhattisgarh's tribal-dominated areas. The project's objective include enhancing the income and nutrition level of the target beneficiaries. Implementing different components of the project are underway to achieve the deliverables. The CHIRAAG project districts are Bastar, Bijapur, Dantewada, Kanker, Kondagaon, Narayanpur, Sukma and Mungeli. AFC, as the M&E agency, has submitted a detailed Inception report with activity–timeline, GANTT chart and finalisation of modalities and baseline data collection survey is under process.



Project Sites and Work done

1.6 Third-Party Monitoring of Implementation Measures supported by Himachal Pradesh Forest Ecosystems Climate Proofing Project (HPFECPP):

Himachal Pradesh Forest Ecosystems Climate Proofing Project (HPFECPP) is co-funded by the KfW, German Development Bank, and Himachal Pradesh Forest Department (HPFD), Government of Himachal Pradesh. The aim of the HPFECPP is to enhance climate resilience of



Verification of project implementation sites under TPM activities

forest ecosystems, biodiversity and adaptive capacities of forest-dependent communities in the selected project area. The project is being implemented by the HPFD in 38 Forest Ranges of 9 Forest Divisions in Kangra and Chamba Districts. HPFECPP has supported the development and implementation of 315 micro-plans. These plans are being implemented jointly in association with the user groups under Village Forest Management Societies (VFMS). The

project supports a number of silvicultural models and interventions such as *Lantana* removal, plantation, fencing, pasture development, protection of plantation, maintenance of fire lines, etc. in addition to soil and water conservation measures and entry point activities. As a Third-Party Monitoring (TPM) agency, AFC team systematically monitor/verify all different types of project intervention models implemented under the project. The TPM in the year 2022 was conducted in 10 selected ranges out of 31.

1.7 Third Party Monitoring of Agri units Financed under VCA scheme by Small Farmers Agri-business Consortium (SFAC):

In order to facilitate agribusiness development in the country, the Venture Capital Assistance (VCA) scheme was introduced for implementation through Small Farmers Agri-business Consortium (SFAC), promoted by Ministry of Agriculture and Farmers Welfare, Govt. of India. AFC India Ltd. has been entrusted with the task of administering the field level surveys including appropriate geo-coordinates for the units monitored in the states of Maharashtra, Punjab, Chhattisgarh, Haryana, Gujarat Rajasthan, Uttar Pradesh and Madhya Pradesh. Accordingly, the survey has been executed and administered using hand held electronic devices such as tablets and smart phones. AFC team designed a Computer Aided Personal Interview (CAPI) tool/questionnaire to collect data on key parameters through primary survey. Semi-structured interviews were subsequently conducted that combines a pre-determined set of closed ended (with options) and open-ended questions. The work has been conducted in the above mentioned states covering 388 agri. units. Real-time data collection methods were used and data was collected from promoters/entrepreneurs as well as from the respective bank branches through face-to-face interactions/interviews.



A unit financed under VCA Scheme

1.8 Project Completion Report for IFAD supported project “Jharkhand Tribal Empowerment & Livelihoods Project (JTELP)”:

The project was implemented by Jharkhand Tribal Development Society (JTDS) in 14 TSP districts of Jharkhand. The goal of the project was to “Improve living conditions of the tribal communities and in particular, particularly vulnerable tribal groups (PVTGs) in the tribal scheduled area districts in Jharkhand.” Jharkhand Tribal Development Society (JTDS) assigned AFC India Limited to prepare the “Project Completion Report” of the JTELP Project. The objective of Project Completion Report (PCR) was to assess and document the qualitative and quantitative outcome of the



Verification of records

strategy and approach adopted during the entire tenure of the project as per the project design and also as per the various changes done based on the field experiences in form of success as well as bottlenecks/challenges. The PCR also captured the innovative interventions done after completing the initial phase and assess the replication and sustainability aspect of the innovation. The preparation of PCR focused on the “Relevance, Effectiveness, Efficiency, Innovation, Scalability and Sustainability” of the diverse intervention done. The entire process of developing the PCR was guided by the team of JTELP and IFAD.

1.9 Conducting Rapid Impact Assessment of NGOs & Gram Sabhas supported by Tribal Development Department, Govt. of Maharashtra to carry out Community Forestry Resource (CFR) Management Plan:

In view of this Rapid Assessment of NGOs and Gramsabhas supported by Tribal Development Department, Govt. of Maharashtra, an assessment of the process of developing Community Forest Resource Management Plans was carried out. Such assessment was needed to support upscaling of CFR throughout the state in particular and across India in general and to analyze the broader implications for forest resource governance at a national scale.

- Forest Land Survey and Stock Mapping was done in all 36 villages of the sample districts. Peoples’ participations in both the survey and stock mapping also has been quite encouraging except one village from Gadchiroli district.
- The socio-economic survey was conducted for all the 36 villages of the sample districts. Peoples’ participation in both the surveys has been noteworthy in most of the villages. The people from 30 villages participated enthusiastically in both the surveys while the response of people from remaining 6 villages was rather lukewarm.
- Almost all the participating NGOs conducted the CFMP awareness Training Programmes for the members of the Gramsabhas.
- Major topics discussed in the awareness programme were, awareness about the Forest Rights and Laws, Details of various activities to be implemented, Meaning of Forest Rights and CFR Process, Formation of CFR Managing Committees and their Empowerment, CFR Rules & Regulations, Functions and Expectations from the MCs, Conservation and protection of forests, NGOs, their functions, work responsibilities, planning & implementation.



Training program in villages

1.10 Conducting Social Audit & Evaluation under Mid-Day Meal Scheme to be Implemented in the Schools:

AFC undertook the monitoring and evaluation of Mid-Day Meal (MDM) scheme in the schools to address the issue of nutrition of young population of India that has important role to play in modern India. Following were suggestions of the social audit and evaluation:

- Government should raise their Grants-in-Aid for this scheme.
- Food grains, spices, oil, etc. should be of better quality.
- Food grains should be provided on time.
- Gas Cylinder should be provided by Government at concessional prices.
- Kitchen shed should be concretized and have adequate ventilation.
- Some kind of variety in menu of MDM is needed.
- Records of this scheme should be minimized.
- Enough space to store food grains should be provided.
- Enough space for seating of the students to eat meal should be provided.
- Breakfast should be provided in this scheme.



School children provided Mid Day Meal

1.11 Monitoring & Evaluation of 'SWAYAM' project:

The main objective of this "Swayam Prakalp" was to supply eggs in the diet of children in Angwadis and to create employment from the point of view of reducing malnutrition in the Scheduled Areas. For this purpose, Tribal Development Department, Women and Child Welfare Department, Animal Husbandry Department and Rural Development Department (Maharashtra State Rural Livelihood Mission (UMED)/District Rural Development System) jointly implemented the said project w.e.f. 18-04-2017.

At Beneficiary Level the study revealed that the average number of birds available to the benefactors in the districts of Thane, Nashik and Palghar was satisfactory. It was also found that due to the self interest of the target population, poultry was promoted among the tribals in the project area.

1.12 Assam Resilient Rural Bridges Program funded by The World Bank Assignment:

To enhance and provide all-weather connectivity for the rural settlements along the core network in the state of Assam, the Government of Assam proposed to develop a Assam State Bridge Infrastructure Program (ASBIP)/ Assam Resilient Rural Bridges Program (ARRBP).



Visit to project site by survey team and community members

For the purpose of undertaking the ESA, FGDs cum Consultations were conducted by AFC. Consultation using FGDs were conducted with sub-project beneficiaries in 110 sampled bridges selected out of a total of 1069. The following deliverables were submitted:

- Inception report and work plan (including methodology and site visits)
- Preliminary and final E&S Assessment Report and workshop on the findings
- Stakeholder Engagement Plan (SEP)
- Environment and Social Management Framework (ESMF) including Resettlement Policy Framework (RPF) and Indigenous Peoples Policy Framework (IPPF)

1.13 Karnataka Urban Water Supply Improvement Project funded by The World Bank:

The Government of Karnataka (GoK) initiated urban water sector reforms through the World Bank assisted 'Karnataka Urban Water Supply Improvement Project (KUWSIP)'. This flagship project was implemented by Karnataka Urban Infrastructure Development and Finance Corporation (KUIDFC) in three eligible cities namely Hubballi Dharwad, Belagavi and Kalburgi.

AFC India Ltd was involved and executed the following tasks:

- i) Review project implementation progress against the Project Development Objective and identify major achievements and strengths of the project
- ii) In-depth review of the progress of Project components and component wise cost estimates
- iii) Identify areas that need strengthening, pending issues and changes required to improve implementation
- iv) Provide recommendations to further consolidate and scale up successful aspects of the project and those that need to be improved in order to achieve project goals and objectives.

2. Project Implementation

2.1 Incubation Programme under HANS Udhyamita Mission:

AFC India Ltd. has been working as a technical agency for "Incubation Program under Hans Udhyamita Mission" in 6 districts of Uttarakhand from August '21 to July '23 with the financial support from The Hans Foundation (THF). Under the programme, it was envisaged that a total 1600 micro enterprises, engaging Covid-19 migrants in self-employment, would be setup, nurtured and promoted.

AFC has been implementing the program in 41 development blocks of 6 district viz. Dehradun, Tehri, Pauri, Chamoli, Almora and Nainital, systematically such that the micro-entrepreneurs are being identified, counselled and assisted to avail of the support of loan cum margin money, mainly under state government sponsored self-employment scheme Mukhya Mantri Swarajgar Yojna (MSY) & MSY Nano. The program has successfully identified, counseled, selected/registered, and assisted over 4047 entrepreneurs to put up the business proposals on MSY portal. A total of 1045 entrepreneurs were trained in enterprises management including technical training which were conducted specifically for livestock-based enterprises in collaboration with ULDB/ Veterinary Department. The programme equally supported women and individual belonging to disadvantaged segment of the society (SC, ST, OBC, etc.). A total of 648

(of 2353) women owned enterprises have been setup under MSY as a testament to its commitment to gender equality and inclusive development.

2.2 Himachal Pradesh Sub-Tropical Horticulture, Irrigation, and Value Addition (HPSHIVA):

The project is a comprehensive development project encompassing entire value chain components through “Beej Se Bazar Tak” approach. It is being implemented by the Department of Horticulture with the financial support of the Asian Development Bank (ADB) in 28 development blocks of 7 districts viz. Bilaspur, Hamirpur, Kangra, Mandi, Solan, Sirmaur and Una. The project aims to cover about 8000 ha area under sub-tropical fruit cultivation focussing cultivation of sweet orange, guava, pomegranate, Litchi and other crops benefitting approximately 20,000 farm households of the state. AFC India Ltd has proposed to form, register and strengthen 220 Community Horticulture Production and Marketing Association (CHPMA) in 17 PRF and 40% of the ensuing loan project areas. However, in addition to the 17 PRF areas, 358 potential clusters have been identified by the DoH and JSV teams. Of these 4-5 clusters were grouped to form 66 GoCs across the project area to deploy CHPMA Group Facilitation and Training Facilitators for undertaking various activities under the assignment.

2.3 Implementation Support Agency (ISA) under Jal Jeevan Mission:

AFC India Ltd has been empaneled as Implementation Support Agency (ISA) under JJM in Department of Drinking Water and Sanitation. As ISA, 60 villages in Giridih 2 division have been allotted to ensure 100% functional tap water supply in Rural Households. To ensure 100% tap water connection, ISAs have to conduct IEC and community mobilization activities involving SHGs, Panchayat Raj Elected Representatives and School Children; Environment Building activities like Gram Sabha discussions, trainings of SHG members on SBM and JJM; school competitions with children, street plays, Kala Jathas, Folk Songs and Wall writings. One of the major works of ISA is to mobilize community for paying water tax and also service charge for connection. AFC as ISA has done all the directed activities in the selected villages.

- Gram Sabhas: 49
- School Competitions: 139
- Street Plays: 60
- Water Quality Testing: 60 villages
- Water Resource Mapping and budgeting: 60 villages
- SHG trainings: 300 members on SBM and JJM
- Household Survey: 9889 household survey completed

2.4 Engagement of District Implementation Partners to support in implementation Atal Bhujal Yojana for Cluster- 09 (Mahendragarh, Haryana):

Atal Bhujal Yojana is a participatory ground water management scheme supported by the Central Government and the World Bank and implemented by the Government of Haryana, with the main objective of creating a hydrogeological data network of groundwater resources in Haryana, and to create community organization for the management of ground water resources

in the state. Community mobilization and awareness activities as well as capacity building of stakeholders have been done under this scheme and recommendations were made.

2.5 Bharatiya Prakritik Kishan Paddhati in Odisha:

AFC India Ltd has been selected as the Support Agency/Facilitating agency by the District Committee (ATMA) for implementation of Bharatiya Prakritik Krishi Padhati (BPKP) in Nuapada & Gajapati districts over an area of 2,000 ha in each comprising of 2 clusters of 1,000 ha each. We have completed the first-year activities in both the districts such as Mobilization of farmers, Formation of cluster, 7 days on-field practical training, Exposure visit to natural farms and Capacity building of all Resource Persons.



Mobilization of Farmers



Training and Capacity Building

2.6 Adoption and Certification of Organic Farming under NHM (MIDH) in Odisha:

AFC is implementing partner to Directorate of Horticulture, Odisha for Adoption and Certification of Organic Farming under NHM (MIDH) in Kalahandi district (100 ha), Nayagarh District (150 ha) and Mayurbhanj district (100 ha) for implementation of NHM 2019-20, Nayagarh District (400 ha) for NHM 2020-21 and Boudh (200 Ha), Koraput (200 Ha) Mayurbanj (200 Ha) for NHM 2021-22. Under this assignment, AFC is undertaking farmer mobilization, training and capacity building, PGS certification for Organic Implementation.



Mobilization of Farmers



Training and Capacity Building of Farmers

2.7 Implementation of Organic Farming and Certification under Chhattisgarh Grameen Aajeevika Samvardhan Samiti (CGSRLM-Bihan):

AFC India Ltd is working as a Technical Support Agency for Implementation of Organic Farming and Certification under Chhattisgarh Grameen Aajeevika Samvardhan Samiti (CGSRLM-Bihan). Under this assignment AFC is providing technical assistance and program implementation support to CGSRLM and Community Based Organizations (CBOs)/ Cluster Level Federations and Producers Organizations in the promotion of organic farming with specific focus on process and compliances of organic certification and market linkage. Around 10278 Mahila Kisan were mobilized, registered and trained for organic farming implementation.



Mobilisation of Women members under the project

2.8 Formation and Promotion of 28 Farmer Producers Organizations (FPOs) under 10000 FPOs Scheme as Cluster Based Business Organisation (CBBO)

The FPOs have been allocated by the State Agriculture Management Institute (SIMA), State Nodal Agency for Agriculture Diversification Project for Uttar Pradesh (UPDASP), Uttar Pradesh Cooperative Federation (UPPCF) and Uttar Pradesh Upphokta Sahkari Sangh (UPSS). Under, the FPO Project 10 FPOs are promoted in 10 Blocks of Azamgarh District, 5 FPOs developed in 5 Blocks of Raebareli District, 10 FPOs in 4 Districts of Bareilly, 3 FPOs in Pilibhit and 2 FPOs each in Basti and Ayodhya districts respectively and 3 FPOs in Maharajganj District. In all 28 FPOs spread over in 7 Districts and 28 Blocks of Uttar Pradesh are at various stages formation.

2.9 Establishment of Organic Farm Clusters on Ganga Basin in Uttar Pradesh

The project districts are Ballia, Deoria and Mau. The project activities include:

- Mobilization and to Create 60 PGS Group of interested farmer and Upload it on PGS website.
- Capacity Building and training of farmers on organic farming.
- Capacity building of farmers on PGS group operations, documentation, peer appraisal and certification decision.



Organic farm cluster members in Uttar Pradesh

This project has been allocated to AFC by Project Coordination Unit, UPDASP under Namami Ganga Project. The project period is 3 years. In the 1st year, activities taken up include group formation, capacity building, training, data management and uploading of groups on PGS portal. Total area allotted for establishment of organic cluster in Ballia district is about 1200 ha and formation of 60 Organic Farmer Groups. The details of all farmers of each group have been



Field visit with the farmers to know on ground situation

uploaded on PGS Portal. The works of capacity building of farmers, group leaders and LRPs have been completed. Under organic conversion, maize, paddy, bajra, and vegetables are grown in Kharif season and area covered under these crops is about 1034 ha. For proper nutrient management 316 Vermi compost and 10 NADAP units were also constructed by farmers.

2.10 Regional Council & Service Provider for Organic Farming under PKVY & Namami Gange in 06 Blocks 208 Cluster in the state of Uttar Pradesh

The Assignment was awarded to AFC India Ltd under Namami Ganga Clean Abhiyan to cover 138 PGS Group clusters, land area 2790 Ha covering 5017 farmers with a phasing of 3 years. Data of all farmers have been uploaded on the PGS Portal and Orientation and Training for organic Farming is underway. The Directorate of Agriculture, Govt. of Uttar Pradesh has appointed AFC India Ltd as Regional Council for rendering Certification Services in 70 Clusters (1400 Ha. area) in five districts of the State viz. Gorakhpur; Deoria; Gonda; Balrampur; and Sidharth Nagar under Paramparagat Krishi Vikas Yojana). The activities to be undertaken under the project include: Activation of Farmers Group. physical verification and peer appraisal besides residue analysis in 2nd and 3rd year.

3. Survey/Research Studies

3.1 Baseline Study Mobile Medical Unit (MMU) project in Himachal Pradesh:

Mobile Medical Unit (MMU) is an innovative model of healthcare delivery that could help alleviate health disparities in vulnerable populations and individuals with chronic diseases. The base line survey was conducted in 5 districts of Himachal Pradesh namely Kangra, Solan, Chamba, Shimla and Mandi. In the intervention area 40 Medical Mobile Units (MMUs) were operated. AFC covered 960 villages in five districts and successfully executed the following activities:

1. Determined availability of services, assessed the coverage and utilization status of Primary Health Services among the targeted communities.
2. Established key indicators for MMU project against which the project progress will be measured. It will provide baseline data on indicators specifically chosen to monitor project performance on a regular basis.
3. Gathered information as a point of reference on the health conditions of the population living in the project villages.
4. Captured the status of disability specific population.
5. Identified factors affecting effective utilization of health services among targeted communities prior to service delivery by MMU.

The baseline highlighted the quality of health services, and health knowledge, attitude and practices of the communities as well as their engagement, motivation and willingness for health promotion.



Meeting with the cluster farmers



Field visit with cluster farmers

3.2 Base line and Social Survey of Tanks & Tank Commands (Zone-3) in Bargarh, Sambalpur, Keonjhar & Mayurbhanj districts:

The Government of Odisha in partnership with National Bank for Agriculture and Rural Development (NABARD) is implementing ground water recharge and solar micro irrigation to ensure food security and enhance resilience in vulnerable tribal areas of Odisha. The project is funded under “Green Climate Fund”. AFC under the purview of the project covers 15 out of 30 districts namely, Baragarh, Bolangir, Boudh, Gajapati, Kalahandi, Kandhamal, Keonjhar, Koraput, Malkangiri, Mayurbhanj, Nawarangpur, Nuapada, Rayagada, Sambalpur and Sonapur. So far, the project has achieved establishment of benchmark (baseline data based upon primary survey) in respect of parameters desired to be changed through implementation of the project and generation of realistic database for serving as project planning inputs as well as for referencing in the mid-course of the project implementation

3.3 Baseline Study for Gherkins’ Sustainable Project:

Unilever is initiating a Sustainable Living Income Project as a collaborative effort in the countryside, working with NGOs, agriculture input provider companies, suppliers, and micro finance institutions. As part of the objective to drive systems change in the social, environmental, and economic areas of material interest to Unilever, Unilever intends to ensure that more than 10,000 gherkins farmers that provide goods to them should earn a living income by 2030 and thus commissioned AFC India Ltd to undertake a baseline study to determine the current social, economic and environmental status of the target farmers. Specifically, this study will allow Unilever and its stakeholders to measure various indicators on current livelihood and agriculture practices in relation with gherkins production.



Discussion with the street children and parents

3.4 Generating Evidence on Children in Street Situation in Four Districts of Delhi:

Save the Children conducted a census survey of CiSS in four districts of Delhi with an aim of to explore deeper insights about lives of CiSS with a focus on their access to basic services and extent of violation of their rights. Conducting headcount is precursory to implementing the intervention and undertaking sample survey. Considering this, a research study has been undertaken to enumerate the number of CiSS in North, North West, South and South East District of Delhi to understand their access to basic services and rights.

AFC successfully undertook the census survey (headcount) in the four project districts of Delhi and identified hotspots were surveyed for the enumeration of CiSS. The AFC team ensured the enumeration under the three categories of street children against the set objectives

- Carrying out a headcount/census survey of CiSS in all identified hotspots of the study locations in four districts of Delhi namely North, North West, South and South East.
- Examining the status of CiSS in terms of their access to government social protection schemes and services
- Studying the socio-economic and related conditions of the CiSS in four districts.

3.5 Efficient Alternate Crop Plan & Integrated Farming System Models in Paddy Dominant Areas of Sujapur Village under Block Bhawanipatna, District Kalahandi, Odisha by NABARD:

AFC India Ltd undertook the assignment to increase the efficiency of farmers and doubling the income beyond Paddy Project of NABARD. For this, strategies for encouraging farmers in selected districts of Odisha were made to diversify from paddy cultivation to other alternate crops that require low water and have the potential to generate better economic returns both in Kharif and Rabi season. AFC has been performing the following roles:

- Mobilization of farmers from paddy crop to other diversified crops by adoption of modern technologies etc. through village meeting
- Doubling the farmers income after adoption of crop diversification
- Change in socio-economic conditions of the farmers through involvement of govt. programmes
- Streamline the credit requirement of farmers through Kisan Credit Card.
- Streamline the marketing of farmers produce through involving existing FPO
- Judicious use of crop land, water, human and livestock resources.
- Livelihood development of women farmers through different IGA's
- Ensuring sustainability of interventions.
- Improvement in surface water bodies, which have potential to irrigate.
- Increase agriculture employment from 3 to 6 months.

4. Technical Support Unit/Project Management Consultancy

4.1 Central Technical Support Unit (TSU) on Crop Insurance (PMFBY):

AFC India Ltd as a Technical Support Unit (TSU) for UNDP is evaluating Crop Insurance (PMFBY) Scheme. The purpose of this evaluation is to produce an evidence-based narrative of the contribution of the TSU to the implementation of PMFBY. The data was collected from Officials of the Ministry of Agriculture & Farmer Welfare (GoI); Officials of Maharashtra, Rajasthan and Odisha state governments; district-level officials in Beed (Maharashtra) & Sehore (Madhya Pradesh); Insurance Companies; Banks; CSC; Reinsurers; the TSU team; Research Institutions; and Farmers (in Beed and Sehore). Major activities undertaken in the year 2022-23 include creation of repository of best practices in crop insurance, simplifying the enrollment process, quick grievance redressal, large-scale communication and outreach activities, performing key role of the nexus of communication in the PMFBY ecosystem - acting as an advocate, accumulator and disseminator of knowledge.

4.2 State Resource Environment Agency for developing EA tools, EMF manual, Capacity Building, Environment Audit and Internal Monitoring of EMF implementation in Tamil Nadu Rural Transformation Project (TNRTP):

Vaazhndhu Kaattuvom Project (VKP) is an innovative project, assisted by the World Bank, for poverty alleviation by building sustainability and prosperity of rural communities through enterprise promotion, access to finance, and employment opportunities. In the year 2022-23, following key activities have been performed:

- **Green Rating of FPCs** – In a first of its kind practice, the SERA team conducted green rating of 25 Farmer Producer Companies of Vaazhndhu Kaattuvom Project (VKP), to assess the green measures/practices implemented in their respective businesses.
- **PGS registration** – To promote sustainable agriculture practices which are environmentally friendly and economically feasible, VKP is promoting the organic farming by registering the local groups under the PGS-India Certification.
- **Green audits** – This is a unique activity done by SERA covering 400 business activities comprising about farm and non-farm sector businesses. Out of the total 142 producer groups involved in farm activity, 32% (45) of the producer groups are graded under G2 & G3 while the remaining 68% (97) of producer groups graded under G4.
- **EMF monitoring and Audits** – SERA conducted monitoring visits for 500 units to assess the implementation of provisions of the Environmental Management Framework
- **Training and workshops** – Trainings and workshops on environmental management, greening, environmental legislations etc were imparted to nearly 950 State, District, Block and Village level experts. They are now aware of the EMF and Greening concepts. They are made aware of legal environmental requirements, PGS, Greening, etc.
- **IEC material** - IEC on pesticide management, EMF management, classification of business practices based on PCB classification etc were distributed to district units and beneficiaries.

4.3 Technical Partner to NABARD for developing National Level PACS Software Vendor (NLPSV):

The assignment was awarded at the fag end of the year by the client i.e. NABARD to consortia in which AFC India Ltd is one of the partner firms. As per the scope of the assignment, AFC is doing Computerization of Primary Agricultural Credit Societies (PACS) which includes but is not limited to supply of a common Enterprise Resource Planning (ERP) software, implementation, posting, migration, testing, fixing, training and providing operations, maintenance and support to 63000 PACS for a period 04 years including piloting in 300 PACS.



5. Training and Capacity building

5.1 Organizing Awareness cum Training Camps/Events under Central Sector Schemes of SFAC:

AFC India Ltd as a Project Management Agency (PMA) is undertaking assignment “Organizing Awareness cum Training Camps/Events under Central Sector Schemes of SFAC” of SFAC to provide service in awareness inputs for the effective implementation of Central Sector Schemes. AFC has been organizing several awareness-cum-training camps, raising



awareness about various schemes among farmers, mobilization of print and electronic media and provision of complete backup pertaining to the training camps. AFC has organized awareness camps in different states/districts across the country. The participants include a wide range of stakeholders like Department of Agriculture & allied sectors, Bankers/Financial Institutions, NABARD, NGOs, FPOs/FPCs, Entrepreneurs etc. So far total 1265 camps have been organized including 1209 district level camps and 56 state level camps since July, 2012 to October, 2022.

5.2 Women Entrepreneurship Development Training Programme (Child Fund India):

To encourage the spirit of self-employment among women entrepreneurs and develop small and medium enterprises of 5000 women from Pune Distt. of Maharashtra and 4200 Women from 7 districts covering 8 locations namely Ankola, Bangalore Rural, Bangalore Urban, Kalburgi, Karwar, Mangalore, Mysore, and Raichur of Karnataka a 7 days training course was designed by AFC India Ltd to enable the participants to have a comprehensive understanding of

the entrepreneurship and business development, focus on sharing of practical knowledge by the participants and resource persons, encourage exchange of information and ideas through group discussions, adopt participative methods, and foster networking among the participants. The language used during the training program was local language i.e., *Marathi and Kannada*. The 7-day offline training sessions included tools and methods such as live contact sessions, live group presentations, self-paced learning and group discussions, evaluations/examination, and certificates of completion.

5.3 Micro Enterprise Development Programme (MEDP) of NABARD for 30 WSHG members on Mushroom Cultivation & Marketing:

In all 30 SHG members from 6 groups were involved for MEDP training programme on mushroom cultivation. Team members of AFC India Ltd with experts imparted the training programme for 10 days including 5-day field demonstration. In view of availability of local paddy straw & interest of WSHG groups the training programme was great success.

5.4 “Tejaswini” World Bank Supported project awarded to Jharkhand Women Development Society (JWDS):

Tejaswini project aims at socio economic empowerment of adolescent girls and young women (AGYW) through self-employment, with the support of World Bank to Jharkhand Women Development Society (JWDS). Tejaswini has three components including (i) Expanding Social, Educational opportunities aiming to support AGYWs to become more empowered and responsive towards their basic rights and entitlements. (ii) Intensive Service Delivery through accessibility to educational intervention, trainings and employment opportunities and (iii) Capacity building and implementation support which aims at strengthening the existing mechanism of the Department and society so that deliverables of the project may be achieved.

Skill training was initiated in May' 2022 in all the districts. Two parameters were adopted for identifying the potential trade in districts namely market research study and psychometric test of AGYWs, and accordingly following trades were identified:

- Bokaro: Mushroom Growers
- Jamtara: Soap and Shampoo
- Deoghar: Goat Farmers
- Pakur: Medicinal Plants
- Ramgarh: Goat Farmers
- Koderma: Goat Farmers
- Dumka: Sericulture

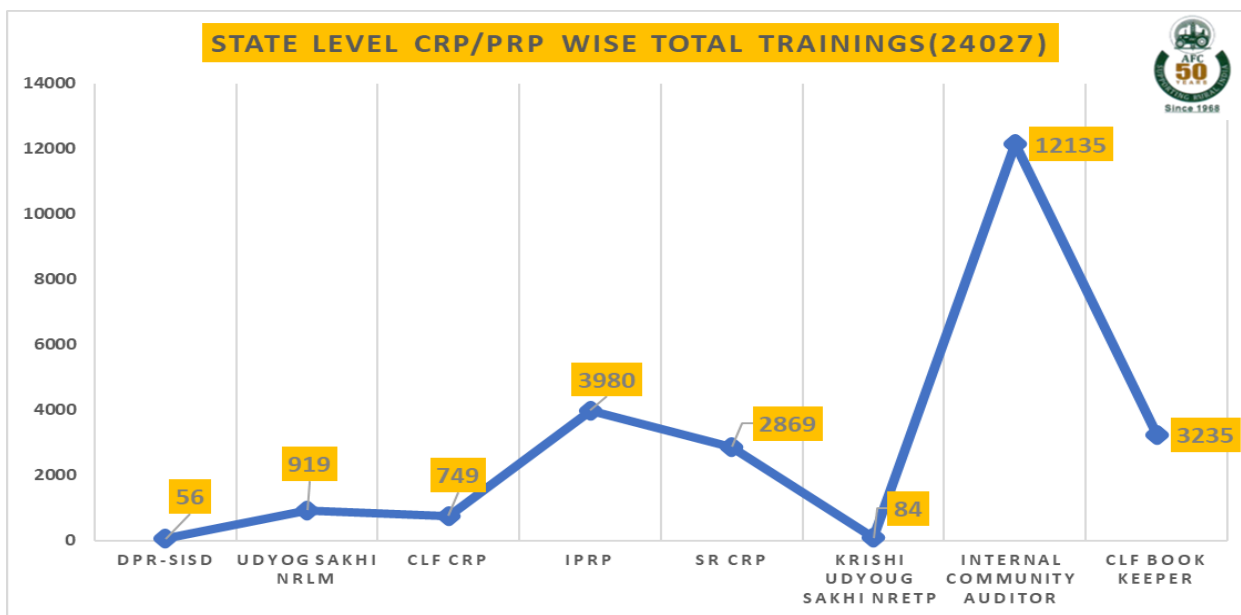
As per the skill council guideline, 200 hours (40 days) non-residential training was organized at Gram Panchayat Bhawans. To encourage the AGYWs for active participation in trainings and further starting their own venture, efforts were made to make the inauguration day as an event where participation of Mukhiyas, local traditional leaders, Government and Bank functionaries were invited. On completion of the training, assessment and certification of AGYWs was done.

A total of 476 AGYWs have been trained and certified. Out of 476 trained numbers, 286 AGYWs have started their business enterprises. AFC team is providing handholding support and mentoring support to the AGYWs to make them entrepreneurs.

5.5 Conducting Training of multiple Community Resource Persons (CRPs), Professional Resource Persons (PRPs) and Community Institutions ((State, District & Block/Cluster Levels) under different themes of Day-NRLM for Uttar Pradesh State Rural Livelihood Mission (UPSRLM) in 75 Districts of Uttar Pradesh

The assignment was awarded to AFC India Ltd in March, 2023. An MoU for AFC-UPSRLM Resource Cell was entered between AFC India Ltd and Uttar Pradesh State Rural Livelihood Mission (UPSRLM), under the aegis of Rural Development Department, Government of Uttar Pradesh with an aim of building large pool of resource person at regional and District level.

Under the assignment, AFC-UPSRLM will provide team of resource persons (AFC Faculty members) and use existing resource persons of UPSRLM for imparting trainings of community Cadres, community institutions, professional staffs and other support required such as developing new training module, revise existing training modules, developing training and learning materials, leaflet, need based IEC material etc.in a seamless manner. This project will cover all the 75 Districts and 826 Blocks of Uttar Pradesh. Total trainings to be provided at district level is 68,995 (comprising 21527 Samuh Sakhi, 10220 IRCP and 37248 VO Bee keeper. Under the purview of MoU, 5 major Trainings of UPSRLM allocated to AFC India Ltd are as follows:



- a) Conducting State Level Residential Training of **CLF (Cluster Level Federation) Book Keeper, IPRP (Internal Professional Resource Person), and Internal Community Auditor** from 75 Districts under DAY-NRLM.

- b) Conducting State-Level Farm Livelihood Theme Residential Trainings of **Krishi Udyog Sakhi (KUS) (NRLM)** and **Krishi Udyog Sakhi Trainings (NRETP)** from 75 Districts under DAY-NRLM.
- c) Conducting State-Level Residential Training of **District Resource Persons (DRPs)** under SISD (Social Inclusion and Social Development) Theme from 75 Districts under DAY-NRLM
- d) Conducting State Level Residential Training of **Sr. CRP (Senior Community Resource Person)** and **CLF CRP (Cluster Level Federation Community Resource Person)** under SMCB (Social Mobilisation and Capacity Building) Theme from 75 Districts under DAY-NRLM.
- e) Conducting Residential District Level Training of Samooh Sakhi, VO (Village Organisation) Bookkeeper and ICRP (Internal Community Resource Person) from 75 Districts under DAY NRLM.



Trained women with the certificates



Certified women entrepreneurs



6. Detailed Project Report/Pre-feasibility study/Plan preparation

6.1 Preparation of City Disaster Management Plans (CDMPs) for the Municipal Corporation of Darbhanga & Begusarai of Bihar State:

AFC India Ltd pursuing the goal of Bihar Disaster Risk Reduction Roadmap (2015-30) is undertaking activities related to Integrated evaluation of the disasters of Darbhanga and Begusarai city, Disaster preparedness, response strategy and rehabilitation plan, Preparation of

city disaster management plan with the participation of local bodies, government and non-government organizations and citizens, Customized disaster management planning for vulnerable groups such as slum dwellers, differently-abled, aged, women and children.



Road going from Bhatiyari Sarai to Naka No. 05



Ward no. 6 Bhativari



Tower Chowk



Flood



Pokhra



75
आज़ादी का
अमृत महोत्सव

कार्यालय महानिदेशक लेखापरीक्षा
(कृषि, खाद्य एवं जल संसाधन), नई दिल्ली
Office of the Director General of Audit
(Agriculture, Food & Water Resources), New Delhi



गोपनीय

रिपोर्ट/2-154/डी.जी.ए./ (ए.एफ.&डब्ल्यू.आर)/Acts/AFC India Ltd/2023-24/3311

दिनांक: 12/09/2023

सेवा में,

प्रबन्ध निदेशक,
ए. एफ. सी. इंडिया लिमिटेड,
धनराज महल, पहिली मंजिल,
सी एस एम् मार्ग,
मुंबई 400001.

विषय: भारत के नियन्त्रक एवं महालेखापरीक्षक द्वारा कम्पनी अधिनियम 2013 के अनुच्छेद 143(6)(b) के अंतर्गत ए.एफ.सी. इंडिया लिमिटेड के 31 मार्च 2023 को समाप्त वर्ष के वित्तीय खातों पर टिप्पणियाँ।

महोदया,

इस पत्र के साथ कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत ए.एफ.सी. इंडिया लिमिटेड के 31 मार्च 2023 को समाप्त वर्ष के वित्तीय खातों पर Non-Review प्रमाणपत्र भेजा जा रहा है।

कृपया इस पत्र की पावती भेजने की कृपा करें।

संलग्न: यथोपरी

भवदीया,

गुरवीन
12/9/23

(गुरवीन सिदधू)

महानिदेशक लेखापरीक्षा (कृषि, खाद्य एवं जल संसाधन)

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF AFC INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2023

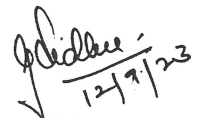
The preparation of financial statements of AFC India Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 6 July 2023.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of AFC India Limited for the year ended 31 March 2023 under section 143 (6)(a) of the Act.

**For and on the behalf of the
Comptroller & Auditor General of India**

Place: New Delhi

Date: 12.09.2023


12/9/23

**(Gurveen Sidhu)
Director General of Audit
(Agriculture, Food & Water Resources)**

**AUDITED ACCOUNTS
OF
AFC INDIA LIMITED
FOR THE YEAR ENDED 31-03-2023**

AUDITORS
KULKARNI & KHANOLKAR
Chartered Accountants
602, Sunil Enclave, Near Western Express Highway,
Off Andheri –Kurla Road, Andheri (East), Mumbai-400099.

	<p>KULKARNI & KHANOLKAR (REGISTERED) CHARTERED ACCOUNTANTS</p>
	<p>Address : 602, Sunil Enclave, Near Western Express Highway, Off Andheri Kurla Road, Andheri (East), MUMBAI - 400 099. Telephone No. : 022- 022 49739335 Email: kulkarniandkhanolkar@gmail.com Website : www.kulkarniandkhanolkar.com</p>

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. AFC India Limited.

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of M/s. AFC India Limited. ("the Company"), which comprise the balance sheet as at 31st March 2023, and the statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters, except as mentioned below;



Description of Key Audit Matter	Description of Auditor's Response
<p>Accuracy of revenues and expenses in respect of consultancy income generated from various Projects involves critical estimates. The company recognizes revenue on the basis of estimated percentage of completion of the respective contract (project).</p> <p>This involves determining percentage of Completion of projects and the corresponding expense payable to business associates.</p>	<p>Our audit procedures included but were not limited to the following:</p> <ol style="list-style-type: none"> 1. Going through the documentation of consultancy income (Projects) and corresponding agreements with Business Associates on test check basis. 2. Ensuring that proportionate expenses are provided against revenue recognized by the company. 3. Obtaining management representation of summary of revenue and expenses recognized of all projects pending as on 31st March 2023.

Other Information i.e. Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements and our auditor's report thereon. The Directors' Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Directors' Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and to the Members of the Company.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, 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.
- 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any



significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by C&AG of India through supplementary directions dated 19th October 2014 issued under section 143(5) of the Companies Act 2013, on the basis of the information received from the management, we give our report on the matter specified in the annexure B attached.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) We have also audited the Internal Financial Control over Financial Reporting(IFCoFR) of the company as on 31stMarch 2023 in conjunction with our audit of the financial statements of the company for the year ended on that



date and our report as per Annexure – C expressed a modified opinion.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: NIL.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position. The Company has disclosed the impact of pending litigation on its financial position as at 31st March 2023 in note no. 29 to the financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 37 (xiii) (A) to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- v. The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 37 (xiii) (B) to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. And
- vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
- vii. The company has not declared or paid any dividend during the year.
- viii. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.



- (i) With respect to the matter to be included in the Auditors' Report under Section 197(16): In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

Place: Mumbai
Date : 6th July 2023

KULKARNI & KHANOLKAR
CHARTERED ACCOUNTANTS
602, Sunil Enclave, Near Western Express Highway
Off Andheri Kurla Road, Andheri (East),
Mumbai - 400099.

For KULKARNI & KHANOLKAR
CHARTERED ACCOUNTANTS
Firm Reg. No. 105407W

(Mihir M. Bapat)
Partner
Membership No. 163657
UDIN: 23163657BGYVZI8176

(Annexure "A" Referred to in paragraph 1 under the heading of "Report On Other Legal and Regulatory Requirements" of our report of even date)

- (i) (a)(A) The company is maintaining proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment.
(B) The company is maintaining proper records showing full particulars of its intangible assets.
- (b) We are informed that the physical verification of the Property, Plant and Equipment is conducted by the management at reasonable intervals. As informed to us, no material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- (d) As informed to us, the company has not revalued its Property, Plant and Equipment (including Right of Use of assets) or intangible assets or both during the year.
- (e) As informed to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- (ii) The company does not have any inventory. Therefore, the provisions of clause 3(ii) of the Order are not applicable to the company.
- (iii) According to the information given to us, during the year, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to Companies, Firms, Limited

Liability Partnerships or any other parties.

- (iv) In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees and security, wherever applicable, the company has complied with the provisions of Section 185 and section 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits.
- (vi) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under section 148 (1) of the Companies Act, 2013.
- (vii) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess wherever applicable and any other statutory dues.
- (b) According to the information and explanation given to us, there are no dues of Goods and Services Tax, provident fund, employees' state insurance, income tax, sales tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues on account of dispute except Service tax of Rs. 5,06,652/- for the period April 2017 to June 2017 for which the company was in appeal, wherein the appellate has passed an order and has remanded back the case to the AA. The above figures include only the service tax portion; interest and penalty have not been covered in the above-mentioned service tax demand.
- (viii) In our opinion and according to the information and explanations given to us, there are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- (ix) (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us, the company has not been declared wilful defaulter by any bank or financial institution or any other lender.
- (c) In our opinion and according to the information and explanations given to us, the company has not taken any term loans during the year.
- (d) In our opinion and according to the information and explanations given to us, funds raised on short term basis have not been utilized for long term purposes.
- (e) In our opinion and according to the information and explanations given to us, the



company has not taken any funds from any entity or person on account of or to meet the obligations of its Subsidiaries, Associates or Joint Ventures.

(f) In our opinion and according to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its Subsidiaries, Joint Ventures or Associate companies.

(x) (a) In our opinion and according to the information & explanation given to us, the company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) In our opinion and according to the information & explanation given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.

(xi) (a) According to the information and explanations given to us, no fraud by the company or on the company has been noticed or reported during the year under our audit.

(b) According to the information and explanations given to us, no report under section 143 (12) of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) According to the information and explanations given to us, there were no whistle-blower complaints received during the year by the company.

(xii) (a) In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company.

(b) In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company.

(c) In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company.

(xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.

(xiv) (a) In our opinion and according to the information and explanations given to us, the company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of Internal Auditors for the period under audit are considered by the Statutory Auditor.

(xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him.



- (xvi) (a) In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) According to the information and explanations given to us, the company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
- (c) According to the information and explanations given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) According to the information and explanations given to us, the Group does not have more than one CIC as part of the Group.
- (xvii) According to the information and explanations given to us, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the Statutory Auditors during the year.
- (xix) In our opinion and according to the information and explanations given to us, and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, there exists no material uncertainty as on the date of the audit report that company is capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the balance sheet date.
- (xx) (a) In our opinion and according to the information and explanations given to us, section 135 of the Companies Act, 2013 is not applicable to the company.
- (b) In our opinion and according to the information and explanations given to us, in respect of ongoing projects, there is no unspent amount required to be transferred to a Fund specified in Schedule VII to the Companies Act.
- (xxi) The company is not liable to prepare consolidated financial statement. Therefore, the provisions of clause 3(xxi) of the Order are not applicable to the company.

Place: Mumbai
Date : 6th July 2023

For KULKARNI & KHANOLKAR
CHARTERED ACCOUNTANTS
Firm Reg. No. 105407W



(Mihir M. Bapat)
Partner
Membership No. 163657
UDIN: 23163657BGYVZI8176

KULKARNI & KHANOLKAR
CHARTERED ACCOUNTANTS
602, Sunil Enclave, Near Western Express Highway
Off Andheri Kurla Road, Andheri (East),
Mumbai - 400099.

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

The "Annexure-B" to the Independent Auditors' Report of even date to the members to 'AFC INDIA LIMITED' on the standalone financial statements for the year ended March 31,2023 (Referred to in paragraph 15 under 'Report on other Legal and Regulatory Requirements' section of our report to the Members of even date) Report u/s 143(5) of the Companies Act 2013.

Sl. No.	Directions	Action Taken	Impact on Financial Statement
A. Directions			
1	Whether the Company has system in place to process all the accounting transactions through IT System? If Yes, the implications of processing of accounting transactions outside IT System on the integrity of the accounts along with the financial implications, if any may be stated.	The company processes its financial transactions through accounting software(Tally). To the best of our knowledge and according to the information and explanations give to us, no accounting transactions are processed outside IT System.	NIL
2	Whether there is restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	<p>Loan/Debt where company is a borrower: Based on the audit procedures carried out and as per the information and explanation given to us, there were no cases of restructuring or waivers/write-off of debts/loans/interest etc. by any lender, due to the company's inability to repay the loan during the FY 2022-23.</p> <p>Loan/Debt where company is a lender: Based on the audit procedures carried out and as per the information and explanation given to us, there were no cases of restructuring or waivers/write-off of debts/loans/interest etc. during the FY 2022-23 with regard to amounts lent by the company to the other parties.</p>	NIL
3	Whether funds received/receivable for specific schemes form Central/State agencies were	According to the information and explanations give to us, no funds have been received from Central/State agencies for specific schemes during the	NIL



properly accounted for/utilized as per its terms and conditions? List the cases of deviation.	year.	
---	-------	--

For KULKARNI & KHANOLKAR
CHARTERED ACCOUNTANTS
Firm Reg. No. 105407W

Place: Mumbai
Date : 6th July 2023



(Mihir M. Bapat)
Partner
Membership No. 163657
UDIN: 23163657BGVZI8176

KULKARNI & KHANOLKAR
CHARTERED ACCOUNTANTS
602, Sunil Enclave, Near Western Express Highway
Off Andheri Kurla Road, Andheri (East),
Mumbai - 400099.

**ANNEXURE “C” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE
ON THE STANDALONE FINANCIAL STATEMENTS OF AFC INDIA LIMITED
Independent Auditors’ Report on the Internal Financial Controls under Clause (i) of
Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of **AFC INDIA LIMITED** (“the Company”) as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally



accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Emphasis of Matter

With Respect to the Revenue Recognition the company follows the Percentage of Completion Method (PCM) however the certification of the percentage completion is done by the Management itself i.e. the Project Head and said certificate has been provided to us at the time of Audit, hence we have given our opinion on the basis of the certificates provided to us by the Management.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Mumbai
Date : 6th July 2023

For KULKARNI & KHANOLKAR
CHARTERED ACCOUNTANTS
Firm Reg. No. 105407W



(Mihir M. Bapat)
Partner
Membership No. 163657
UDIN: 23163657BGYVZI8176

KULKARNI & KHANOLKAR
CHARTERED ACCOUNTANTS
602, Sunil Enclave, Near Western Express Highway
Off Andheri Kurla Road, Andheri (East),
Mumbai - 400099.

AFC INDIA LIMITED
CIN : U65990MH1968GOI013983
Balance Sheet as at March 31, 2023

(Amount in Lakh Rupees)

Particulars	Note No.	As at 31/03/2023	As at 31/03/2022
I EQUITY & LIABILITIES			
1 Shareholder's Funds			
(a) Equity Share Capital	3	1500.00	1500.00
(b) Reserves and Surplus	4	1135.88	1124.68
		2635.88	2624.68
2 LIABILITIES			
(i) NON-CURRENT LIABILITIES			
(a) Long Term Provisions	5	70.22	75.19
TOTAL NON-CURRENT LIABILITIES		70.22	75.19
(ii) CURRENT LIABILITIES			
(a) Short Term Borrowings	6	-	-
(b) Trade Payables	7	-	-
Due to Micro and Small Enterprises			
Due to Others		413.30	276.35
(c) Other Current Liabilities	8	6649.64	4368.68
(d) Short Term Provisions	9	2052.76	1380.07
TOTAL CURRENT LIABILITIES		9115.70	6025.10
TOTAL LIABILITIES		9185.92	6100.30
TOTAL EQUITY AND LIABILITIES		11821.80	8724.98
II ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant and Equipments and Intangible Assets			
(i) Property, Plant and Equipments	10	20.54	28.25
(ii) Intangible Assets	11	.15	.15
(b) Non Current Investments	12	362.19	30.33
(c) Defererd Tax Assets (Net)	13	52.90	53.95
(d) Long Term Loans and Advances	14	450.24	635.35
TOTAL NON-CURRENT ASSETS		886.02	748.03
2 CURRENT ASSETS			
(a) Other Current Assets	15	7245.09	5969.32
(b) Trade Receivables	16	336.98	338.58
(c) Cash and Cash Equivalents	17	3261.86	1648.98
(d) Short Term Loans and Advances	18	91.85	20.07
TOTAL CURRENT ASSETS		10935.78	7976.95
TOTAL ASSETS		11821.80	8724.98
Significant accounting policies and notes to accounts	1 to 35		

As per our report of even date attached

For Kulkarni and Khanolkar
Chartered Accountants
Firm Registration No.: 105407W

(Signature)

CA. Mihir M. Bapat
Partner
Membership No.:163657
UDIN :

Place: Mumbai
Date: 06-07-2023

KULKARNI & KHANOLKAR
CHARTERED ACCOUNTANTS
602, Sunil Enclave, Near Western Express Highway
Off Andheri Kurla Road, Andheri (East).
Mumbai - 400099.

For & on behalf of the Board of Directors
AFC India Limited

(Signature)
Shri Deepak Thombre
Chairman

(Signature)
CA. Mamta Sahal
Chief Financial Officer

(Signature)
Shri Mashar Velapurath
Managing Director

(Signature)
CS. Nidhi Shah
Company Secretary



AFC INDIA LIMITED

CIN : U65990MH1968GOI013983

Statement of Profit and Loss for the year ended March 31, 2023

(Amount in Lakh Rupees)

Particulars	Note No.	For the year ended 31-Mar-23	For the year ended 31-Mar-22
I Income:			
(a) Revenue from Operations	19	3090.33	2922.60
(b) Other Income	20	106.51	140.69
Total Income		3196.84	3063.29
II Expenses:			
(a) Project Expenses	21	2452.83	2165.00
(b) Employee Benefit Expenses	22	520.85	531.77
(c) Finance Costs	23	10.57	10.13
(d) Depreciation and Amortization	24	9.08	11.94
(e) Other Expenses	25	172.61	317.55
Total Expenses		3165.94	3036.38
Profit Before Exceptional Items & prior period expenses and		30.90	26.90
III Tax			
(a) Exceptional Items		-	-
(b) Prior Period Income / (Expenses) Net	26	-	-4.13
IV Profit Before Tax		30.90	22.77
V Less : Tax Expense			
(a) Current Tax		7.78	8.31
(b) Income Tax of Earlier year		10.87	4.05
(c) Deferred Tax		1.05	3.32
VI Profit/(Loss) for the year		11.20	7.09
VII Earnings per equity share for profit/ (Loss)	27		
(a) Basic		74.66	47.30
(b) Diluted		74.66	47.30
Significant accounting policies and notes to accounts	1 to 35		

As per our report of even date attached
For Kulkarni and Khanolkar
Chartered Accountants
Firm Registration No.: 105407W



CA. Mihir M. Bapat
Partner
Membership No.:163657
UDIN :

Place: Mumbai
Date: 06-07-2023

KULKARNI & KHANOLKAR
CHARTERED ACCOUNTANTS

602, Sunil Enclave, Near Western Express Highway
Off Andheri Kurla Road, Andheri (East),
Mumbai - 400099.

For & on behalf of the Board of Directors
AFC India Limited



Shri Deepak Thombre
Chairman



CA. Mamta Sahal
Chief Financial Officer



Shri Masha Velapurath
Managing Director



CS. Nidhi Shah
Company Secretary



AFC INDIA LIMITED
CIN : U65990MH1968GOI013983
Statement of cash flows for the year ended March 31, 2023

	Amount in Lakhs	
	March 31, 2023	March 31, 2022
Cash flow from Operating Activities		
Profit before Exceptional Items and Income tax	30.90	26.90
Adjustments to reconcile net profit to net cash provided by operating activities :		
Depreciation and amortisation expense	9.08	11.94
Impairment Loss on Investments/ Revalue of Investment	.00	.00
Loss on sale of Assets	.00	.02
Interest income	-84.00	-94.89
Interest expenses	10.57	10.13
Dividend income	-.64	-.49
	.00	.00
Operating Profit Before Working Capital Changes	-34.09	-46.39
Change in operating assets and liabilities		
Increase/(decrease) in Long Term Provisions	-4.97	-16.63
Increase/(decrease) in Trade Payables	136.95	54.51
Increase/(decrease) in Other Current Liabilities	2280.97	-623.42
Increase/(decrease) in Short Term Provisions	672.68	401.54
(Increase)/decrease in Long Term Loans and Advances	46.80	17.29
(Increase)/decrease in Other Current Assets	-1271.03	-325.07
(Increase)/decrease in Trade Receivables	1.59	-57.37
(Increase)/decrease in Short Term Loans and Advances	-71.78	-4.80
Cash generated from operations	1757.12	-600.34
Cash Flow from Exceptional Items	.00	.00
Cash Flow from Prior period expenses	.00	-4.13
Income tax paid	119.66	-103.60
Net cash inflow / (outflow) operating activities	1876.79	-708.07
Cash flow from investing activities		
Sale / Disposal of Property, Plant and Equipments	.00	2.20
Purchase of Property, Plant and Equipments	-1.37	-12.34
Investment in Fixed Deposits	-1030.20	-1713.74
Maturity in Fixed Deposit	1074.78	2027.44
Interest on Fixed Deposits	79.26	128.06
Dividend Income	.64	.49
Net cash inflow / (outflow) investing activities	123.10	432.10
Cash flow from financing activities		
Repayment of borrowings	.00	.00
Interest paid	-10.57	-10.13
Net cash inflow (outflow) from financing activities	-10.57	-10.13
Net increase / (decrease) in cash and cash equivalents	1989.32	-286.10
Cash and cash equivalents at the beginning of the year	124.03	410.13
Cash and cash equivalents at the end of the year	2113.35	124.03
Breakup of Cash and Cash Equivalent		
Cash and Cash Equivalents		
Cash in Hand	.17	.16
Balances with Banks in Current Accounts	76.68	98.01
Balances with Banks in Overdraft Accounts	2036.50	25.86
Total	2113.35	124.03
Total Cash and Cash Equivalent	2113.35	124.03

The above statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date attached
For Kulkarni and Khanolkar
Chartered Accountants
Firm Registration No.: 105407W

For & on behalf of the Board of Directors
AFC India Limited


CA. Mihir M. Bapat
Partner
Membership No.: 163657
UDIN :


Shri Deepak Thombre
Chairman


Shri Mashar Velapurath
Managing Director

Place: Mumbai
Date: 06-07-2023


CA. Mamta Sahal
Chief Financial Officer


CS. Nidhi Shah
Company Secretary



KULKARNI & KHANOLKAR
CHARTERED ACCOUNTANTS
602, Sunil Enclave, Near Western Express Highway
Off Andheri Kurla Road, Andheri (East),
Mumbai - 400099.

AFC INDIA LIMITED

CIN: U65990MH1968GOI013983

NOTES TO FINANCIAL STATEMENTS

1 OVERVIEW

AFC India Limited (AFC) is a multi-disciplinary consultancy and technical support organisation specializing in agriculture and rural development segments of the economy. The company has been providing broad-based consultancy services since 1968. Of late, the company has diversified into large scale project implementation under watershed development, livelihood promotions, organic farming, agriculture extension services, environmental impact assessments, retail microfinance operations, training and capacity building, education, skill development and financial literacy.

2 SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis in compliance with material aspect of the Accounting Standard (AS) Notified under section 133 of the Companies Act, 2013 read with paragraph 7 of the Companies (Accounts) Rules 2014. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year, except for the change in accounting policy explained in paragraph II below.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle, and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities.

The Financial Statements are prepared on the historical cost convention, in accordance with applicable Accounting Standards and the relevant provisions of the Companies Act, 2013.

b. Use of Estimates

The presentation of Financial Statements is in conformity with the generally accepted accounting principles (GAAP) requires the Management to make estimates and assumptions that affect the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialize.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to the accounting estimates is recognized prospectively in the current and future periods.

c. Cash Flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transaction of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

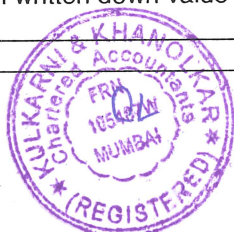
d. Property Plant & Equipment

Tangible Asset:

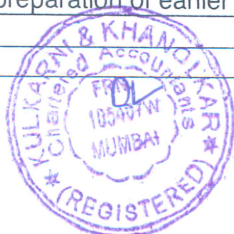
Fixed assets are carried at cost of acquisition or construction/ installation less accumulated depreciation and amortization. Costs include all expenses incurred to bring the assets to its present location and condition.

Intangible Asset:

The intangible assets are capitalized in accordance with the AS 26 "Intangible Assets". The cost of such assets is amortized on written down value method over a period of five years, the estimated economic life of the asset.



e.	Depreciation
	The company provides depreciation on written down value basis over the useful life of the assets as specified in Part "C" of schedule II of the Companies Act, 2013.
f.	Impairment of assets
	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 asset is treated as impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss, if any, is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. Reversal of impairment losses recognised in the prior years is recorded when there is an indication that the impairment losses recognised for the assets no longer exist or have decreased.
g.	Investments
	Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long-term investments and are carried at cost. However, provision for diminution in value of investments is made to recognize a decline, other than temporary, in the value of the investments. Investments other than long-term investments being current investments are valued at cost or fair value whichever is lower, determined on an individual basis. Investments, which are readily realizable and intended to be held for not more than one year from balance sheet date, are classified as current investments. All other investments are classified as non-current investments.
h.	Revenue recognition
	The company generally follows the mercantile system of accounting and recognises significant items of income and expenditure on accrual basis except dividend which is accounted on cash basis. Consultancy fees are recognised as per proportionate completion method (PCM) as prescribed in AS-9 "Revenue Recognition" based on the Project Completion Certificate as certified by the management. Incomplete assignments at the Balance sheet date are shown as "Jobs in Progress".
i.	Employee Benefits
	Short term employee benefits are recognised as an expense at the undiscounted amount in the profit and loss account for the year ended in which the related service is rendered.
	Post-employment benefits:
	<ul style="list-style-type: none"> i. For all employees, provident fund monthly contributions are made to Trust administrated by the company. The interest rate payable by the Trust to the beneficiaries is notified by the Government. The Company has an obligation to make good of the shortfall, if any, between the returns on investments of the Trust and the notified rates. Company's contributions towards the provident fund scheme are recognised during the year in which the related services are rendered. ii. The company has taken a policy of Group Gratuity cum Life Assurance Scheme with Life Insurance Corporation of India (LIC) and the premium determined by LIC is paid and accounted as gratuity. The retirement benefits for gratuity are fully provided as per the certificate received from LIC iii. The retirement benefits for encashment of leave salary are fully provided for on actuarial valuation
j.	Borrowing Cost
	Borrowing costs 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 costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Capitalization of borrowing cost is suspended during the extended period in which active development is interrupted.
k.	Prior Period Item
	Any material (other than those arising out of over/ under estimation in earlier years) arising as a result of error or omission in preparation of earlier years financial statements are separately disclosed.
l.	Taxation



	Current Tax:														
	<p>Provision for current tax is made after taking in to consideration benefits admissible under the provisions of the Income tax Act, 1961.</p> <p>Advance taxes and provision for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision and where the company is able and intends to settle the asset and liability on net basis.</p>														
	Deferred Tax:														
	<p>Deferred tax resulting from "Timing Difference" between Block and Taxable profit is accounted for using the tax rates & laws that have been enacted or substantively enacted on the balance sheet date. The Deferred tax assets is recognized and carried forward only to the extent that there is virtual certainty supported by convincing evidence that the asset will be realized in future.</p> <p>Net outstanding balance in Deferred tax account is recognized as Deferred tax liabilities / asset.</p> <p>The Deferred tax account is used solely for reversing timing difference as and when crystalized</p>														
m.	Provisions, Contingent Liabilities and Contingent Assets														
	<p>A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provision are reviewed at each balance sheet date and adjusted to reflect the current best estimates.</p> <p>A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.</p>														
n.	Earnings Per Share														
	<p>Earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.</p> <p>Diluted earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to the equity shareholders of the Company by weighted average number of equity shares determined by assuming conversion on exercise of conversion rights for all potential dilutive equity shares.</p>														
o.	Cash and Cash Equivalent														
	The company considers all highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having maturities of twelve months or less.														
p.	Provision for Bad and Doubtful Debts														
	<p>The policy being followed by the company for providing for doubtful debts and writing off bad debts is as follows:</p> <table border="1" data-bbox="402 1550 1284 1803"> <thead> <tr> <th>Period of outstanding debt</th> <th>Amount of debt transferred as doubtful debt</th> </tr> </thead> <tbody> <tr> <td>Six Months - One Year</td> <td>Nil</td> </tr> <tr> <td>One Year- Two Years</td> <td>10% of the total outstanding amount</td> </tr> <tr> <td>Two Years – Three Years</td> <td>15% of the total outstanding amount</td> </tr> <tr> <td>Three Years – Five Years</td> <td>20% of the total outstanding amount</td> </tr> <tr> <td>Five Years – Seven Years</td> <td>30% of the total outstanding amount</td> </tr> <tr> <td>More than Seven Years</td> <td>Written off as Bad Debts</td> </tr> </tbody> </table>	Period of outstanding debt	Amount of debt transferred as doubtful debt	Six Months - One Year	Nil	One Year- Two Years	10% of the total outstanding amount	Two Years – Three Years	15% of the total outstanding amount	Three Years – Five Years	20% of the total outstanding amount	Five Years – Seven Years	30% of the total outstanding amount	More than Seven Years	Written off as Bad Debts
Period of outstanding debt	Amount of debt transferred as doubtful debt														
Six Months - One Year	Nil														
One Year- Two Years	10% of the total outstanding amount														
Two Years – Three Years	15% of the total outstanding amount														
Three Years – Five Years	20% of the total outstanding amount														
Five Years – Seven Years	30% of the total outstanding amount														
More than Seven Years	Written off as Bad Debts														
q.	Events occurring after balance sheet date														
	No significant events which could affect the financial position as on 31.03.2023 to a material extent have been reported by the company, after the balance sheet date till the signing of report.														



As per our report of even date attached

For Kulkarni and Khanolkar

Chartered Accountants

Firm Registration No.: 105407W

For & on behalf of the Board of Directors

AFC India Limited



CA. Mihir M. Bapat

Partner

Membership No.:163657

UDIN :

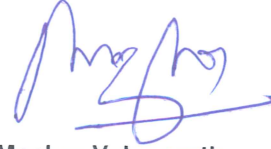
Place: Mumbai

Date: 06-07-2023



Shri Deepak Thombre

Chairman



Shri Mashar Velapurath

Managing Director



CA. Mamta Sahal

Chief Financial Officer



CS. Nidhi Shah

Company Secretary

KULKARNI & KHANOLKAR
CHARTERED ACCOUNTANTS

602, Sunil Enclave, Near Western Express Highway
Off Andheri Kurla Road, Andheri (East),
Mumbai - 400099.



AFC INDIA LIMITED

CIN : U65990MH1968GOI013983

Notes forming part of the financial statements

3 Share Capital

Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares	(Amount in Lakh Rs.)	Number of shares	(Amount in Lakh Rs.)
Authorised Share Capital				
Equity shares of Rs. 10,000/- each	1,00,000	10000.00	1,00,000	10000.00
Issued Subscribed and fully paid up				
Equity shares of Rs. 10,000/- each	15,000	1500.00	15,000	1500.00
Total	15,000	1500.00	15,000	1500.00

3.1 Terms / rights attached to equity shares:

The Company has one class of equity shares having a par value of Rs.10,000/- per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

3.2 Reconciliation of the number of shares and amount outstanding at the end of the reporting period:

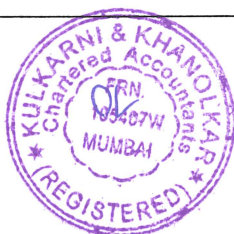
Particulars	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares	(Amount in Lakh Rs.)	Number of shares	(Amount in Lakh Rs.)
At the beginning of the year	15,000	1500.00	15,000	1500.00
Add: Issued During the Year	-	-	-	-
Closing Balance	15,000	1500.00	15,000	1500.00

3.3 Details of shares held by each shareholder holding more than 5% shares:

Name of shareholder	As at 31 March, 2023		As at 31 March, 2022	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
1 Bank of Baroda	2,250	15.00%	2,250	15.00%
2 Punjab National Bank	1,769	11.79%	1,769	11.79%
3 Central Bank of India	1,608	10.72%	1,608	10.72%
4 Bank of India	1,261	8.41%	1,261	8.41%
5 NABARD	1,000	6.67%	1,000	6.67%
6 Standard Chartered Bank	970	6.47%	970	6.47%
7 State Bank of India	950	6.33%	950	6.33%
8 INDIAN BANK	946	6.31%	946	6.31%
9 UNION BANK OF INDIA	831	5.54%	831	5.54%
10 UCO Bank	803	5.35%	803	5.35%
11 Export Import Bank of India	750	5.00%	750	5.00%
12 CANARA BANK	750	5.00%	750	5.00%

3.4 Shares held by promoters at the end of the year

Name of Promotor	No. of Shares	% of total shares	% change during the year
1 Bank of Baroda	2,250	15.00%	0.00%
2 Central Bank of India	1,608	10.72%	0.00%
3 Standard Chartered Bank	970	6.47%	0.00%
4 UNION BANK OF INDIA	831	5.54%	0.00%
5 CANARA BANK	750	5.00%	0.00%
Total	6,409	42.73%	0.00%



AFC India Limited
CIN : U65990MH1968GOI013983

4 Reserves and Surplus

Particulars	Amounts in Lakh	
	As at March 31, 2023	As at March 31, 2022
Profit and Loss Account		
Opening Balance	1124.68	1117.59
Add : Net Profit for the year	11.20	7.09
Total	1135.88	1124.68

5 Long Term Provisions

Particulars	Amounts in Lakh	
	As at March 31, 2023	As at March 31, 2022
Provision for Leave Encashments	70.22	75.19
Total	70.22	75.19

6 Short Term Borrowings

Particulars	Amounts in Lakh	
	As at March 31, 2023	As at March 31, 2022
Secured Overdraft from Central Bank of India	-	-
Total	-	-

The Company has availed an Overdraft Facility of Rs. 2,00,00,000/- (Previous Year Rs. 2,00,00,000/-) from Central Bank of India which is secured against pledge of Fixed Deposits amounting to Rs. 2,25,00,000/- (Previous Year Rs. 2,25,00,000/-)

6.1



7 Trade Payable

Particulars	Amounts in Lakh	
	As at March 31, 2023	As at March 31, 2022
*Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	413.30	276.35
Total	413.30	276.35

7.1 Ageing of Trade Payables

Particulars	Ageing of Trade Payables				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Particulars	-	-	-	-	-
1) MSME	-	-	-	-	-
2) Others	380.99	0.40	10.00	21.92	413.30
3) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00
4) Disputed dues – Others	0.00	0.00	0.00	0.00	0.00
	380.99	0.40	10.00	21.92	413.30

* The Information regarding Micro enterprises and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

8 Other Current Liabilities

Particulars	Amounts in Lakh	
	As at March 31, 2023	As at March 31, 2022
Advance from Customers	6627.11	4345.16
Duties and Taxes	22.53	23.52
Total	6649.64	4368.68

9 Short Term Provisions

Particulars	Amounts in Lakh	
	As at March 31, 2023	As at March 31, 2022
Provision for Project Expenses	1907.81	1239.56
Provision for Leave Encashments (Short Term)	38.34	37.25
Provision for Bad Debts	19.41	22.99
Provision for Gratuity	78.29	79.15
Provision for other expenses	8.90	1.13
Total	2052.76	1380.07



AFC India Limited
CIN : U65990MH1968GOI013983

10 Plant, Property and Equipment

Particulars	Amounts in Lakh					
	Buildings	Data Processing Equipments	Furniture & Fixtures	Vehicles	Office Equipments	Total
<u>Cost or Deemed Cost</u>						
At April 1, 2022	2.47	128.92	109.46	2.94	84.27	328.06
Additions during the year	-	.51	-	-	.86	1.37
Disposals / Adjustments	-	-	-	-	-	.00
At March 31, 2023	2.47	129.43	109.46	2.94	85.14	329.43
<u>Depreciation and Impairment</u>						
At April 1, 2022	2.22	122.26	93.68	2.81	78.83	299.81
Depreciation for the year	.01	3.54	3.38	.02	2.14	9.08
Impairment	-	-	-	-	-	.00
Disposals / Adjustments	-	-	-	-	-	.00
At March 31, 2023	2.23	125.80	97.06	2.84	80.97	308.89
<u>Net Book Value</u>						
At March 31, 2023	.23	3.63	12.40	.10	4.17	20.54
At March 31, 2022	.25	6.66	15.78	.13	5.44	28.25

10.1 The company has applied the estimated useful lives as specified in Schedule II, of the Companies Act 2013, as disclosed in Accounting Policy on Depreciation / Amortization on fixed assets. Accordingly, the unamortized carrying value is being depreciated /amortized over the revised / remaining useful lives.



AFC India Limited
CIN : U65990MH1968GOI013983

11 Intangible Assets

Particulars	Amounts in Lakh	
	Intangible Assets	
<u>Cost or Deemed Cost</u>		
At April 1, 2022		14.80
Additions during the year		-
Disposals / Adjustments		-
At March 31, 2023		14.80
<u>Accumulated Amortisation</u>		
At April 1, 2022		14.66
Depreciation for the year		.00
Impairment		-
Disposals / Adjustments		-
At March 31, 2023		14.66
<u>Net Book Value</u>		
At March 31, 2023		.15
At March 31, 2022		.15

11.1 The company has applied the estimated useful lives as specified in Schedule II, of the Companies Act 2013, as disclosed in Accounting Policy on Depreciation / Amortization on fixed assets. Accordingly, the unamortized carrying value is being depreciated /amortized over the revised / remaining useful lives.



AFC INDIA LIMITED
CIN : U65990MH1968GOI013983

12 Non Current Investments

Particulars	Amounts in Lakh	
	As at March 31, 2023	As at March 31, 2022
<u>Investments - Other Than Trade</u>		
(i) Equity Instruments - Quoted		
200 Equity Shares of Rs. 10- Each fully paid up of Coal India Limited <i>(Previous Year 200 Equity Shares of Rs. 10/- Each)</i>	.64	.64
2,000 Equity Shares of Rs. 10- Each fully paid up of 'IDFC First Bank Limited' <i>(Previous Year 2,000 Equity Shares of Rs. 10/- Each)</i>	1.17	1.17
(ii) Equity Instruments - Unquoted		
Investment in Other Companies		
30,000 Equity Shares of Rs. 10/- Each fully paid up of GPCL Consulting Services Limited <i>(Previous Year 30,000 Equity Shares of Rs. 10/- Each)</i>	3.00	3.00
Fixed Deposits with Banks (Having maturity more than 12 Months)	357.38	25.52
Total	362.19	30.33
Cost of Purchase of Quoted Investments	1.81	1.81
Market Value of Quoted Investment	1.53	1.16
Aggregate Amount of Unquoted Investments	3.00	3.00
Aggregate Amount of Deposit with Bank	357.38	25.52

13 Deferred Tax Assets

Particulars	Amounts in Lakh	
	As at March 31, 2023	As at March 31, 2022
<u>Deferred Tax Assets</u>		
Opening Balance	53.95	57.28
Add : Additions / (Deletions) during the year	-1.05	-3.32
Total	52.90	53.95

13.1 The Component of Deferred Tax Balances as on 31-03-2023 accounted in accordance with Accounting Standard - 22 "Accounting for Taxes on Income" issued by ICAI are as under :



Particulars	As at March 31, 2023	As at March 31, 2022
Expenses allowed on Payment Basis	47.03	48.22
Depreciation on Fixed Assets	5.88	5.73
Net Deferred Tax Asset	52.90	53.95

14 Long Term Loans and Advances

Particulars	Amounts in Lakh	
	As at March 31, 2023	As at March 31, 2022
<u>Unsecured Considered Good</u>		
Advance Taxes (Net of Provision)	353.82	492.13
Deposits	95.96	142.52
Festival Advance	.46	.71
Total	450.24	635.35

15 Other Current Assets

Particulars	Amounts in Lakh	
	As at March 31, 2023	As at March 31, 2022
Jobs in Progress	7165.06	5878.60
Accrued Interest on Investments	31.46	26.72
Balance with Government Authorities - GST (Net)	48.19	63.62
Service Tax Appeal Deposit	.38	.38
Total	7245.09	5969.32



16 Trade Receivables

Particulars	Amounts in Lakh	
	As at March 31, 2023	As at March 31, 2022
Unsecured		
Outstanding for a period exceeding six months :		
Unsecured Considered Good	185.77	113.10
Unsecured Considered Doubtful	19.41	22.99
Sub Total	205.19	136.10
Provision for Bad Debts	19.41	22.99
Net	185.77	113.10
Others		
Unsecured Considered Good	151.21	225.47
Total	336.98	338.58

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	151.21	107.40	15.71	3.26	40.00	317.57
(ii) Undisputed Trade Receivables – considered doubtful	0.00	0.00	1.75	0.57	17.09	19.41
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
	151.21	107.40	17.45	3.83	57.09	336.98



17 Cash and Cash Equivalents

Particulars	Amounts in Lakh	
	As at March 31, 2023	As at March 31, 2022
(i) <u>Cash and Cash Equivalents</u>		
Cash in Hand	.17	.16
Balances with Banks in Current Accounts	76.68	98.01
Balances with Banks in Overdraft Accounts	2036.50	25.86
Others :		
Investment in Mutual Funds	-	-
	2113.35	124.03
(ii) <u>Other Bank Balances</u>		
Deposit with Bank (Maturity in less than 3 Months)	732.00	762.00
Deposit with Bank (Maturity in less than 12 Months but more than 3 Months)	416.51	762.95
Total	3261.86	1648.98

17.1 Fixed Deposits includes Fixed Deposits pledged with bank for facilities granted to the company aggregating to Rs. 4,75,00,000/- (Against Overdraft Facility Rs. 2,25,00,000/- and Against Bank Guarantees Rs. 2,50,00,000/-) (Previous Year Rs. 4,75,00,000/-)

18 Short Term Loans and Advances

Particulars	Amounts in Lakh	
	As at March 31, 2023	As at March 31, 2022
Advances to Related Parties	3.75	.00
Prepaid Expenses	14.99	11.97
Other Advances (Net)*	73.11	8.10
Total	91.85	20.07

*Other Advances Includes advance given to AFC PF TRUST

18.1 Loans to Related Parties includes Loans given to Companies under the same management :

Particulars	As at	
	March 31, 2023	March 31, 2022
AFC Foundation	3.75	-
Total	3.75	-



AFC INDIA LIMITED
CIN : U65990MH1968GOI013983

19 Revenue from Operations

Particulars	(Amount in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Consultancy Income	3090.33	2922.60
Total	3090.33	2922.60

19.1 Consultancy Income

Particulars	(Amount in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Projects Completed During the Year	1803.87	2581.70
Add : Value of Closing Jobs in Progress	7165.06	5878.60
Less : Value of Opening Jobs in Progress	5878.60	5537.70
Total	3090.33	2922.60

20 Other Income

Particulars	(Amount in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Interest Income	84.00	94.89
Other Non Operating Revenue	.08	.24
Dividend Income	.64	.49
Provision for Doubtful Debts w/back	3.58	41.83
Interest on IT Refund	18.21	3.24
Total	106.51	140.69



21 Project Expenses

Particulars	(Amount in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Project Expenses	2359.99	2109.74
Consultancy Charges	63.83	48.86
Other Expenses	29.01	6.39
Total	2452.83	2165.00

22 Employee Benefits Expenses

Particulars	(Amount in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Salary Allowances and Bonus	447.18	457.39
Contribution to Provident Fund and Other Funds	48.20	51.67
Staff Welfare Expenses	25.47	22.71
Total	520.85	531.77

22.1 Post Employment Benefits**Retirement Benefit Plans:****(i) Defined Contribution Plans:**

The Company makes contributions towards provident fund to a defined contribution retirement benefit plan for qualifying employees.

The provident fund plan is operated by the "Employees Provident Fund Organisation, (Govt. undertaking)". Eligible employees receive benefit from the said Provident Fund Organisation which is a defined contribution plan. Both the employees and the Company make monthly contributions to the Provident Fund Plan equal to a specified percentage of the covered employee's salary. The interest rate payable by the Organisation to the beneficiaries every year is being notified by the government.

The Company recognized Rs. 25.96/- Lakh (PY Rs. 28.02/- Lakh) for provident fund contributions in the Profit and Loss Account.

(ii) Defined Benefit Plans:

The company makes provision for Gratuity on Retirement as per the scheme formulated by the Company. The Scheme provides for payment to vested employees as under.

(a) On Normal retirement/ early retirement/ withdrawal / resignation

As per the provisions of Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

(a) On death in service

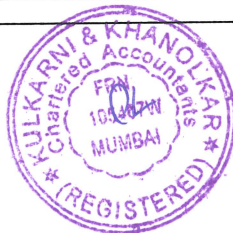
As per the provisions of Payment of Gratuity Act, 1972 without any vesting period.

23 Finance Costs

Particulars	(Amount in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Interest on Overdraft	6.16	5.94
Bank Charges	4.41	4.20
Total	10.57	10.13

24 Depreciation and Amortisation Costs

Particulars	(Amount in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Depreciation on Tangible Assets	9.08	11.94
Depreciation on Intangible Assets	.00	.00
Total	9.08	11.94



25 Other Expenses

Particulars	(Amount in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Advertisement Expenses	.00	.44
AMC Charges	1.51	2.33
Annual Custody Fees to NSDL	.00	.45
Bad Debts Written off	8.68	163.31
Brokerage charges	.00	.30
Business Promotion Expenses	2.71	3.41
Communication Expenses	6.97	6.26
Computer Repairs and Maintenance	3.53	3.11
Director Sitting Fees & Others	2.50	4.30
Electricity Charges	9.43	7.86
Inspection Charges	.42	.46
Insurance Expenses	3.37	1.32
Legal and Professional Fees	9.21	8.67
Membership and Subscription	2.33	.44
Miscellaneous Expenses	.30	1.90
Office Maintenance	27.30	20.38
Other Expenses	.00	.73
Printing and Stationery	6.43	6.60
Rent Rates and Taxes	63.70	49.27
Shifting Charges	.00	1.36
Statutory Audit Fees	.30	.30
Sundry Balance W/off (Net)	.00	.45
Tax Audit Fees	.20	.20
Travelling and Conveyance	20.52	26.87
Vehicle Maintenance and Hiring Charges	2.11	6.31
Water Charges	1.07	.52
Total	172.61	317.55

Payment to Auditors: (Including GST wherever applicable)

25.1 Particulars	31-Mar-23	31-Mar-22
A Audit Fees	.30	.30
B Tax Audit Fees		.20
C As advisor or in any other capacity in respect of:		
Taxation Matters	.00	.00
In any other manner (Certification, Consultancy Work, Etc.)	.00	.53
D GST	.00	.18

26 Prior Period Expenses

Particulars	(Amount in Lakh)	
	As at March 31, 2023	As at March 31, 2022
Prior period Expenses	.00	4.13
Total	.00	4.13



AFC INDIA LIMITED
CIN : U65990MH1968GOI013983

27 Earnings Per Share

Particulars	March 31, 2023	March 31, 2022
Basic Earnings per share	74.66	47.30
Diluted Earnings per share	74.66	47.30
Nominal Value of Shares	10,000	10,000

The calculation of basic and diluted earnings per share has been based on the following profit attributable to equity shareholders and weighted-average number of equity shares outstanding.

Particulars	Amount in Lakh	
	March 31, 2023	March 31, 2022
i. Profit attributable to equity shareholders (basic & diluted)		
Profit/(loss) for the year, attributable to equity shareholders of the company	11.20	7.09
No of shares	March 31, 2023	March 31, 2022
ii. Weighted average number of equity shares (basic)	15,000	15,000
Issued equity shares as at the beginning of the year	-	-
Weighted average number of shares as at the end of the year	15,000	15,000



AFC INDIA LIMITED
CIN : U65990MH1968GOI013983

28 **Disclosure of related parties / related party transactions**

A. List of related parties :

Sr No.	Name	Designation
i)	Key Management Personnel :	
1	Shri Mashar Velapurath	Managing Director
2	Shri Ravindra Vidyadhar Boratkar	Director
3	Shri David Laltuoklien Sinate	Director
4	Shri Deepak Ambadas Thombre	Director
5	Shri Bhagirath Choudhary	Director
6	Dr.Charudatta Digambar Mayee	Director
7	Dr. Atanu Purkayastha	Director
8	Shri Vijay Vasant Murar	Director
9	Shri Goverdhan Singh Rawat	Director
10	Shri Nitin Govindrao Deshpande	Director
11	Shri Nityananda Behera	Director
12	CA Mamta Neeraj Sahal	Chief Financial Officer
13	CS Nidhi Kishor Shah	Company Secretary
ii)	Subsidiaries :	
	NA	
iii)	Other Related parties :	
1	AFC Foundation	

B. Transactions during the year :

Nature of transaction	Key Management Personnel	Other Related Parties	Amount in Lakh
			Total
1	Remuneration to Key Management Personnel :-		
Salary, Allowances, Perks and Other benefits			
Shri Mashar Velapurath	37.47	.00	37.47
CA. Mamta Neeraj Sahal	18.07	.00	18.07
C.S. Nidhi Kishor Shah	8.97	.00	8.97
			64.50
2	Directors Sitting Fees & Honorarium Fees		
Dr. Charudatta Digambar Mayee	.30	.00	.30
Shri Deepak Thombre	.80	.00	.80
Shri Ravindra Vidyadhar Boratkar	.80	.00	.80
Shri Bhagirath Choudhary	.50	.00	.50
Dr. Atanu Purkayastha	.10	.00	.10
			2.50
3	Current Assets		
AFC Foundation			
Amount Received	.00	7.91	7.91
Amount Given	.00	-4.16	-4.16
			3.75

C. Outstanding at the year end:

Nature of transaction	Amount in Lakh	
	As at 31.03.2023 Rs.	As at 31.03.2022 Rs.
1	Loans and Advance to Related Parties :	
AFC Foundation	3.75	.00
Total	3.75	.00



AFC INDIA LIMITED
CIN : U65990MH1968GOI013983

29 Contingent liabilities

		Rs. In Lakhs	
		March 31, 2023	March 31, 2022
(a)	Contingent liabilities		
	The Company had contingent liabilities as at year end in respect of:		
i)	Claims against the Company not acknowledged as debts	211.84	211.84
ii)	Bank Guarantee issued to obtain various project works	206.51	189.46

29.1 Legal Notice sent by 'Haryana State Rural Livelihood Mission' for refund of amount disbursed along with Penal interest @ 10% p.a. in lieu of termination of contract. - Rs. 2,11,83,857/-

30 Defined Plans

- i. Actuarial Valuation Report of Accounting Compensated Absences (Privilege Leave) liability as required under AS-15(Revised-2005) from M/s.K.A. Pandit(Actuary) is attached as part of this financial statements.
- ii. Gratuity Report Under AS-15(Revised-2005) for the year ended 31st March,2023 from Life Insurance corporation of India is attached as part of this financial statements.

31 Financial Ratio

Sr. No.	RATIOS	FY 22-23	FY 21-22	% CHANGE	NUMERATOR	DENOMINATOR	Reason for Increase/Decrease
1	Current ratio	1.1997	1.3240	-9.39%	Sum Of Current Assets	Sum Of Current Liabilities	
2	Debt service coverage ratio	4.2938	4.2098	1.99%	Profit After Tax But Before Depreciation And Interest	Sum Of Interest & Repayment Of Debt As Per Cash Flow	
3	Return on equity ratio	0.4248	0.2703	57.17%	Profit After Tax	Sum Of Shareholders Fund	Due to increase in Profit after tax by 57.84% as compared to last year
4	Trade receivables turnover ratio	9.1490	9.4310	-2.99%	Turnover	Average Trade Receivables	
5	Trade payables turnover ratio	7.1132	8.6912	-18.16%	Purchase	Average Trade Payable	
6	Net capital turnover ratio	1.1724	1.1135	5.29%	Turnover	Sum Of Shareholders Fund	
7	Net profit ratio	0.0036	0.0024	49.27%	Profit After Tax	Turnover	Due to increase in Profit after tax by 57.84% as compared to last year
8	Return on capital employed	0.0141	0.0125	12.37%	EBIT	Sum Of Shareholders Fund And Sum Of Long Term Borrowings	
9	Return on investment	0.4248	0.2703	57.17%	Profit After Tax	Sum Of Shareholders Fund And Sum Of Long Term Borrowings	Due to increase in Profit after tax by 57.84% as compared to last year

- 32 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006
The Company has not received any information from Micro, small and Medium Enterprises.
The Information regarding Micro enterprises and Small enterprises has been determined to the extent such parties have been identified on the basis of information
- 33 The balances in respect of Sundry Debtors, Sundry Creditors and other Loans & Advances and reconciliation in respect of some of the credit/ debit balances are subject to confirmation and verification. The effect, if any, of the same which are likely to be material will be adjusted at the time of confirmation/ reconciliation.
- 34 In the opinion of the board, the realizable value of current assets, loans and advances, current liabilities in the ordinary course of business would not be less than the amount at which they are stated.
- 35 Previous year's figures have been recast/ restated/ regrouped/ rearranged to the extent practicable, wherever necessary. Figures for the previous year have been regrouped/ rearranged/ reclassified wherever necessary.



AFC India Limited
Notes attached to and forming part of accounts for the year ended 31st March 2023

Additional Regulatory Information:

Note No. 36 - Disclose the utilisation of Borrowed fund

Name of the lender	Nature of the fund raised	Purpose for which amount was sanctioned	Purpose for which amount was utilized	Amount used for other than Specified Purpose	Remark
Not Applicable					

Note No. 37 - Additional Regulatory Information:

i. Title deeds of Immovable Properties not held in name of the Company

Relevant line item in the Balance Sheet	Description of item of property	Gross Carrying Value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Not Applicable						

ii. Where the Company has revalued its Property, Plant and Equipment, the company shall disclose as to whether the revaluation is based on the valuation by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017 – **Not Applicable**

iii. Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties

Type of Borrower	Current Period		Previous Period	
	Amount of Loan/Advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of Loan/Advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	Nil	Nil	Nil	Nil
Directors	Nil	Nil	Nil	Nil
KMPs	Nil	Nil	Nil	Nil
Related Parties	Nil	Nil	Nil	Nil

iv. Capital-Work-in Progress (CWIP)

(a) CWIP aging schedule

CWIP /	Amount of CWIP for a period of	Total*



Intangible Asset under development					
Projects in Progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects Temporarily Suspended	Nil	Nil	Nil	Nil	Nil

(b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan,

CWIP / Intangible Asset under development	To Be Completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in Progress	Nil	Nil	Nil	Nil
Project A				
Project B				
Projects Temporarily Suspended	Nil	Nil	Nil	Nil
Project A				
Project B				

v. Intangible assets under development:

(a) For Intangible assets under development:

Intangible Asset under development	Amount of CWIP for a period of	Total*



Projects in Progress	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects Temporarily Suspended	Nil	Nil	Nil	Nil	Nil

(b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan

Intangible Asset under development	To Be Completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in Progress	Nil	Nil	Nil	Nil
Project A				
Project B				
Projects Temporarily Suspended	Nil	Nil	Nil	Nil
Project A				
Project B				

vi. Details of Benami Property held

Where any proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder – **Not Applicable**

vii. Where the Company has borrowings from banks or financial institutions on the basis of security of current assets, it shall disclose the following– **Not Applicable**

viii. Wilful Defaulter

Where a company is a declared wilful defaulter by any bank or financial institution or other lender – **NO**



ix. Relationship with Struck off Companies

Where the company has any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 – **NO**

x. Registration of charges or satisfaction with Registrar of Companies (ROC)

Where any charges or satisfaction yet to be registered with ROC beyond the statutory period, details and reasons thereof – **Nil**

xi. Compliance with number of layers of companies

Where the company has not complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) rules, 2017 – **Not Applicable**

xii. Where any Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 – **Not Applicable**

xiii. Utilisation of Borrowed funds and share premium

(A) Where company has advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate

Beneficiaries –

Not Applicable

(B) Where a company has received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

Not Applicable

xiv. Undisclosed income

Any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), unless there is immunity for disclosure under any scheme – **Not Applicable**

xv. Corporate Social Responsibility (CSR)

Not Applicable

xvi. Details of Crypto Currency or Virtual Currency

Where the Company has traded or invested in Crypto currency or Virtual Currency during the financial year - **Not Applicable**



As per our report of even date attached

For Kulkarni and Khanolkar
Chartered Accountants

Firm Registration No.: 105407W

For & on behalf of the Board of Directors
AFC India Limited



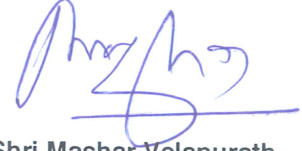
CA. Mihir M. Bapat
Partner
Membership No.:163657
UDIN :

KULKARNI & KHANOLKAR
CHARTERED ACCOUNTANTS
602, Sunil Enclave, Near Western Express Highway
Off Andheri Kurla Road, Andheri (East),
Mumbai - 400099.

Place: Mumbai
Date: 06-07-2023



Shri Deepak Thombre
Chairman



Shri Mashar Velapurath
Managing Director



CA. Mamta Sahal
Chief Financial Officer



CS. Nidhi Shah
Company Secretary



LIFE INSURANCE CORPORATION OF INDIA

Ref:PNGS/561900/706002486

Date :17/05/2023

The Trustees Agricultural Finance Corp Ltd Empl Grty Fund
DHANRAJ MAHAL 1ST FLOOR
C SHIVAJI MAHARAJ MARG
MUMBAI
400001

Dear Sir/Madam,

RE: Group Gratuity Scheme of Your Employees

1	Policy no	:	706002486
	ARD	:	01/04/2023
2	MEMBERSHIP DATA		
	Number Of Members	:	17
	Average age	:	50.18
	Average Monthly Salary	:	90528.58
	Average Past Service	:	15.76
3	VALUATION METHOD	:	Projected Unit Credit Method
4	ACTUARIAL ASSUMPTIONS		
	Mortality Rate	:	LIC(2006-08) ultimate
	Withdrawal Rate	:	1% to 3% depending on age
	Discount rate	:	7.25% p. a.
	Salary Escalation	:	4%
5	RESULTS OF VALUATION		
	a. PV of Past Service Benefit	:	12030928
	b. Current Service Cost	:	623660
	c. Total Service Gratuity	:	22166031
	d. Accrued Gratuity	:	14474675
	e. LCSA	:	5466029
	f. LC Premium	:	32947
	g. GST @18%	:	5930
	(S Tax + Ec / SB Cess + KK Cess	:	5930.46 + 0 + 0)
6	RECOMMENDED CONTRIBUTION RATE	:	
	a. Fund Value as on Renewal Date	:	4864576
	b. Additional Contribution		
	for existing fund	:	7166352
	c. Current Service Cost	:	623660
7	Total Amount Payable (Rs)	:	7828889
	(6.b + 6.c + 5.f + 5.g)		

8 Benefits Valued

A R D	Category	NRA	Grty Ceiling	Slab	Rate	LCSA Ceiling	RTA	TABLE
01/04/2023	1	60	2000000		99	15	500000	X4
01/04/2023	2	60	2000000		99	15	500000	X4

Please note that the contribution rate may change in future depending upon the experience of the scheme. It is necessary to carry out the the Actuarial Valuation periodically. It may be noted that the above results are as per the Actuarial Valuation which is based upon certain assumptions about future experience of the scheme. Further, the results are particularly sensitive to the difference between assumed valuation rate of discount and the assumed rate of escalation in salary. The valuation is done on the basis of members data.

Yours Faithfully,
MANAGER (PNGS)



K.A. PANDIT

Privilege Leave Liability Valuation Report



Issued to AFC India Limited

As at 31-03-2023

As required Under Accounting Standard 15 (Revised 2005)

Report Date: 17-04-2023



K. A. PANDIT

(ISO9001 : 2015 CERTIFIED)
(ISO27001 : 2013 CERTIFIED)

Date: 17-04-2023

Mamta Sahal, Chief Finance Officer
AFC India Limited
Dhanraj Mahal, First Floor,
c.s.m Marg,
Mumbai - 400001

Sir/Madam,

Subject: Actuarial Valuation Report as on 31-03-2023

As per the request received from **AFC India Limited** for conducting an actuarial valuation as on **31-03-2023** towards **Privilege Leave liability (Ref: 291278)**, the valuation report is attached herewith. I certify that the **Defined Benefit Obligation** as per the details mentioned here under works out to **INR 10,856,399**.

This report is made to the best of my knowledge in conformity with the Actuarial Practice Standard 27 (APS 27) and the relevant Guidance Notes issued by the Institute of Actuaries of India to its members to the extent required by the relevant Accounting Standard and the benefit valued. The results of the valuation were shared with the entity, and this report is prepared in accordance with the constructive confirmation on the actuarial valuation summary specifying the data, assumptions and benefit scheme for the same.

With Regards,



Kulin Patel F.I.A.I. (10235)
Partner
kap@ka-pandit.com

ACTUARY

I am signing this report as a Fellow member of the Institute of Actuaries of India (FIAI) in my professional capacity.



CONTENTS

PREAMBLE	3
1.1 PURPOSE	3
1.2 SCOPE	3
1.3 CONFIDENTIALITY	3
1.4 INDEPENDENCE	4
1.5 DATE OF VALUATION	4
SUMMARY OF RESULTS	5
SUMMARY OF MEMBERSHIP DATA	6
2.1 DATA AND VALIDATION	6
2.2 DATA SUMMARY AND ANALYSIS	6
VALUATION ASSUMPTIONS	8
3.1 DEMOGRAPHIC ASSUMPTIONS	8
3.2 FINANCIAL ASSUMPTIONS	9
3.3 SUMMARY AND COMPARISON OF VALUATION ASSUMPTIONS	11
3.4 REASONABLENESS OF ASSUMPTIONS	11
3.5 MATERIALITY	12
PLAN PROVISIONS	13
RECOGNITION AND MEASUREMENT PRINCIPLES	14
5.1 METHOD OF VALUATION	14
5.2 RECOGNITION OF ACTUARIAL GAINS AND LOSSES	14
5.3 ACCOUNTING STANDARD	14
VALUATION RESULTS	15
GLOSSARY OF KEY TERMS	17
FREQUENTLY ASKED QUESTIONS	20





PREAMBLE

1.1 Purpose

The purpose of this actuarial valuation is to arrive at the Defined Benefit Obligation towards **Privilege Leave** to be provided in the Entity's books of accounts which is subject to the following:-

- This report must be considered in its entirety as individual sections may be misleading if considered in isolation.
- We are available to discuss any questions that may arise regarding this report within a reasonable time period.

1.2 Scope

To prepare valuation report in accordance with **Accounting Standard 15 (Revised 2005)** based on the data and assumptions adopted by the Entity. In particular, this Report does not constitute a formal funding actuarial valuation of the Plan and does not present any recommendation of contributions or funding levels. We have made use of the relevant data and assumptions to prepare this report.

1.3 Confidentiality

This Report is provided solely for the Entity's use and for the specific purposes indicated above. Except where explicit agreement is given in writing, it should not be disclosed or provided to any third party, other than as provided below. In the absence of such consent and an express assumption of responsibility, no responsibility whatsoever is accepted for any consequences arising from any third party relying on this Report or any advice relating to its contents. The Entity may make a copy of this Report available to its auditors, but no representation is made as to the suitability of this Report for any purpose other than that for which it was originally provided and hence accept no responsibility or liability to the Entity's auditors in this regard. The Entity should draw the provisions of this paragraph to the attention of its auditors when passing this Report





to them.

1.4 Independence

To the best of my knowledge, I am not connected to the enterprise in a way which will impair my work and thereby the results of the valuation.

1.5 Date of Valuation

The **Privilege Leave** liability valuation is conducted as on **31-03-2023**. Any material events that are known to have occurred since the effective date of valuation are not considered, unless explicitly mentioned.





SUMMARY OF RESULTS

Data Summary

	31-03-2023	31-03-2022	
Number of Employees	18	23	(-21.74%)
Total Eligible Encashment Salary	INR 1,953,237	INR 2,034,700	(-4.00%)
Total Eligible Availment Salary	INR 1,953,237	INR 2,034,700	(-4.00%)

Valuation Results

	31-03-2023	31-03-2022	
Discontinuance Liability	INR 12,266,923	INR 12,623,830	(-2.83%)
Defined Benefit Obligation	INR 10,856,399	INR 11,244,585	(-3.45%)
Funding Status	Unfunded	Unfunded	
Fund Balance	N.A.	N.A.	
Current Liability	INR 3,834,478	INR 3,725,318	
Non-Current Liability	INR 7,021,921	INR 7,519,267	

The average expected future service is **7.00 years**. (refer glossary for more detail)





SUMMARY OF MEMBERSHIP DATA

2.1 Data and Validation

- The valuation as on **31-03-2023** is based on the data provided by the Entity, having relevance to the data requirements as on **31-03-2023**.
- We have not audited the accuracy of the data but have checked for consistency and reasonableness including checks for age band, service band, negative salaries, etc.
- Data have been supplied to us electronically which are in turn, stored in a secure dedicated folder within our servers.

2.2 Data Summary and Analysis

The current data provided was checked and validated. A comparison with the data used for the previous period is provided below in Table 1:

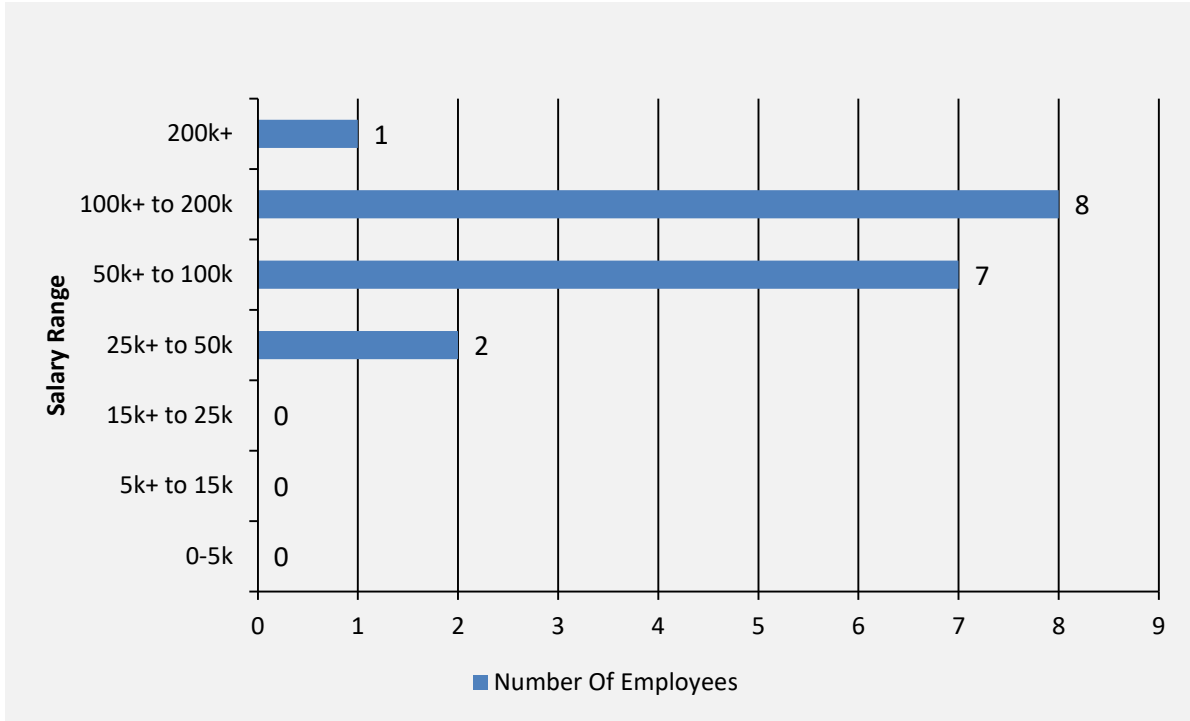
Table 1: Data Summary:

Date of Valuation	31-03-2023	31-03-2022
Number of Employees	18	23
Total Salary (Encashment)	INR 1,953,237	INR 2,034,700
Average Salary (Encashment)	INR 108,513	INR 88,465
Total Salary (Availment)	INR 1,953,237	INR 2,034,700
Average Salary (Availment)	INR 108,513	INR 88,465
Average Age	50.89 years	51.74 years
Average Past Service	15.00 years	16.48 years
Total Leave Days	3474.00 days	4371.00 days
Average Leave Days	193.00 days	190.04 days





Graph 1 reflects the total count of employees for each salary range giving an overview of the salary composition across the Entity:



Graph 1: Salary-wise count of employees





VALUATION ASSUMPTIONS

Valuation assumptions should be unbiased and mutually compatible and are an enterprise's best estimates of the variables that will determine the ultimate cost of providing **other long-term employee benefit**. Any change in assumptions maybe due to changes in demographic and economic outlook.

3.1 Demographic Assumptions

Mortality & Disability:

In order to consider the case where termination of the employment of any employee is due to death or permanent disablement, we have used mortality rates as given under **Indian Assured Lives Mortality 2012-14 (Urban)**. The rates are assumed to include permanent disablement.

Extract of Mortality Rates(Indian Assured Lives Mortality 2012-14 (Urban)):

Age	Rate
18	0.000675
25	0.000941
35	0.001253
45	0.002688
55	0.006576
65	0.013526

Retirement Age:

Retirement Age is the age at which persons who hold certain jobs or offices are required by Entity's rule or by law to leave their employment. We have considered the retirement age for all employees as **58 years**, as advised by the Entity. Anyone having age more than the retirement age is assumed to be retiring immediately.





Attrition Rate:

Attrition rate represents employee turnover other than on account of retirement, death or permanent disablement. Attrition rate is dependent on the nature of business carried out by the Entity and the retention policy of the Entity. Attrition rates are applied at the beginning of each future year. We have considered the **Service related** attrition rate as tabulated below, as advised by the Entity.

Service related band	Attrition Rate
For All Bands	2.00 % p.a.

While in Service Encashment Rate:

While in Service Encashment of **Accumulating compensated absences** are those compensated absences that are encashed by the employees on all instances other than exit. Liability on account of while in service encashment for the next year is a short-term compensated absences liability. We have considered the while in service encashment rate as **5.00% p.a. for the next year**, as advised by the Entity.

While in Service Availment Rate:

Out of the **Accumulating compensated absences** credited, employees will utilize absences for various purposes. When this utilization exceeds the credit given for the current year, an accumulating compensated absences availment liability arises for the Entity which has to be provided for and hence incorporated in the actuarial valuation. We have considered the while in service availment rate as **5.00% p.a., of the total leaves for all future years**, as advised by the Entity.

3.2 Financial Assumptions

Discount Rate:

The rate used to discount **other long-term employee benefit** obligations reflects the estimated timing of benefit payments and the currency in which the benefits are to be paid. We have used the Discount Rate as **7.39% p.a.** which relates to the par-yield rate available on Government Securities (G. Sec.) for the tenure of **7.00 years** i.e. the expected term of the obligation. The rate is taken as per





the deal rate as on **31-03-2023** as suggested under **Accounting Standard 15 (Revised 2005)**.
(Ref: G Sec. rates available through www.fbil.org.in).

The expected term of the obligation is represented by the average expected future service.

Salary Escalation Rate:

Since the payments due to accumulating compensated absences are to be made on the salary at the time of encashment, liability to pay such benefit is based on the salary which the employee will be drawing at the time of encashment; so, it is necessary to arrive at figures which would reflect the salaries of members in the future years.

Estimates of future salary increases have been done on the basis of current salary suitably projected for future, beginning one year after the valuation date, the period is validated based on the available information as to the salary revision date other than the date one year after the valuation date, taking into consideration the general trend in inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. We have considered the salary escalation rate as tabulated below, as advised by the Entity.

Future Years	Salary Escalation Rate
For All Future Years	4.00 % p.a.





3.3 Summary and Comparison of Valuation Assumptions

Table 2: Valuation Assumptions:

Date of Valuation	31-03-2023	31-03-2022
Demographic Assumptions		
Mortality Rate:	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Attrition Rate:	2.00% p.a. for all service groups.	2.00% p.a. for all service groups.
Retirement Age:	58 years	60 years
While in service Availment Rate:	5.00% p.a.	5.00% p.a.
While in service Encashment Rate:	5.00% of the Leave balance (for the next year).	5.00% of the Leave balance (for the next year).
Financial Assumptions		
Salary Escalation Rate:	4.00% p.a.	4.00% p.a.
Discount Rate:	7.39% p.a.(Indicative G.Sec referenced on 31-03-2023)	6.90% p.a.(Indicative G.Sec referenced on 31-03-2022)

3.4 Reasonableness of Assumptions

The escalation assumptions and attrition rate assumption are the expectations of the Entity based on the escalation that the Entity expects to experience in future and the expected attrition rate in the future. A past experience trend analysis has been conducted and the findings were shared with the Entity. With this analysis and, also considering the outlook of the Entity and other economic scenarios, the Entity opined on the assumptions to be used. Thereby, the assumptions given by Entity have been relied upon and deemed reasonable as per explanation given by the Entity.

The assumption with regards to the discount rate has been considered as per the requirements of the Accounting Standard.

Since no separate analysis of the mortality rate for the Entity was undertaken, we have considered an appropriate standard mortality table available. Suitable adjustments and





improvements have been applied where necessary.

The above may not be borne out in practice, in the short term, due to the volatility in experience due to the pandemic. The results may be particularly sensitive to some assumptions, such as the discount rate and escalation. Quantum of these sensitivities have been provided under the Valuation Results section where appropriate.

3.5 Materiality

Information is material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial statements. We have assumed that while providing the assumption, materiality of the assumptions has been considered by the Entity.

The results of the valuation were shared with the Entity, and this Report is prepared in accordance with the constructive confirmation on the actuarial valuation summary specifying the data, assumptions and benefit scheme for the same.





PLAN PROVISIONS

Leave Encashment is payable to the eligible employees on separation from the Entity due to death, retirement, superannuation or resignation.

All eligible employees are entitled to avail leave while serving in the Entity.

Leave encashment also occurs while serving in the entity.

Leave encashment is calculated by using the formula {Leave days * Daily salary}.

The formula to calculate daily salary is {1/Divisor * Eligible Salary}.

Other Provisions in the scheme

Encashment On Separation	Yes
Encashment While In Service	Yes
Availment While in service	Yes
Maximum Accumulation	240 days
Maximum Encashment	240 days
Excess over Maximum Accumulation	Lapse
Divisor for Daily Salary	30
Vesting Criteria	No

Accumulating compensated absences may be either vesting (in other words, employees are entitled to a cash payment for unused entitlement on superannuation or resignation or retirement) or non-vesting (when employees are not entitled to a cash payment for unused entitlement on superannuation or resignation or retirement). An obligation arises as employees render service that increases their entitlement to future compensated absences. The obligation exists, and is recognised, even if the compensated absences are non-vesting, although the possibility that employees may leave before they use an accumulated non-vesting entitlement affects the measurement of that obligation.





RECOGNITION AND MEASUREMENT PRINCIPLES

The obligation arises as employees render services in return for employment benefits which an enterprise expects to pay in future reporting periods. Actuarial techniques allow an enterprise to measure such obligation with sufficient reliability to justify the recognition of a liability. The principles are described in the following paragraphs –

5.1 Method of Valuation

To calculate the Defined Benefit Obligation (DBO) we have used the **Projected Unit Credit Method** which is suggested under **Accounting Standard 15 (Revised 2005)**. Under this method, accrued benefit amount is projected to calculate future expected cashflows by applying various valuation assumptions as described above and guidance given in the Accounting Standard, which is in turn discounted back at applicable discount rate assumption to arrive at present value of benefit obligation. (Refer FAQs for more detail) Based on the Entity's experience, the leave balances are split up into three proportions; leaves for while in service availment, leaves for while in service encashment and leaves for encashment on exit. This proportion is considered to follow the **LIFO (Last in First Out)** approach as guided in the **Accounting Standard 15 (Revised 2005)**.

5.2 Recognition of Actuarial Gains and Losses

As required under **Accounting Standard 15 (Revised 2005)**, Actuarial Gains and Losses should be recognised immediately in the **Statement of Profit and Loss** as an income or expense.

5.3 Accounting Standard

The valuation is done as per the requirements under **Accounting Standard 15 (Revised 2005)** issued by the Council of the **Institute of Chartered Accountants of India** which is aligned with the **Companies (Accounting Standard) Rules, 2006** and **The Companies Act of India, 2013**.





VALUATION RESULTS

The result of this actuarial valuation is dependent on the assumptions used. The actuarial calculation is intended to provide information for accounting purposes. The valuation of the liability is as on **31-03-2023** and this report is made, to the best of my knowledge in conformity with the Actuarial Practice Standard 27 (APS 27) and the relevant Guidance Notes issued by **Institute of Actuaries of India** to its members to the extent required by the relevant Accounting Standard.

The valuation is done as per the parameters and measurements suggested under **Accounting Standard 15 (Revised 2005)**. As provided under para **132** of **Accounting Standard 15 (Revised 2005)**, Disclosures for other long-term employee benefits are not mandatory.

Discontinuation Liability (Undiscounted Accrued Benefits):

The liability on discontinuance basis is the amount an Entity has to pay if an Entity discontinues its business on the valuation date. The discontinuance liability ignoring vesting criterion, if any on the valuation date works out to **INR 12,266,923**.





The Defined Benefit Obligation towards **Privilege Leave** along with the Current and Non-current liability in accordance with Schedule III of The Companies Act of India, 2013 is tabulated below:

Table 3: Valuation Results:

Date of Valuation	31-03-2023	31-03-2022
Defined Benefit Obligation	INR 10,856,399	INR 11,244,585
Funding Status	Unfunded	Unfunded
Fund Balance	N.A.	N.A.
Current Liability	INR 3,834,478	INR 3,725,318
Non-Current Liability	INR 7,021,921	INR 7,519,267

A distribution of the above liability over different ranges of past service intervals is provided below:

Past Service Interval	Distribution Of DBO
9 and below	5.65%
10 to 19	87.47%
20 to 29	0.00%
30 and above	6.89%

The sensitivity of above results to some assumptions is provided below:

Assumptions	Change in DBO
Delta Effect of +1.00% Change in Rate of Discounting	INR -339,934
Delta Effect of -1.00% Change in Rate of Discounting	INR 371,119
Delta Effect of +1.00% Change in Rate of Salary Increase	INR 379,958
Delta Effect of -1.00% Change in Rate of Salary Increase	INR -353,787
Delta Effect of +1.00% Change in Rate of Employee Turnover	INR 65,093
Delta Effect of -1.00% Change in Rate of Employee Turnover	INR -69,734





GLOSSARY OF KEY TERMS

Accumulating compensated absences:

Accumulating compensated absences are those that are carried forward and can be used in future periods if the current period's entitlement is not used in full.

Actuarial Gains/Losses:

Actuarial gains and losses comprise experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred) and the effects of changes in actuarial assumptions.

Attrition Rate:

Attrition rate represents employee turnover other than on account of retirement and death or permanent disablement.

Average Expected Future Service:

The average expected future service is the estimated future working lifetime representing the expected term of the obligation.

Current Liability:

A current liability is an obligation that is payable within one year from the date of valuation.

Current Service Cost:

Current service cost is the increase in the present value of the defined benefit obligation resulting from employee service in the current period.

Discount Rate:

The rate used to discount benefit obligations (both funded and unfunded) should be determined by reference to market yields at the balance sheet date on government bonds. The currency and term of the government bonds should be consistent with the currency and estimated term of the benefit obligations.

Expected Return on Plan Assets:

The expected return on plan assets is based on market expectations at the beginning of the period, for returns over the entire life of the related obligation





Fair Value:

Fair value is the amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction.

LIFO (Last In First Out) Approach:

This means that the leave availed or encashed is taken first out of the current year's entitlement and then out of any balance brought forward from the previous year.

Past Service Cost:

Past service cost is the change in the present value of the benefit obligation for employee service in prior periods, resulting in the current period from the introduction of, or changes to, **other long-term employee benefit** .

Plan Assets:

Plan assets comprise assets held by a long-term employee benefit fund and qualifying insurance policies.

Other Long-term Employee Benefits:

Other long-term employee benefits are employee benefits (other than post-employment benefits and termination benefits) which do not fall due wholly within twelve months after the end of the period in which the employees render the related service.

Defined Benefit Obligation:

The present value of a defined benefit obligation is the present value, without deducting any plan assets, of expected future payments required to settle the obligation resulting from employee service in the current and prior periods.

Projected Unit Credit Method:

The Projected Unit Credit Method (sometimes known as the accrued benefit method pro-rated on service or as the benefit/years of service method) considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Return on Plan Assets (Actual Return):

The return on plan assets reflects changes in the fair value of plan assets held during the period as a result of actual contributions paid into the fund and actual benefits paid out of the fund.





Salary Escalation Rate:

The rate at which salary is assumed to increase on a yearly basis in the future is known as the salary escalation rate. Estimates of future salary increases take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Short-term compensated Absences:

Short-term compensated absences are the absences which are expected to occur within twelve months after the end of the period in which the employees render the related employee service.

Vesting Period:

The minimum continuous service required for being eligible to get benefit payment on superannuation or resignation or retirement.





FREQUENTLY ASKED QUESTIONS

1. Why are actuarial assumptions required?

Actuarial assumptions are an Entity's best estimates of the variables that will determine the ultimate cost of providing **other long-term employee benefit**. These assumptions comprising demographic and financial assumptions should be unbiased, mutually compatible and are long term in nature. Detailed explanation of applicability of these assumptions is explained under the "Valuation Assumptions" para of the report.

2. What is the reference of discount rate?

Our reference for Discount rate is the Annualised Par Yields on Government Securities as published by FBIL on <https://www.fbil.org.in/>. Our write-up on the same can be found at the following URL:

<https://www.ka-pandit.com/knowledgecenter.php>

The expected term of the obligation is represented by the average expected future service.

3. What is the figure of liability that has to be provided in the books of accounts?

The Defined Benefit Obligation net of Plan Assets, if any, is the amount of provision which the Entity needs to carry in balance sheet as on reporting date (refer "Valuation Results" para for above figures). This amount is further bifurcated into current and non-current liability for representation in financials of the Entity. For more detail on recognition in Statement of Profit or Loss, Other Comprehensive Income and Balance Sheet, please refer the Disclosures attached, if any.

4. How is Current liability calculated?

For Unfunded Plans: The current liability is amount payable in the next 12 months, on account of expected death, expected permanent disablement, expected resignation and retirement.

For Funded Plans: In case of funded plans, Current Liability is Expected Contribution in Plan Assets (Trust Fund) in next 12 months based on Net Liability Status with appropriate cap as per statutory tax limit and Non-Current Liability is balancing figure. In case of Gratuity, Tax rules allow maximum 8.33% of annual salary as deductible expense (As per the income tax rule 103 and 104), so we have assumed that the Entity will try to make maximum contribution to meet current deficit of obligation. In case where the Entity has advised that it expects to pay lower amount, bifurcation of current and non-current liability is based on expected contribution and expected pay-out.

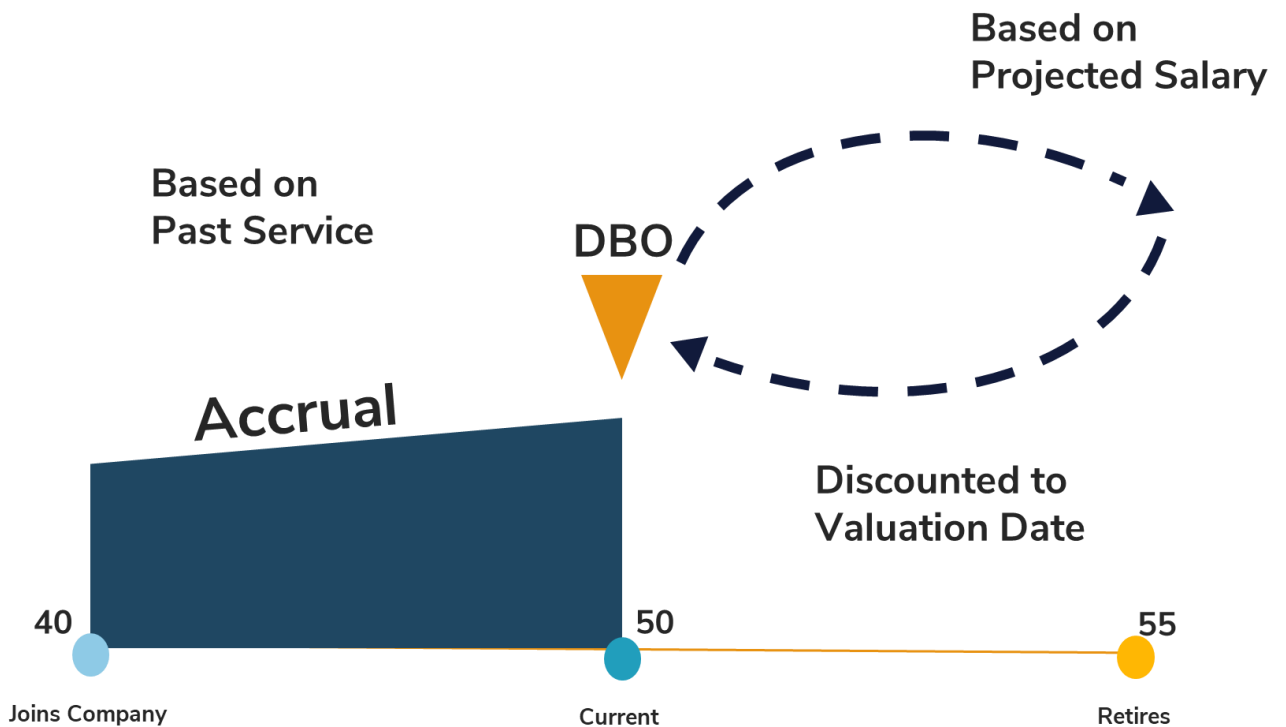
5. What is the treatment for due but not paid liability?



The “due but not paid” liability include amounts which have fallen due prior to valuation date but not paid until that date. If provided by the Entity, this has been included in the Discontinuance Liability and Defined Benefit Obligation. Same has been highlighted in the report under “Valuation Results” para.

6. What is Projected Unit Credit Method?

Projected Unit Credit Method is the method prescribed under the Accounting Standard 15 (Revised 2005) for measurement of employee benefits. It involves projecting cashflows for each unit using actuarial assumptions and discounting the same to arrive at present value. Following chart explains the working for one unit:





K.A. PANDIT

✉ www.ka-pandit.com 🌐 kap@ka-pandit.com

CHURCHGATE OFFICE | MUMBAI

2nd Floor, Churchgate House, 32 34
Veer Nariman Road, Fort, Mumbai
400001. Tel: +91 22 42922250

ANDHERI OFFICE | MUMBAI

C/201 Remi Bizcourt, Off. Veera Desai
Road, Andheri (W), Mumbai 400058.
Tel: +91 22 42922231

AHMEDABAD OFFICE

509, Golden Triangle, Near Sardar Patel
Stadium, Navrangpura, Ahmedabad 380014.
Tel: +91 79 26460734

Core Purpose

To make a positive impact in the lives and livelihood of the rural community, leading to sustainable rural prosperity, thus contributing towards the development of India's rural economy and creation of a vibrant 'Atmanirbhar' Bharat.

Vision

To be the most preferred consulting and implementation partner in the chosen sectors of our economy, while promoting scale and sustainable growth with focus on creating value for all the stakeholders.

Mission

We provide consultation, advisory and project implementation support to public, private, social sector organizations and banks, for agriculture and other allied strategic socio-economic sectors, in conceptualization, planning, implementation, monitoring and evaluation of development interventions, for positive, scalable and lasting impact.

Core Values

We are an institution committed to provide top class quality and on time consultancy and implementation services to our clients, with the highest level of integrity, customer focus and impeccable credibility.



Since 1968

AFC INDIA LIMITED

(Formerly Agricultural Finance Corporation Ltd.)

Corporate Office: I-103, Kirti Nagar, New Delhi-110 015

Phone: 91-11-46160565 **E-mail:** afc@afcindia.org.in

Registered Office: Dhanraj Mahal, C.S.M. Marg, Mumbai - 400 001

Phone: 91-22-22028924 **Web:** www.afcindia.org.in

CIN: U65990MH1968GOI013983 ISO-9001:2015 Certified Company

ISO:14001:2015 Certified Company

A Premier Development Institution Committed to Rural Prosperity