

# AFC INDIA LIMITED

(A Deemed Government Organisation)

Wholly Owned by NABARD, Commercial Banks & EXIM Bank

Premier Development Institution Committed to Rural Prosperity

2023-2024



# 56th ANNUAL REPORT

ISO 27001-2013, ISO 9001-2015, ISO 14001-2015  
& CMMI level 3 Certified Company



## Company Information

Authorized Capital

Rs. 100 Crores

Paid-Up Capital

Rs. 15 Crores

## Board of Directors



**Mr. Deepak Thombre**  
Chairman of the Board  
and Dalmia Bharat Refractories Ltd (DBRL)



**Mrs. N. Neeraja**  
CGM, NABARD



**Mr. Ashok Kumar Pathak**  
CGM, Bank of India



**Mr. Nityananda Behera**  
GM, Bank of Baroda



**Mr. V. Lakshmana Rao**  
GM, Central Bank of India



**Mr. Kuldeep Singh Rana**  
GM, Punjab National Bank



**Mr. Bhagirath Choudhary**  
Founder Director, SABC



**Mr. Ravindra Boratkar**  
Past President, MEDC



**Mr. Mashar Velapurath**  
MD, AFC India Ltd.

Statutory Auditor  
**M/s S K Bhageria & Associates**  
(Chartered Accountants)

# 56th ANNUAL REPORT

2023-2024

## **AFC INDIA LIMITED**

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Premier Development Institution Committed to Rural Prosperity

**Corporate Office:** M-4, Mezzanine Floor, Kanchenjunga Building,  
18 Barakhamba Road, New Delhi-110001  
**Phones :** 01135452875, 01135453305 **E-mail :** [afc@afcindia.org.in](mailto:afc@afcindia.org.in)

**Registered Office:** Dhanraj Mahal, C.S.M. Marg, Mumbai - 400 001  
**Phone:** 91-22-22028924 **Web:** [www.afcindia.org.in](http://www.afcindia.org.in)  
CIN: U65990MH1968GOI013983

ISO 27001-2013, ISO 9001-2015, ISO 14001-2015  
& CMMI level 3 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 2023-24

To Members,  
AFC INDIA LIMITED

Dear Shareholders,

Your Directors have pleasure in presenting the Fifty- sixth Annual Report and Audited Statement of Accounts on the business and operations of your Company for the year ended 31<sup>st</sup> March, 2024.

### 1. FINANCIAL RESULTS:

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

Sr. No	Particulars	Rs. In lakhs	
		2023-24 Rs.	2022-23 Rs.
1.	Income for the year	6592.87	3196.84
2.	Less: Expenditure	(6530.03)	(3156.86)
3.	<b>Profit Before Depreciation, Extraordinary Items &amp; Tax</b>	<b>62.84</b>	<b>39.98</b>
4.	Less: Depreciation	(6.48)	(9.08)
5.	Less: Extraordinary Items / Prior Period Expense	-	-
6.	<b>Profit / (Loss) before tax (PBT)</b>	<b>56.36</b>	<b>30.90</b>
7.	Less: Provision for current tax	(13.86)	(7.78)
8.	Provision for deferred tax	1.52	(1.05)
9.	Less : Tax expense for earlier years	(12.90)	(10.87)
10.	<b>Profit / (Loss) after tax (PAT)</b>	<b>31.12</b>	<b>11.20</b>
11.	Less : Preference Dividend provision	-	-
12.	Balance brought forward from previous year	1135.88	1124.68
13.	Less: Retained earnings	-	-
14.	<b>Balance carried to Balance Sheet</b>	<b>1167.00</b>	<b>1135.88</b>

## **2. STATEMENT OF AFFAIRS OF THE COMPANY IN THE FINANCIAL YEAR 2023-24**

Your company with the dedicated efforts of the business team, has achieved an all-time record business of **Rs. 102.48 crore**, during 2023-24, surpassing this years' target and registering a growth of **10.15 %** over the previous year (Rs.93.04 Crore). In all, AFC has successfully bagged total of 51 assignments (Annexure 1) during the year.

## **3. DIVIDEND**

The Company has not declared any dividend for the Financial Year 2023-24.

## **4. BUSINESS OUTLOOK FOR THE YEAR 2024-25**

AFC India Ltd is endowed with the privilege of having worked in almost all the sub-sectors and thematic areas associated with its focal sectors viz. agriculture, rural development and socio-economic development. AFC India Ltd is now serving the entire value chain of agriculture and rural development from policy advocacy to project implementation and management, training and capacity building to skill development in rural and semi-urban areas

In its five decades of operations, AFC India Ltd has accomplished more than 6500 consulting assignments of diverse nature to clientele ranging from Government of India, State Governments, NABARD, Commercial Banks, Cooperative Banks, PSUs, Corporates, NGOs and multilateral agencies viz. World Bank, IFAD, ADB, FAO, UNDP etc. to name a few. Moving forward into 2024-25, AFC India Ltd plans to take strategic steps for sustained expansion and diversification of business. The outlook focuses towards conscious efforts in restructuring the functioning based on the market demand, core internal strength and emerging sectors and thus aims to tap the prime national and international sectors and emerge as one of the most demanding consultancies in the country.

In addition to the existing sectors such as agriculture development, organic farming, FPOs, watershed development, water management, forestry, Banking, health, and skilling/re-skilling, AFC India Ltd plans to further spread into new and emerging areas such as Artificial Intelligence (AI), IT application in agriculture and allied activities, sustainable reporting, carbon credit, Environment and Social Governance (ESG), climate change, development of cooperatives etc. As we move forward, we recognize the significance of maximizing our outreach to new futuristic clients and sectors. With a view to make an entry into these sunrise sectors, following business plan strategies are proposed.

The business plan strategies for the FY 2024-25 has the following vision:

Exploring New Areas for Business Development	Securing High Value Projects on Suo-Moto basis	Exploring business under CSR	Promotional Activities, Partnership and Brand Building of AFC
<ul style="list-style-type: none"> <li>• In addition to the existing sectors, business in the new and emerging Sectors shall be explored.</li> <li>• Pitching Business Ideas using new technologies such as use of AI, IT application etc for improvement in the implementation of ongoing projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Explore to secure high value projects on Suo-moto basis through proactive approach.</li> <li>• Identifying BAs capable of securing high value business on Suo-moto basis</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic Road map on Potentials under CSR and AFC's likely roles</li> <li>• Identification of potential CSR partners and prioritisation of sectors</li> <li>• Presentation/</li> <li>• Submission of proposals to CSR partners</li> <li>• Positioning AFC Foundation for implementation of CSR projects</li> </ul>	<ul style="list-style-type: none"> <li>• Demonstrating AFC's capability in consultancy, implementation and advisory services to different Ministries/Departments both at National and State level</li> <li>• Organising Workshops, Seminars, Exhibition etc</li> <li>• Representing AFC on different forums</li> </ul>

## A. Exploring New Areas of Business Development

### 1.0 Carbon Credit and Green Credit Programme

Carbon Credit has been in vogue internationally since the days of Kyoto Protocol and India has been the leader in registering maximum number of projects. With the expiry of the legal validity of the Kyoto protocol, the price of carbon credit in the regulatory carbon market fell drastically. However, voluntary carbon market has witnessed resurrection in the recent past, thereby giving a new hope to the stakeholders. The demand for voluntary carbon-emissions credits has been growing rapidly, and the focus of credit trading is shifting from reducing emissions to removing them altogether. AFC has taken following initiatives towards this direction.

- AFC has submitted to the Ministry of Road Transport and Highways (MoRTH), a concept notes to work in the sector of Green and Carbon Credit, which has been accepted after multiple rounds of discussion and has issued a Letter of Intent (LoI), advising to submit a detailed proposal and the team is in the process of finalization of the same through continuous interactions with the NHAI. The proposal essentially revolves around integration of carbon credit frameworks in highway projects, strategies to reduce carbon footprints during construction and maintenance of highways, implementation of green technologies and practices in road transport, use

of AI for Monitoring of Highways and toll plazas, development of technological platforms- software, applications etc.

- Green Credit Programmes (GCP) is the new product recently conceived by Govt of India and a Notification to this effect was issued by MoEF&CC in October 2023. AFC has initiated dialogue with the Indian Council of Forestry Research and Education (ICFRE), who will be acting as Administrator for this programme on behalf of Govt of India.
- AFC had series of meetings with prominent carbon credit companies like Amrut Nature Solution Pvt. Ltd, Varaha Climate Ag. Pvt. Ltd.' (Varaha), Renew Power etc. with the emphasis on clean energy solutions by the Government of India.
- AFC is realizing significance of sustainable biomass innovations and consequently, prioritized assignments contributing to increasing role of biomass and waste utilization in the energy transition and circular economy. Towards this end, AFC is in the process of forging partnership with Bio Trend Energy Pvt Ltd.

## **2.0 PM Vishwakarma Yojana (PMVKY)**

- PM- Vishwakarma Yojana (PMVKY) was launched by the Hon'ble Prime Minister on 17th September 2023. The programme is administered by Ministry of Skill Development and Entrepreneurship (MSDE) with the objective of supporting and enhancing the skills and livelihoods of traditional artisans and craftspeople.
- Earlier this scheme known as "Vishwakarma Shram Samman Yojana (VSSY)", a flagship scheme of Government of UP. AFC was empaneled with VSSY through our Lucknow Branch and imparted training for 3 consecutive terms in Uttar Pradesh. AFC was awarded by the Hon'ble Chief Minister of UP for the excellent works under the programme.
- With the above experience, AFC approached MSDE and made series of presentations and interacted with the Officials of MSDE at various levels for associating AFC as Project Implementation Partner at the National Level.
- Additionally, a proposal of AFC as a Technical Support Agency (TSA) under DDUGKY was submitted to Ministry of Rural Development

### 3.0 Application of IT and AI in Agriculture and Allied sectors and Health

- AFC in the past through its Lucknow Branch has implemented a project on “Use of ICT tools in Agriculture”. Based on this experience coupled with its vast experience in the sector of Agriculture, AFC has submitted a proposal on **“Increasing farmers’ income through sustainable agricultural practices and value chain development”** to the Ministry of Agriculture and Farmer’s welfare. The proposal focusses on formulating strategies for increasing farmers’ income, adoption of advanced agricultural techniques and diversified cropping patterns, use of AI for precision farming, access to markets and financial services.
- AFC has approached Ministry of Animal Husbandry and Fisheries with a proposal for **“Creation of AI-powered Fish Stacks”** with the objective to integrate various technological tools and platforms to enhance the efficiency, productivity, and sustainability of India's fisheries sector. The goal is to leverage technology to address the various challenges faced by the fisheries sector – from production and supply chain management to market access and sustainability. By integrating advanced technologies like AI, block chain, IoT, and data analytics, the Fish Stack aims to streamline operations, enhance traceability, improve decision-making, and boost overall productivity.
- Laying major emphasis on gaining recognition in the IT sector particularly IT in Health, AFC has established networks and have empaneled partners/companies having expertise in IT sector such as NIRWANA Micro system, Bluefrog Technologies, Synergy Connect, Tech Essence among others. In collaboration, AFC has submitted concept notes on IT in health sector in Himachal Pradesh, Jharkhand, Uttarakhand and Tripura.
- Another significant proposal in the IT in animal husbandry sector has been put up for the **Integrated Vaccination Management System (IVMS) Solution** to the Department of Animal Husbandry, Government of India.
- Furthermore, IT related proposal **‘Digital Transformation of MSME for sustainable development through marketing and globalization using scalable no code platform’** in Maharashtra, Small Scale Industries Development Limited has also been proposed by AFC.

- AFC is committed towards aligning its vision mission and goals with the SDGs so that our impact helps the country to achieve its goals. Consequently, contributing towards improving the SDGs, an ICT based intervention- 'AI based unified digital platform for SDGs', three suo moto proposals as '**Integrated digital platform to support SDG index**' has been submitted in the states of Telangana, Andhra Pradesh and Chhattisgarh.

#### 4.0 Training of Aajeevika Didi under Lakhpati Mahila Karyakaram and BRLPS

- AFC through Lucknow Branch is implementing a flagship programme of imparting trainings to women SHG leaders under UPSRLM for the last two years. Lakhpati Didi is one of the aspirational initiative of Hon'ble Prime Minister with the aim of empowering rural women by making them lakhpati. AFC has trained about 10,000 UPSRLM Didis under Lakhpati didi programme.
- AFC has now submitted a proposal to empower rural women by providing them with training and support in agriculture and allied sectors under the Lakhpati didi Scheme. About 39 lakh Didis are expected to be trained in Uttar Pradesh in coming years to become Lakhpati Mahila.
- AFC has initiated dialogues with the officials JEEViKA, Bihar Rural Livelihood Promotion Society (BRLPS) for providing technical support especially in capacity building of the BRLPSs and SHG, QC & Certifications, Developing SOPs and knowledge products, Helping BRLPS executing market support activities, undertaking round the year media (print, digital and social media) outreach activities, analysis and usage of sales data and Providing effective event management support to BRLPS.

#### 5.0 Empanelment with Capacity Building Commission

- AFC has submitted a proposal to the Capacity Building Commission for empanelment of AFC for various Technical and Non-Technical Trainings. AFC has qualified in the technical round and the Commission advised us to submit financials, which is underway. Upon empanelment, AFC would work for the development of independent proposal for Skill Gap Analysis and ways and means to address the skill gaps.

## 6.0 Dugdh Mission in UP and Bihar

- The Uttar Pradesh Government has started the process of implementing the Nand Baba Milk Mission with Rs 1,000 crore allocation to ensure fair price of milk to the milk producers by forming Milk Societies in the rural areas of the state. The Nand Baba Dugdh Mission is poised to revolutionize the dairy sector by leveraging technology, capacity building, and sustainable practices. AFC has been empanelled with NBDM as technical partner for T&CB and is currently working in 10 districts. We aim to expand our outreach in all the 75 districts.
- Preliminary interactions are underway with COMFED, Bihar on '**Training and Skill up-gradation of Women Dairy Farming in the State of Bihar**'. The program aims to empower women in modern dairy farming techniques, animal health care, quality control, and business management.

## 7.0 Strategy for adoption of GeM Portal

- GeM Portal has become the major online platform for procurement of various items by Government Departments. AFC has bagged an assignment for Selection of Consultant for formulating strategy and its implementation for adoption of GeM portal by State Governments for procurement of Goods & Services in three cluster of states viz. Bihar+ Jharkhand, Arunachal Pradesh+Nagaland and West Bengal + Sikkim) from the Director, GEM and the project is under implementation.
- AFC is in the process of exploring similar opportunities in other cluster of States and to empanel as a Project Implementing Agency (PIA).

## 8.0 Cooperative & Banking Sector

AFC holds widespread experience in the Cooperative Sector wherein numerous studies have been done successfully by AFC in the sector. Some of the significant ones amongst the others are Technical Partner to NABARD for developing National Level PACS Software Vendor (NLPSV), In-depth Assessment of 117 Junior Cooperative Training Centre (JCTC)/Centre for Cooperative Management (CCM) across 29 states/UTs across India for National Cooperative Union of India (NCUI)/Ministry of Cooperation, Detailed project report (DPR) for Integrated Cooperative Development Project (ICDP) and business development plan in Andaman and Nicobar Islands for Andaman and Nicobar State Cooperative Bank. Corresponding to the existing experience, AFC aims to upsurge the exposure within the sector and consequently following efforts have been taken.

- Building on our credentials and emerging as one of the most preferred consultancy for the Cooperative Sector in India, AFC, is looking forward to securing PAN India Study of Fisheries Cooperatives for Expansion of Business Growth in 'Amrit Kaal' and Compliance of Section 24 of MSCS Act for National Federation of Fishers Cooperatives Ltd. (FISHCOPFED) in 6 states: Rajasthan, Kerala, Odisha, Maharashtra, Assam and Chhattisgarh for covering Marine Fisheries Cooperatives, Inland Fisheries and Brackish Water Cooperatives.
- Another noteworthy proposal with NCUI in the pipeline is Study of National Cooperative Union of India for Compliance with Section 24 and related provisions of MSCS Act, 2002 & Action plan for "Amrit Kaal" (2022-2027) in 10 states: Bihar, Odisha, Assam/ Meghalaya, Madhya Pradesh, Delhi/ NCR, Uttar Pradesh, Maharashtra, Gujarat, Karnataka, Kerala.
- Likewise, tapping into the banking sector, a proposal for capacity building of Haryana Cooperative bank has been submitted and on the request of the client, a no cost training has already been undertaken in one of the districts of Haryana.

## 9.0 Development of Textiles

- AFC proposes to explore opportunities with the Maharashtra State Textile Corporation Limited (MSTC). MSTC was established 1966 to administer and rehabilitate Textile Mills in Maharashtra and to start new Textile Mills in the Industrially Backward areas of Maharashtra.
- Directorate of Handloom, Power loom and Cooperative Textiles, renamed as Commissionerate of Textiles with its HQ in Nagpur, is responsible for running various schemes for Handloom, Power loom and Cooperative Textiles in Maharashtra. Discussions are underway with the Commissionerate on imitating a new proposal.

## 10.0 SVEEP Proposal to the Election Commission of India (ECI)

- AFC has recently submitted a proposal on "**Voter Awareness Programme under Systematic Voters Education and Electoral Participation (SVEEP)**" to Election Commission of India

## B. Securing High Value Projects on *Suo-Moto* Basis

One of the key factors in securing business on a *suo moto* basis is through maintaining strong relationships with our Knowledge Partners. The collaborative approach of engaging Knowledge/Business Partners for both acquisition and implementation phase of the project helps in securing business opportunities for AFC. Therefore, besides the tendering route, AFC makes constant efforts in booking projects on nomination basis on account of its strengths, long experiences and credentials. During the year, AFC secured eleven high value projects on Suo- moto basis and MoUs have been signed with the clients viz. NABARD, UP State Rural Livelihood Mission, DCM Shriram Foundation, The Hans Foundation, Gujarat Agro Industries Corporation Limited, NMPB, National Labour Cooperative Federation of India (NLCF), Madhya Pradesh State Skill Development and Employment Generation Board (MPSSDEGB), Mazagon Dock Ship builders, Nand Baba Dugdh Mission and Department of Agriculture and Farmers Empowerment-Government of Odisha. These Suo-moto assignments covered thematic areas such as tribal development, livelihood, skill development, CSR, agriculture, agri-infrastructure, entrepreneurship and cooperatives.

In order to take forward acquisition of projects on Suo-Moto basis, AFC proposes to proactively engage with various Ministries and Departments both at the state and national levels and take following initiatives during 2024-25:

- AFC is exploring for an assignment from Assam on Formation of FPC/FIG, Handholding, ICS Management, Documentation and Organic Certification along with Marketing, Market linkage and Market facilitation of domestic retail chain and export related activities under MOVCDNER on nomination basis.
- Under the Innovative and Special Projects (I&SP), proposal titled '**Urban impact (Unified Digital Platform) for urban women empowerment**' has been presented to the Mission Director, Deen Dayal Antyodaya Yojana-National Urban Livelihood Mission (DAY-NULM), Madhya Pradesh.
- District Mineral Foundation (DMF), is the dedicated agency to minimize the adverse impacts, during and after mining, on the environment, health and socio-economics of people in mining districts is also being tapped by AFC. To ensure long-term sustainable livelihoods for the affected people in mining areas, AFC is undertaking discussion for undertaking crop diversification work in the districts of Sundargarh and Gajapati in Odisha.
- The Directorate of Agriculture, Odisha awarded a total of 32,400 ha of area for rice fallow farming under Comprehensive Rice Fallow Project in 2022-23. This year we are

expecting allotment of more area 80,000 ha of area as an extension of the project on account of the quality execution of the on-going project.

- AFC, an active player in executing high value projects in the field of Entrepreneurship and Skill Development, is paving way for bagging proposal titled '**Entrepreneurship Development Program for SHG/Individuals under DAY-NULM, Bihar**'. Through this, AFC aims to underscore the criticality of skills up-gradation for better livelihoods opportunities in urban areas

### **C. Exploring Business under CSR**

Corporate Social Responsibility (CSR) is the idea that businesses should operate according to principles and policies that makes a positive impact on society and the environment. Every company having Net Worth of Rs. 500 crore or more or Turnover of Rs. 1,000 crore or more or Net Profit of Rs. 5 crore or more during the immediately preceding financial year shall constitute a CSR. The Board of Director shall ensure that the company spends, in every financial year, at least 2% of the average net profits of the company made during the three immediately financial years. Any amount remaining unspent, shall be transferred by the company within a period of thirty days from the end of the financial year to a special account viz. "Unspent CSR Account", in any scheduled bank.

Priority areas include Health & Nutrition, Education, Rural Development, Environment, Sustainability and other activities that are included in Schedule-VII. For an NGO to get CSR funding, Form CSR-1 Certificate, 80G & 12 A, and NGO Darpan registration is mandatory. In case of profit organization, one can go directly for funding under M&E Sector with Company being registered under section 8, MoA and ISO Certificate in case of audit assessment. As far as Implementation Sector is concerned, profit organization cannot make its presence until and unless MoU is signed with the Implementing agency which has the required competency along with the documents such as CSR-1 Certificate, Darpan registration and 80G & 12A.

With a view to explore business opportunities under CSR, AFC has contacted the following select Corporates and proposes to take the process forward during the year.

1. **Oil India Ltd (OIL):** Oil India Ltd is a Central Public Sector Undertaking (CPSU) under Ministry of Petroleum and Natural Gas, engaged in the business of exploration, development and production of crude oil and natural gas, transportation of crude oil and production of liquid petroleum gas. OIL's CSR projects are focused on

several key thrust areas such as Healthcare, Drinking Water & Sanitation, Education, Sustainable Livelihood, Capacity Building and Empowerment of Women, Skill Development, Rural Sports, Environment Sustainability, Augmentation of Rural Infrastructure, etc. The CSR initiatives are implemented primarily in the operational areas of the Company in Assam, Arunachal Pradesh, Mizoram, Rajasthan and Andhra Pradesh. During the year 2022-23, Oil India Limited has spent Rs. 98.21 Cr, which is 5.96 % of the average net profit of the preceding three years of the company.

- 2. B-ABLE Foundation:** B-ABLE Foundation, is an esteemed not-for-profit entity established by visionary leaders in 2020, as an extension of BASIX Academy of Building Lifelong Employability Ltd. (B-ABLE). With a remarkable legacy of working with rural communities in India since 2009, they have honed their expertise in skills building and sustainable livelihoods. B-ABLE is currently implementing CSR projects such as UNICEF assisted project (Rs.3.3 Cr), establishment of Didi ki Dukan in UP, facilitating drone technology projects in collaboration with General Aeronautics etc. They have a dedicated team with capable candidates who have expertise in AI based models. B-ABLE Foundation established contacts with PSUs such as LIC and can pitch on the behalf of our organization.
- 3. Vedanta Group:** Vedanta is a leading global natural resources and technology conglomerate operating across India, South Africa, Liberia and Namibia. The group aims to create long-term value for all our stakeholders through research, discovery, acquisition, sustainable development and utilization of diversified natural resources. Vedanta Group's CSR projects are focused on several key thrust areas such as Children's well-being & education, healthcare, women's empowerment, agriculture & animal husbandry, environmental restoration & protection, drinking water & sanitation, upskilling youth, sports & culture and community infrastructure. During the year 2022-23, Vedanta Group has spent Rs.454 Cr. Vedanta Group operates its CSR activities through two Foundations viz. Vedanta Foundation and Anil Aggarwal Foundation.
- 4. Renewable Energy:** Proposals were submitted to Power Finance Corporation Ltd. and REC Limited under the CSR domain towards enhancing the production and productivity of the land through assured irrigation
- 5. CSR Proposals in Andhra Pradesh:** Fourteen proposals were submitted to AP-GENCO, AP-TRANSCO, AP-Housing and AP-MDC Industries to undertake impact evaluation of CSR projects.

#### **D. Promotional Activities, Partnership and brand building of AFC**

The brand/Image, PR and Corporate Communication attribute give the company an edge over others in terms of quality of products and services, trusts, value creation etc. Even with quality offerings and impressive services, a brand is not going to thrive and grow without its visibility. It is necessary that the products or services be placed in front of the clients to make a flip. As a significant part of business strategy during 2024-25, AFC proposes to enhance its visibility through various arrangements and further expand the efforts through the following initiatives:

1. AFC will be opening dialogues with domain experts/Business Partners and undertake active liaisoning within the newly identified sectors such as climate change, carbon credit, ESG, sustainable reporting etc.
2. Cultivate working relationship with the existing and future clients and make presentation to them on a proactive basis on the topics/themes relevant to the client
3. Parellely, efforts will be made to identify and empanel appropriate human resources having expertise in the new and emerging areas
4. Emphasis will be laid upon on enhancing our credibility in the new and existing sector through AFC brand/image building and developing communication materials such as brochures, Company Profile, Capability Statements and Flyers in different sectors.
5. Emphasis on organizing seminar, workshops on the various areas of Intervention of AFC, collaboration with regional and national media house and representation of AFC on various public forums.
6. AFC proposes to organise a mega event viz. **Global Agri Technology & Machinery Expo Conference (GATMEC-2024)**, focused on showcasing the innovative technologies and machineries in the Agriculture space. The major objectives of the event are to facilitate co-operation and knowledge-sharing between various stakeholders, leading experts and professionals in the industry and to forge partnership between them.
7. In the state of Andhra Pradesh, AFC has submitted proposals for undertaking digital IEC and workshop, mobile van promotion, electronic/print media and road shows to the Millet Mission, SEE-DAP and Swachh Bharat Mission.

#### **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 31<sup>st</sup> March, 2024 is as follows:

Sl. No.	Name	Particulars
1.	Shri Deepak Thombre	Chairman, Dalmia Bharat Refractories Ltd (DBRL)
2.	Smt. N. Neeraja	Chief General Manager, National Bank for Agriculture and Rural Development (NABARD)
3.	Shri V. Lakshmana Rao	General Manager, Central Bank of India
4.	Shri Nityananda Behera	General Manager, Bank of Baroda
5.	Shri Ashok Kumar Pathak	Chief General Manager, Bank of India
6.	Shri Kuldeep Singh Rana	General Manager, Punjab National Bank
7.	Shri Bhagirath Choudhary	Founder Director, South Asia Biotechnology Centre (SABC), New Delhi
8.	Shri Ravindra Boratkar	Immediate Past 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 Ashok Kumar Pathak	Member

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

### **A) APPOINTMENT OF DIRECTORS**

Sl. No.	Directors	Date of Appointment
1	Shri V. Lakshmana Rao	29.09.2023
2	Smt.N. Neeraja	29.12.2023
3	Shri Ashok Kumar Pathak	29.12.2023
4	Shri Kuldeep Singh Rana	29.12.2023

### **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 S.S. Rao	29.09.2023
2.	Shri David Sinate	29.12.2023
3.	Shri Nitin Deshpande	29.12.2023
4.	Shri Goverdhan Singh Rawat	29.12.2023

### **C) COMPANY SECRETARY & COMPLIANCE OFFICER**

CS Nidhi Shah is the Company Secretary of the Company pursuant to Section 203 and the "Designated person" to furnish details to ROC for complying with the requirements of 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 31<sup>st</sup> March, 2024 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 2024.

**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 5 (Five) Board Meetings held on 23<sup>rd</sup> June 2023, 6<sup>th</sup> July 2023, 29<sup>th</sup> September 2023, 29<sup>th</sup> December 2023 and 27<sup>th</sup> February 2024 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. S. K. Bhageria & Associates, Chartered Accountants, Mumbai as Statutory Auditors of your Company for the Financial Year 2023-24 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: 09.07.2024**

## BOARD'S REPORT

## EXTRACT OF ANNUAL RETURN

as on the Financial Year ended 31.03.2024

[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: <a href="mailto:afc@afcindia.org.in">afc@afcindia.org.in</a> Website: <a href="https://www.afcindia.org.in/">https://www.afcindia.org.in/</a>
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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
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
<b>Sub-Total (A)(1)</b>	<b>6409</b>	<b>00</b>	<b>6409</b>	<b>42.73</b>	<b>6409</b>	<b>00</b>	<b>6409</b>	<b>42.73</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0

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

<b>c) Others (specify)</b>									
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-Repatriation)	0	0	0	0	0	0	0	0	0
NRI (Repatriation)	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
<b>Sub-Total (B)(2):</b>	0	0	0	0	0	0	0	0	0
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>8591</b>	<b>00</b>	<b>8591</b>	<b>57.27</b>	<b>8591</b>	<b>00</b>	<b>8591</b>	<b>57.27</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp;</b>									

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	<b>6409</b>	<b>42.73</b>	<b>6409</b>	<b>42.73</b>

**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
<b>PUNJAB NATIONAL BANK</b>	1769	11.79	1769	11.79
<b>BANK OF INDIA</b>	1261	8.41	1261	8.41
<b>THE NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT</b>	1000	6.66	1000	6.66
<b>STATE BANK OF INDIA</b>	950	6.33	950	6.33
<b>INDIAN BANK</b>	946	6.31	946	6.31
<b>UCO BANK</b>	803	5.35	803	5.35
<b>EXIM BANK</b>	750	5.00	750	5.00
<b>BANK OF MAHARASHTRA</b>	303	2.02	303	2.02
<b>INDIAN OVERSEAS BANK</b>	183	1.22	183	1.22
<b>AMREX MARKETING PVT LTD</b>	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**

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

**VI Remuneration of Directors and Key Managerial Person****A Remuneration to Managing Director, Whole-time Directors and/or Manager:**

<b>S. No</b>	<b>Particulars of Remuneration</b>	<b>Shri Mashar V. (Managing Director)</b>
<b>1</b>	Gross Salary	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	Rs. 28,25,950 /-
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	Rs. 10,62,452 /-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-
<b>2</b>	Stock Options	-
<b>3</b>	Sweat Equity	-
<b>4</b>	Commission	-
	as % of profit	-
	others, specify	-
<b>5</b>	Others, please specify	-
	<b>Total (A)</b>	<b>Rs. 38,88,402 /-</b>

## B. Remuneration to other Directors:

### 1. Independent Directors

No	Remuneration	Name of Directors			Total (Rs)
		Shri Deepak Thombre	Shri Bhagirath Choudhary	Shri Ravindra Boratkar	
	Fee for attending Board/Committee Meetings	Rs. 1,40,000	Rs. 80,000/-	Rs. 80,000/-	<b>Rs. 3,00,000/-</b>
	Commission				
	Others, please Specify (Honorarium)	Rs. 20,000/-	Rs. 10,000/-	Rs. 20,000/-	<b>Rs. 50,000/-</b>
	<b>Total</b>	<b>Rs. 1,60,000/-</b>	<b>Rs. 90,000</b>	<b>Rs. 1,00,000</b>	<b>Rs. 3,50,000/-</b>

### 2. Non Executive Directors

Remuneration	Name of Directors				
	1. Shri David Sinate 2. Shri G.S. Rawat 3. Shri Nitin Deshpande 4. Shri Nityananda Behera 5. Shri S.S.Rao 6. Shri V. Lakshmana Rao 7. Smt. N. Neeraja 8. Shri Ashok Kumar Pathak 9. Shri Kuldeep Singh Rana				
Fee for attending Board/Committee Meetings	-	-	-	-	-
Commission	-	-	-	-	-
Others, please specify	-	-	-	-	-
<b>Total (B)(2)</b>	-	-	-	-	-
<b>Total (B)= (B)(1)+ (B)(2)</b>	-	-	-	-	-

### 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. 19,95,804 /-	Rs.10,18,302 /-	<b>Rs. 30,14,106/-</b>
	(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	-	-	-
	<b>Total (C)</b>	<b>Rs. 19,95,804 /-</b>	<b>Rs. 10,18,302 /-</b>	<b>Rs. 30,14,106/-</b>

### 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)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN</b>					

<b>DEFAULT</b>					
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: 09.07.2024**

## Details of Assignments Canvassed during 2023-24:

S. No	Title of the Assignment	Name of Client	Project Cost Including GST (Rs. In lakhs)
1	CBBO FPO Programme 5 FPO	Uttar Pradesh Cooperative Federation Ltd., Govt. of U.P, Lucknow	125.00
2	Skill Development Training of 216 Candidates in Ballia for Apparel Trade as GTP	Uttar Pradesh Skill Development Mission, Govt. of U.P, Lucknow	34.00
3	CBBO FPO Programme 3 FPO	Uttar Pradesh Upbhoghta Sahkari Sangh	75.00
4	Third Party Verification for 08 No. of farmers Net Houses	Department of Horticulture, Government of Telangana	0.85
5	Procurement of Process Monitoring Agency (PMA) under REWARD PROGRAMME	Directorate of Soil Conservation & Watershed Development, (DSC&WD) Odisha	271.95
6	Small Holder Poultry Project District- Yavatmal"	SIR RATAN TATA TRUSTS- Bombay House, 24 Modhy Street, Mumbai - 400001	2.76
7	Appointment of Independent Verification Agency (IVA) For Raising and Accelerating MSME Performance Programme (RAMP)	Ministry of Micro Small & Medium Enterprises (MoMSME)	322.69
8	Selection of a National Level PACS Software Vendor (NLPSV)	National Bank for Agriculture and Rural Development (NABARD) Mumbai - 400051	424.80
9	Selection of Agency for conducting Third Party Evaluation of National Beekeeping and Honey Mission (NBHM)	National Bee Board, Department of Agriculture and Farmers' Welfare	26.64
10	Need Assessment of cotton and non-cotton growing farmers in two blocks of Gujarat namely Danta, Banaskantha and Poshina, Sabarkantha	DCM Shriram Foundation, 2nd Floor, West Wing Wordmark, New Delhi- 110037	3.78
11	Appointment of Agency for Survey of NMIA Project Affected Persons (PAPs) for Training & Skill Development	City and Industrial Development Corporation (CIDCO) of Maharashtra Ltd	25.72

12	National Campaign on Ashwagandha for Gujarat and Haryana States	National Medicinal Plants Board, Ministry of AYUSH, Govt. of India	37.80
13	Engagement of Professional Agency for Project Management Unit under Crop Diversification Programme in Mega Lift Irrigation Projects	Department of Agriculture & Farmers Empowerment, Government of Odisha,	296.35
14	Capacity Building and Training of Ward Members in 6 blocks of Giridih District	Department of Panchayati Raj, Govt. of Jharkhand, Ranchi	12.83
15	Organize of two training programmes for WSHG Members	District Development Manager, NABARD, Kalahandi, Odisha	0.29
16	T&CB Programme of various cadres For FY 23-24 at Different Level of UPSRLM by AFC_ UPSRLM Resource Cell	Uttar Pradesh State Rural Livelihood Mission, Govt. of U.P, Lucknow	3191.66
17	Carry out the activities of Organic Farming as Service Provider in 19 Cluster in Chandauli District Under Namami Gange Clean Campaign	Directorate of Agriculture Govt. of Uttar Pradesh, Krishi Bhawan Lucknow	54.34
18	Third Party Verification for establishment of Polyhouse /Net Houses Farmers	Department of Horticulture, Government of Telangana, Hyderabad	0.74
19	Endline Assessment and Data Collection for BLFA	International Finance Corporation (IFC) The World Bank Group	19.76
20	Farmer Survey based Baseline Assessments for EID Parry	International Finance Corporation (IFC) The World Bank Group	19.77
21	Engagement of Monitoring and Evaluation of activities under two CSSs - Green India Mission & National Afforestation Programme implemented in Odisha	Additional Principal Chief Conservator of Forests (PP&A) Office of the Principal Chief Conservator of Forests & HoFF Aranya Bhawan, Chandrasekharpur, Bhubaneswar-23	34.11
22	Implementation of Hans Udhyaimita Mission Program Phase II in Uttarakhand	The Hans Foundation (THF) Vikas Mall, Indiranagar, Dehradun-248001 (Uttarakhand)	623.04

23	Evaluation of activities under two State Plan Scheme in Programme Expenditure–Increasing Green Cover in the State (IGC) & Green Mahanadi Mission (GMM) implemented in the state of Odisha	Additional Principal Chief Conservator of Forests (PP&A) Office of the Principal Chief Conservator of Forests & HoFF Aranya Bhawan, Chandrasekharpur, Bhubaneswar-23	45.45
24	Consultancy Services for “Training Programs for the financial year 2023-24” in the State of Maharashtra and Gujarat	Ch. Charan Singh National Institute of Agricultural Marketing, Ministry of Agricultural and farmers Welfares, Govt. of India, Kota Road, Bambala, Jaipur-302033	9.60
25	Appointment of of Consulting Agency to Carry Out Impact Evaluation of "Industrial Development Scheme (IDS), 2017 for the States of Himachal Pradesh, Uttarakhand, Jammu & Kashmir."	Ministry of Commerce & Industry, Department of Promotion of Industry and Internal Trade Special Scheme Section, Udyog Bhawan, New Delhi	49.49
26	Impact Assessment Study of CSR Projects for providing Skill training to Apprentices under CSR” – issued by Mazagon Dock Shipbuilders Limited – Mumbai.	Mazagon Dock Shipbuilders Limited, Govt. of India, Ministry of Defense Dockyard Road, Mumbai - 400 010	1.36
27	Impact Assessment Study of CSR Projects on Comprehensive Proposal on COVID care in Nandurbar” – issued by Mazagon Dock Shipbuilders Limited – Mumbai	Mazagon Dock Shipbuilders Limited, Govt. of India, Ministry of Defense Dockyard Road, Mumbai - 400 010	1.56
28	Technical Assistance (PMU) cum Appraisal Agency to augment Agriculture Infrastructure Scheme in Gujarat	Gujarat Agro Industries Corporation Limited, Govt. of Gujarat 'A' Wing, Balram Bhavan, Sector 10/A, Gandhinagar, Gujarat - 382010	113.28
29	implementation of Comprehensive Project on Rice Fallow Management (CPRFM) Programme during Rabi 2023-24	Department of Agriculture & Farmers Empowerment, Director of Agriculture & Food production, Govt. of Odisha	2982.98
30	National Study of Labour and Forest Labour Cooperatives for Expansion of Business Growth in 'Amrit Kaal' and Compliance of Section 24 of MSCS Act	National Labour Cooperative Federation of India, Govt. of India, New Delhi	48.18

31	Skill Development Project in Automotive, Construction, Electronics, Apparel, Agriculture, Tourism, Logistics, Iron & Steel, IT-ITeS & Power sector with Madhya Pradesh State Skill Development & Employment Generation Board (MPSSDEGB), Government of Madhya Pradesh	Madhya Pradesh State Skill Development & Employment Generation Board (MPSSDEGB), Govt. of M.P. Madhya Pradesh	117.58
32	Baseline Data Collection for the India Agtech Advisory	International Finance Corporation (IFC)The World Bank Group, New Delhi	39.95
33	Selection of Agency for 3rd party evaluatin of the projects undertaken with CAMPA funds in the State of Odisha for CAMPA APO 2022-23	Chief Executive Officer, CAMPA O/o Principal Chief Conservator of Forests & HoFF Forest Head Qtr., Odisha Aranya Bhawan, Chandrasekhar Bhubaneswar	55.84
34	Techno Economic Viability (TEV) for M/s. R N Galla Family Private Limited, Tenepalli (V), Puthalapattu (M) Chittoor district	Dept. of Horticulture, Govt. of Andhra Pradesh, Guntur	1.18
35	Techno Economic Viability (TEV) Study of Establishment of Fruit Ripening Chamber unit by M/s. Harsha Ripening Chamber, Ongole (V&M), Prakasam District	Dept. of Horticulture, Govt. of Andhra Pradesh, Guntur	0.59
36	Techno Economic Viability (TEV) Study of Establishment of Ripening Chamber unit by M/s. Yousuf Storage Solutions, Venkateswarapuram, Nellore District	Dept. of Horticulture, Govt. of Andhra Pradesh, Guntur	0.59
37	T&CB Programme of various cadres For FY 23-24 at Different Level of UPSRLM by AFC_ UPSRLM Resource Cell	Uttar Pradesh State Rural Livelihood Mission, Govt. of U.P, Lucknow	243.59
38	Training Need Assessment under Nanda Baba Dugdh Mission	Nand Baba Dugdh Mission, Govt. of Uttar Pradesh, Lucknow	18.25
39	Prevention & Mitigation of Forest Fire' Project in Uttarakhand	The Hans Foundation (THF) Vikas Mall, Indiranagar, Dehradun-248001 (Uttarakhand)	17.19

40	T&CB Programme of various cadres For FY 23-24 (Other Small Training Programme)	Uttar Pradesh State Rural Livelihood Mission, Govt. of U.P, Lucknow	4.60
41	T&CB Programme of various cadres For FY 23-24 Under Lakhpati Mahila Scheme	Uttar Pradesh State Rural Livelihood Mission, Govt. of U.P, Lucknow	68.80
42	Technical Support Agency (TSA) for implementation of Organic Farming and Certification under Chhattisgarh Grameen Aajeevika Samvardhan Samiti (CGSRLM-Bihan): Ist Extension: Till May 2024	Chhattisgarh Gramin Aajeevika Samvardhan Samiti, Govt. of Chhattisgarh (CGSRLM- Bihan)	95.07
43	Technical Support Agency (TSA) for Agriculture and Horticulture Extension Services	Department of Agriculture Krishi Bhawan, Agartala, West Tripura - 799001	430.21
44	Hiring of Professional Agency Through GEM PORTAL	Office of Chief Electoral Officer, UT of Jammu & Kashmir	49.14
45	Third Party Physical Verification of JKREGP units	J&K Khadi and Village Industries Board	7.34
46	1-Day training/Workshop under NBDM as State Training Provider	Nand Baba Dugdh Mission, Govt. of Uttar Pradesh, Lucknow	30.66
47	Consultancy Services for establishing Call Centre and Helpdesk services to PIU-DoM	Head Project Implementation Unit-Directorate of Marketing Hon. Babasaheb Thackeray Agribusiness and Rural Transformation (SMART) Project	34.87
48	State Level Thematic Workshop cum Training under Centralize Meeting at State and District Level of Capacity Building /Centralized Meeting /Exposure under the Component of CDP-MLIP	State Level Thematic Workshop cum Training under Centralize Meeting at State and District Level of Capacity Building /Centralized Meeting /Exposure under the Component of CDP-MLIP	3.50
49	Conducting Baseline Survey on Livelihood Project in the State of Uttarakhand	HelpAge India, C-14, Qutab Institutional Area New Delhi 110016	14.93
50	5 Day training of Krishi Sakhi Under Day - NRLM	Uttar Pradesh State Rural Livelihood Mission, Govt. of U.P, Lucknow	110.00

51	Implementation of Integrated Tribal Development Project under Tribal Development Fund (TDF) under NABARD in Bhawanipatna Block of Kalahandi district of Odisha	Deputy General Manager, NABARD, Regional Office, Bhubaneswar	48.42
	<b>GRAND TOTAL</b>		<b>10248.08</b>

# Glimpses of Key Assignments during 2023-24

In the year 2023-24, AFC bagged total 51 assignments with a consultancy fee of Rs.102.48 Crores. These assignments can be broadly categorized into the following sectors:

1. Monitoring and Evaluation
2. Project Implementation
3. Survey/Research Studies
4. Technical Support Agency (TSA)/Project Management Unit (PMU)
5. Training and Capacity Building

*Glimpses of the assignments follows.*



# 1. Monitoring and Evaluation



### 1.1 Impact Evaluation of Industrial Development Scheme (IDS), 2017 for Himachal Pradesh, Jammu & Kashmir and Uttarakhand

AFC has undertaken impact evaluation of “Industrial Development Scheme (IDS), 2017” for the Department for Promotion of Industry and Internal Trade. The scheme aims to provide significant stimulation of investment in the states of Uttarakhand, Himachal Pradesh and Jammu & Kashmir by ensuring a balanced and sustainable industrial growth trajectory and overcoming the inherent challenges.



*Meeting with stakeholders under the IDS project*

### 1.2 Third party assessment of poultry shed construction works supported by Government of Maharashtra and TATA Trust in Amravati and Yavatmal Districts of Maharashtra

The project envisaged third party assessment of poultry shed construction works at various blocks and villages of Amravati and Yavatmal districts of Maharashtra which were supported by the Government of Maharashtra (GoM) and TATA Trust. The initiative aimed to provide sustainable livelihood opportunities through poultry farming. The study findings included significant positive outcomes such as improved income levels of the participating farmers, enhanced knowledge in poultry farming practices and better access to markets. Most of beneficiaries reported an increase in their household income and a more stable livelihood.

### 1.3 Third Party Evaluation of National Beekeeping and Honey Mission (NBHM)

To achieve the goal of “Sweet Revolution” the need for holistic development of beekeeping was felt and accordingly the Central Sector Scheme namely “National Beekeeping and Honey Mission (NBHM)” for overall promotion and development of scientific beekeeping and production of quality honey and other beehive products came into existence by the Govt. of India for implementation through the National Bee Board (NBB). The mission was announced as part of the Atma Nirbhar Bharat scheme in 2020-21. It comprises of 3 mini missions. The study attempted to gauge the progress of the NBHM in implementing states, determine overall increase in honey production, its export, number of bee colonies produced, role of central and state agricultural universities, ICAR's institutes and other educational institutes such as IITs related to research and development, studying 'Madhu Kranti Portal', impact of trainings and functionality of regional honey testing labs.

The findings suggest that there is an overall increase in production of honey and income and enhanced livelihoods of the beneficiary organizations and/or farmers. Some of the units were producing high end diversified products like bee venom, pollen, etc. Training and capacity building initiative is widely appreciated but other components/facilities like nucleus stock centre, Custom Hiring Centres (CHC), testing lab, etc. are least utilized by the beekeepers.



*Mini Testing Lab by Sun Lite India Agro Producer Co. Ltd.  
Roorkee Uttarakhand*



*Nucleus stock centre at Assam Agriculture University,  
Jorhat, Assam*

## 1.4 Impact assessment of projects for providing skill trainings to apprentices under CSR

Mazagon Dock Shipbuilders Limited (MDL) has been undertaking several Corporate Social Responsibility (CSR) projects primarily in areas of skill development, integrated village development, health and sanitation, nutrition, education and under Swachh Bharat Abhiyaan, etc. in different parts of Maharashtra viz., Mumbai, Thane, Raigad and Nandurbar (an aspirational district). To assess the effectiveness of these CSR initiatives and their impact on target groups, AFC was assigned the task of impact assessment study under the CSR initiatives by MDL.



*Ongoing skill trainings of apprentices under CSR project*

## 1.5 Impact assessment of CSR projects on Comprehensive Proposal on COVID Care in Nandurbar, Maharashtra

AFC was assigned impact assessment study of the CSR initiatives on 'Comprehensive Proposal on COVID Care' in Nandurbar by the Mazagon Dock Shipbuilders Limited (MDL). The key findings of the study revealed that around 340 villages were benefited from the timely delivery of vaccines facilitated by the vaccination van and 27 ambulances from MDL despite the challenges like difficult terrain, poor road connectivity, etc. These ambulances were strategically deployed across 310 villages, aiming to enhance accessibility to healthcare services, especially in remote and tribal areas. The tangible benefits of timely vaccination care manifest in a healthier population, particularly among the tribal communities that may have faced barriers to accessing healthcare services.



*Ambulance services from MDL under CSR initiatives*

## 1.6 Engagement of monitoring and evaluation of activities under two CSSs - Green India Mission (GIM) and National Afforestation Programme (NAP) implemented in Odisha

The National Afforestation Programme (NAP) was launched in 2002 involving plantations in the country's degraded forests and was revised in the year 2009. Likewise, the Green India Mission (GIM) was launched by the Ministry of Environment, Forests and Climate Change (MoEFCC), in 2011 as one of the eight missions under the National Action Plan on Climate Change (NAPCC). AFC was assigned the task of third party monitoring and evaluation of activities of both NAP and GIM implemented in Odisha state from 2015-16 to 2022-23. The activities covered included the plantation/afforestation on degraded forest areas and support activities also including those undertaken in several JFMCs under different FDAs/divisions situated in 30 Districts of the State.

A total of 22 divisions were covered under NAP and 15 divisions under GIM. The study included division wise grading of the FDAs on different parameters broadly quantitative, qualitative, JFM and FDA mechanisms and their sub parameters. The overall grading of the State was 6.7 i.e. very good for GIM scheme whereas it was 6.5 i.e. very good for NAP scheme on a scale of 0 to 10. Species diversity, estimating CO<sub>2</sub> sequestration, impact on soil and moisture conservation, etc. were also done under the study.



*A plantation model under NAP*



*A plantation model under NAP*

## 1.7 Third party monitoring and evaluation of the activities under two State Plan Schemes in Programme Expenditure - Increasing Green Cover in the State (IGC) and Green Mahanadi Mission (GMM) in Odisha

To increase the forest coverage, the State Government of Odisha initiated two programmes under Programme Expenditure Scheme viz. (i) Increasing Green Cover in the State (IGC) and (ii) Green Mahanadi Mission (GMM). AFC was appointed for the third party evaluation of both the schemes to cover various plantation models like Block Plantation, Bald Hills Plantation, Compensatory Afforestation, Rehabilitation of Degraded Forests, Bamboo, Casuarina, Mangrove (AR), ANR, Avenue and Urban Tree plantation and non-plantation activities such as medicinal plant knowledge centre and medicinal garden under City Forest Division, Bhubaneswar undertaken during the years from 2017-18 to 2022-23 under IGC scheme and during the year from 2018-19 to 2022-23 under GMM scheme.



The study covered IGC in 37 Forest Divisions and 9



## 2. Project Implementation



## 2.1 Efficient alternate crop plan and integrated farming system models in paddy dominant areas of village Sujanpur, block Bhawanipatna, district Kalahandi, Odisha

NABARD, with an aim to increase the efficiency of farmers and doubling their income, had assigned the task to AFC to chalk out strategies for encouraging farmers in selected districts of Odisha through diversification of paddy cultivation to other alternate crops that require low water and have the potential to generate better economic returns both in Kharif and Rabi seasons.

## 2.2 Implementation of Integrated Tribal Development Fund under WADI Project supported by NABARD

Post successful implementation of different NABARD supported watershed and Tribal Development Fund (TDF) supported WADI based livelihood programs in Bhawanipatna Block of Kalahandi District, NABARD appointed AFC for implementing another TDF based WADI project to cover



*A farmer cultivating alternate crops in Sujanpur village, Kalahandi Odisha*



*A community meeting under WADI*

500 tribal families in 06 revenue villages in Bhawanipatna Block of Kalahandi

district during the period from 2023-24 to 2028-29. The project is focused on improvement of livelihood through orchard based programme utilizing land, water & manpower which give poor tribal families in the upgrading of their resources in an effective way and also assured income in future.

## 2.3 Empanelment of District Implementation Partners (DIPs) to support in implementation of Atal Bhujal Yojana (Atal Jal) in Mahoba, Uttar Pradesh

AFC is implementing this project in 7 Gram Panchayats (GPs) of Mahoba District of Uttar Pradesh. In the third year of implementation of the Atal Bhujal Yojana (ABY), the focus intensifies on achieving sustainable groundwater management through community participation and institutional strengthening. Key activities included, community mobilization and awareness, data collection and monitoring, capacity building, infrastructure development, etc.



*Glimpse of activities undertaken under Atal Bhujal Yojana in Mahoba, Uttar Pradesh*

## 2.4 Support Agency (Regional Council/ Service Provider) under Paramparagat Krishi Vikas Yojna (PKVY) Scheme in district Chandauli, Uttar Pradesh

The project was assigned to AFC by the Department of Agriculture in Chandauli District of Uttar Pradesh. As a support agency, AFC implemented the project in the District through mobilizing farmers into groups/clusters to facilitate collective farming and subsequently training and capacity building of farmers, equipping them with knowledge about organic farming techniques, soil health management, organic inputs and pest management etc. As a support agency AFC also assisted them in the certification process of organic produce, ensuring compliance with the National Programme for Organic Production (NPOP) standards which helped farmers maintain documentation and records essential for certification and traceability. Furthermore, market linkages by connecting farmers with markets to sell their organic produce at premium prices was also attempted.



*Glimpse of activities undertaken under Atal Bhujal Yojana in Mahoba, Uttar Pradesh*

## 2.5 Establishment of Organic Farm Clusters on Ganga Basin in Uttar Pradesh in districts Ballia, Deoria and Mau of Uttar Pradesh

The project is allotted to AFC by the Directorate of Agriculture, Govt. of UP to implement the Organic Farming Scheme in 60 Clusters of the districts of Ballia, Mau and Deoria. During the year AFC is in the 2<sup>nd</sup> year of implementation of the project and has organized farmers training, Jaivik Krishi Mela and working on branding through wall painting, nukkadnataks.

## 2.6 Formation and Promotion of 28 Farmer Producers Organizations (FPOs) under 10K FPO Scheme as Cluster Based Business Organisation (CBBO)

Under the project currently registration of all the 28 FPOs awarded by SIMA, UPDASP, UPPCF & UPSS have been completed and the process of preparation of business plan and collection of share money are in progress.



## 2.7 Community mobilization activation and carrying out Information, Education and Communication (IEC) activities under JJM in Giridih, Jharkhand

AFC has to carry out implementation activities related to the community mobilization and IEC activities in the villages and Blocks of Giridih. Under the Jal Jeevan Mission (JJM) in Jharkhand, these initiatives aimed at ensuring that every rural household has access to safe and adequate drinking water through functional household tap connections by 2024.

## 2.8 Carry out the activities of Organic Farming as service provider in 19 clusters in Chandauli district under Namami Gange Clean Campaign

The Department of Agriculture, Uttar Pradesh is implementing an organic farming project under the Namami Gange Clean campaign to promote sustainable agricultural practices along the Ganges river. By fostering eco-friendly agricultural practices, the project seeks to improve soil health, increase biodiversity and enhance water quality in the Ganges. This initiative not only supports environmental conservation but also aims to boost farmers' incomes through the production of high-value organic crops, contributing to the dual goals of rural development and river rejuvenation.



AFC has been awarded the extension work of 19 clusters in Chandauli district in addition to the ongoing project implementation in the district.

## 2.9 Implementation of organic/natural farming and PGS-India certification under Bhartiya Prakritik Krishi Padhati (BPKP)/ Paramparagat Krishi Vikas Yojana (PKVY) in 10 districts of Himachal Pradesh



Community mobilization and the IEC activities

The Himachal Pradesh Natural Farming project aims to promote sustainable agricultural practices among farmers in the state through the adoption of the BPKP/PKVY scheme. Under the initiative, approximately 80,000 farmers in Himachal Pradesh have adopted, either partially or fully, from conventional farming methods to Natural farming. The Government of Himachal Pradesh allocated 35 blocks across 10 districts to AFC to register 28,270 farmers covering around 10,835 hectares of land. AFC is responsible for establishing a natural farming system within the state, with the goal of empowering farmers and promoting sustainable agricultural practices. Despite challenges, significant progress has been made in implementing the BPKP/ PKVY scheme, with positive feedback from farmers regarding reduced input costs and improved crop yields. Moving forward, the project aims to scale up its efforts and further integrate natural farming practices into the agricultural landscape of Himachal Pradesh, thereby ensuring long-term sustainability and prosperity for farmers in the region.

## **2.10 Raising and accelerating Ministry of Micro, Small & Medium Enterprises(MSME) programme**

The main aim of the RAMP is to strengthen state capacities and institutions to advance the MSME agenda and demonstrate significant improvements in firm capabilities, market access and access to finance. The programme focuses on two key areas including strengthening institutions and governance of the MSME programme and supporting market access, firm capabilities, and access to finance. AFC has been mandated to ensure that the Disbursement Linked Indicators (DLIs) reported by MoMSME for each disbursement claim are accurately verified, following the verification protocol established between MoMSME and the World Bank. Pursuing this mandate, AFC has submitted three semi-annual DLI verification reports to the World Bank for disbursement. This has contributed to the disbursement of US\$154.755 million, constituting approximately 31% of the overall project cost of \$500 million allocated by the World Bank.

## **2.11 Consultancy Services for establishing Call Centre and Helpdesk services to Project Implementation Unit (PIU) for Directorate of Marketing (DoM), Maharashtra**

AFC was selected as an implementation agency to perform system requirement analysis and implement the setting up of call center and help desk as per activities and requirement of DoM, Maharashtra under the project. The main objectives under the SMART project are (i) to compile and disseminate information on market regulations and reforms through a call-center, (ii) to enable ease of doing business and to establish a robust disputes resolution system for which DoM will improve service delivery standards in licensing and compliance requirements using the Call center & Help Desk and (iii) to develop a call-center based system for reporting disputes.

## **2.12 Incubation program under Hans Udhyamita Mission 2.0**

The second phase of the Hans Udhyamita Mission (HUM 2.0), aimed to assist 2400 youth to take up self-employment in 6 districts viz. Almora, Chamoli, Dehradun, Pauri, Rudrapur and Tehri. As on date, AFC could establish about 484 enterprises. Under the second phase, the aspiring entrepreneurs (targeted youths) are being assisted to set up micro-enterprises/ business units with the assistance of Mukhya Mantri Swarojgar Yojana (MSY), Mukhyamantri Saur Swarojgar Yojana (MSSY) and other relevant govt. sponsored self-employment schemes.

### 3. Survey & Research Studies



### 3.1 National study of Labour and Forest Labour Cooperatives for expansion of business growth in 'Amrit Kaal' and compliance of Section 24 of MSCS Act

The study was undertaken with a view to do an in-depth assessment of the activities of National Labour Cooperatives Federation of India(NLCF) and compliance with section 24 of the MSCS Act. Another purpose of the study was that the findings would help in preparing an Action Plan for 'Amrit Kaal' (2022-2047) alongwith target increase in turnover and the activities with milestones for every 5 years. The study covered 11 states (including Maharashtra, Madhya Pradesh, Gujarat, Haryana, Punjab, Rajasthan, Odisha, Chhattisgarh, Sikkim, Kerala and Karnataka), 10 state federations, 13 district federations, 75 primary societies and 450+ members.



*Glimpse of NLCF field assessment*

### 3.2 Baseline survey for prevention and mitigation of forest fire in Uttarakhand State

The Hans Foundation (THF) assigned base line survey to AFC to understand the prevailing situation in the project area in terms of the causes of the forest fire, its impact in the affected areas, forest fire accident trends and strategies to prevent and mitigate them. The study would document the experience and traditional practices adopted by the community and compare with the existing ones. The survey covered around 100 villages in 10 blocks across 4 districts (namely Tehri, Pauri, Bageshwar and Almora) of Uttarakhand state. Total 400 households were randomly selected for eliciting response. To understand the opinion of office bearers on forest fire, in-depth discussions were held with 200 number of van panchayat and gram panchayat members and 10 members/staff each of Mahila Mangal Dal and the forest department.

### 3.3 Baseline data collection from farmers for the India AgTech advisory startups

The International Finance Corporation (IFC) of the World Bank group aims to scaling-up AgTech startups in 3 States in India including Uttar Pradesh, Madhya Pradesh and Telangana by removing inhibitors and advancing key policy, regulatory and innovation enablers. The project aims to support the selected states to identify the needs of the farmers and connect them to relevant AgTechs to deliver those services. The project is expected to have significant impact on farmers, both direct and indirect, by way of increased access to inputs (seeds, fertilizers, etc.), access to markets, knowledge (farming practices, etc.) and new technology (including precision agriculture, pay-per-use farm machinery, etc.) serviced by the AgTechs.

AFC was assigned to do baseline assessment of the AgTech startups in Uttar Pradesh and Madhya Pradesh states to know how the different AgTech solutions may affect farmers' income due to adoption of climate-smart farming practices and modern technologies. The quasi-experimental study design was adopted to compare the results between intervention farmers (selected under project activities) and control farmers (farmers with similar type of characteristics). The assignment was also aimed to access the impact of project on women entrepreneurs.



*Interaction with farmers linked with start up*

### 3.4 Endline assessment and data collection with chilli and tomato farmers for Better Life Farming Alliance(BLFA)

BLF Alliance (BLFA) is a global partnership between Bayer Crop Science, Netafim, Swiss Re and International Finance Corporation (IFC) with the aim to enable small holders to unlock their farming potential and improve their livelihoods. The objective is to design and prove a holistic business model in several countries in Asia and Africa, ensure that livelihood impact is being achieved and help partners bring it to scale with the aspiration of reaching three million farmers by 2030. Two endline assessments were conducted by AFC to evaluate the BLFA Alliance intervention impact on small holders in Uttar Pradesh and Jharkhand states focusing on Chilli and Tomato growers. Endline assessment was done to assess the project impact on improved income/livelihoods of small holders and changes in their knowledge/skills due to adoption of good agricultural practices.



*Interaction with the tomato farmer*

### 3.5 Baseline assessment and data collection with sugarcane farmers for IFC-EID Parry intervention

IFC has been working with EID Parry through providing support to its sugar mills located in the Nellikuppam and/or Pugulur areas in the state of Tamil Nadu aiming to scale up lessons and experience from ongoing advisory emphasizing on promotion of climate smart agriculture practices for improvement in water use efficiency, use of bio inputs, interventions, soil health and building overall climate resilience amongst smallholders. AFC was assigned to conduct a baseline study with sugarcane farmers to assess



*Baseline assessment by the field team*

their efficiency of supply chain (supporting decarbonization and digital technologies at farm level), sugarcane farm yields and adaptability of sustainable agriculture practices.

### 3.6 Appointment of agency for survey of Navi Mumbai International Airport (NMIA) Project Affected Persons (PAPs) for training and skill development

The development of Navi Mumbai International Airport (NMIA) has significantly altered the lives of approximately 3,000 families located in the core airport area, necessitating their relocation. AFC was assigned to survey and present an overview of the Training & Skill Development of Project Affected Persons (PAPs) due to the establishment of the NMIA.

The primary objective of the survey was to meticulously identify the beneficiaries among the NMIA PAPs for the proposed training programs. These programs are pivotal in equipping the PAPs with necessary skills and knowledge that will aid them in securing employment opportunities that are anticipated to surface with the operationalizing of the NMIA. It was found that the villages surrounding the NMIA are poised at a critical juncture. There is a palpable readiness to adapt, evidenced by the widespread willingness to acquire new skills and enhance educational qualifications. However, there is also a clear need for comprehensive support mechanisms to address the challenges of displacement, educational advancement and the psycho-social impacts of such a transformative project. As these communities navigate through these changes, tailored interventions and sustained engagement by stakeholders will be pivotal in ensuring that the transition is beneficial and inclusive for all affected residents.

### 3.7 Conducting beneficiary satisfaction survey for Community Led Landscape Management Project (CLLMP) in Meghalaya

Meghalaya Basin Management Agency (MBMA), a not-for-profit company under section 8 of the Company Act, 2013 under the Planning Department of the Government of Meghalaya, has been implementing a 'Community Led Landscape Management Project (CLLMP)', a World Bank Supported project, in critical landscape villages across 11 districts of Meghalaya. The Meghalaya Community Led Landscape Management Project (MCLLMP) aimed at strengthening rural communities and traditional institutions in order to take charge of their natural resources by implementing community led sustainable community natural resource management plans in a systematic manner. AFC was assigned by MBMA the task of conducting survey and assess implementation of Natural Resource Management (NRM) programs at the village level. The survey aimed to gauge beneficiaries' perception, opinion, and experiences on the effectiveness and impact of NRM initiatives on their communities' land and local environment. The Living Root Bridges (LRBs) are unique natural heritage in the state of Meghalaya and the project areas. Efforts have been made to encourage the communities particularly Khasi tribes to protect, maintain and manage them.



*Survey team meeting with the Project Affected Persons*



*PAPs forms collection and verification*



*Living Root Bridges are natural heritage in project area*

## 4. Technical Support Agency / Project Management Unit



## 4.1 Engagement of Professional Agency for Project Management Unit (PMU) under Crop Diversification Programme (CDP) in Mega Lift Irrigation in Odisha

In line with the focus of crop diversification as per the State Agriculture Policy, the Government of Odisha initiated a comprehensive crop diversification programme in the Mega lift irrigation points with following objectives:

- Diversification from paddy to other crops with focus on pulses, oilseeds and horticultural crops in upland/medium land in Kharif
- Improving soil health through promotion of crops with heavy biomass and less chemical input requirement
- Cluster based promotion of post-harvest technology, value addition and marketing through FPOs & WSHGs and agriprenuers & other farmers/community-based organizations for generating higher income.
- To create awareness & capacity building and community mobilization of farmers on sustainability of cropping pattern in clusters and diet diversification.

During the year, the Department of Agriculture and Farmer's Empowerment, Govt. of Odisha has selected AFC as a Professional Agency for the PMU at state as well as all the operational districts levels. The project could achieve diversification target set during the year in all the districts in which AFC played a pivotal role through regular monitoring, handholding, exposure visits, and organising campaigns on different aspects of the project.



*Snapshots of efforts for Crop Diversification under Megalift Irrigation project in Odisha*

## 4.2 Project Management Unit (PMU) for Comprehensive Project on Rice Fallow Management

AFC has been engaged as a PMU for the Comprehensive Project on Rice Fallow Management (CRFM) with an aim to utilize over 16 lakh hectares of rice fallow area in Odisha to enhance the production of non-paddy crops. This initiative addresses the deficit in pulses and oilseeds production despite a rice surplus. The objectives of the project included:

- Reducing exploitation of residual soil moisture
- Increasing cropping intensity by targeting crop demonstration in four lakh hectares during Rabi 202324 and in successive years
- Upscaling cultivation of Pulses and Oilseeds in rice fallow areas
- Production of more food with less water

- Restoration of soil health by increasing soil biomass and organic carbon content
- Establishment of Community Managed Seed Systems and
- Improving the livelihood of farmers through enhanced income and nutritional security

AFC, as PMU, has been engaged in undertaking interventions such as awareness meeting, district coordination meeting, patch selection, beneficiary identification, soil sample collection, seed distribution, land preparation, seed treatment, soil treatment and disease management to achieve the objectives of the programme.

### 4.3 Professional Agency for the Systematic Voters' Education and Electoral Participation (SVEEP) in Jammu and Kashmir

The Systematic Voters' Education and Electoral Participation (SVEEP) program, conducted by Election Commission of India epitomizes a proactive approach towards enhancing democratic participation and awareness. Through a spectrum of IEC activities, the commission endeavors to engage citizens in the electoral process, fostering a culture of informed decision-making and civic responsibility.

In tandem with its broader objectives, AFC undertook the SVEEP assignment on behalf of its client, office of Chief Electoral Officer, Jammu and Kashmir. The assignment included various activities for information and education of eligible voters to foster greater participation of the citizens in the electoral process.

AFC undertook meticulous planning and execution in the creation, design, and printing of various campaign materials such as banners, posters, badges, wrist bands, mementos, etc. These materials served as vital visual aids in disseminating crucial electoral information and fostering voter engagement. leveraging professional design expertise and cutting-edge printing technologies. AFC ensured that these materials are not just informative but also visually captivating, effectively capturing the attention of diverse audiences across different demographics in the UT of J&K.



Election campaign material developed and installed at different locations in J&K state under SVEEP

#### 4.4 Technical Assistance cum Appraisal Agency (TAAA) to augment Agriculture Infrastructure Fund (AIF) scheme in Gujarat

In order to address the existing infrastructure gaps and mobilize investment in agriculture infrastructure, a medium-long term debt financing facility of INR 1 lakh crore through Agri Infra Fund (AIF) was launched by the Hon'ble Prime Minister on 9th August 2020. AFC has been appointed as a Technical Assistance cum Appraisal Agency (TAAA) to augment AIF in the state of Gujarat. The main aim is to ensure the efficient functioning of the institutional formal structure set up for aid coordination (harmonization and alignment process). It is the umbrella for all activities related to harmonization, alignment and improvement of aid effectiveness. AFC is providing handholding support to the Gujarat Agro Industries Corporation (GAIC) in district level agriculture infrastructure visions document, validation of credit plan for value chain and clusters, scheme outreach and gaining stakeholders commitments, programme implementation and monitoring and other enabling interventions aligning with the AIF. The TAAA activities also ensure that number of projects increased under AIF in the state of Gujarat.

#### 4.5 PMU for Himachal Pradesh Crop Diversification Promotion Project (HPCPP)

Himachal Pradesh Crop Diversification Promotion Project (HPCDPP), funded by Japan International Cooperation Agency (JICA), is one of the projects strategically designed for the development of agriculture sector in Himachal Pradesh. Currently, Phase II of HPCDPP is ongoing, covering 12 districts and 306 sub-projects. Phase II aims to increase agricultural productivity, promote crop diversification to include high-value crops and elevate the socio-economic status of farmers by providing them with necessary knowledge and support. The Department of Agriculture, Government of Himachal Pradesh has been steering the project, with aid from State PMU, District PMU and Block PMU. AFC is the designated consultant to assist the PMU in effective and efficient project implementation. AFC has been instrumental in lending its expertise and strategic consulting prowess to key aspects of the project, including the institutional development of Farmer Producer Organizations (FPOs), enhancing the nutrition profile of households, addressing gender disparities, and providing livelihood support in agriculture, dairy farming and apiculture.

#### 4.6 Technical Support Agency (TSA) for implementation of organic farming and certification under Chhattisgarh Grameen Aajeevika Samvardhan Samiti (CGSRLM-Bihan)

Deen Dayal Antyodaya Yojana- National Rural Livelihoods Mission (DAY-NRLM) works towards elimination of rural poverty through innovative implementation strategies by mobilization and organization of rural poor, their financial and economic inclusion as well as convergence with other livelihood programmes. Under DAYNRLM, AFC has been appointed as TSA for the project implementation entitled 'organic farming and certification under Chhattisgarh Grameen Aajeevika Samvardhan Samiti (CGSRLM -Bihan) in Chhattisgarh. The project envisages to develop an organic management system with a web-based traceable organic certification system, market intelligence, and direct marketing facilitation. The entire implementation process is designed to be participatory, with full involvement of farmers at every stage through their capacity building and hand-holding.



*Field interactions with farmers under CGSRLM*

## 5. Training and Capacity Building



GPS Map Camera

## 5.1 Comprehensive Series of Training Programs across the States of Maharashtra and Gujarat

During the year, AFC orchestrated a comprehensive series of training programs across the states of Maharashtra and Gujarat. These initiatives were tailored to address diverse agricultural challenges faced by local farmers, focusing on enhancing their knowledge and skills to promote sustainable farming practices and boost market competitiveness. The training programs encompassed a wide range of topics, including fruit farming excellence, advanced crop cultivation techniques, digital marketing strategies and international export protocols.

Overall, the training programs in both the states aimed to create a well-rounded learning experience through blending theoretical knowledge with practical application. Participants were encouraged to actively engage with the content through interactive sessions, group discussions, and hands-on activities. The training programs also emphasized the importance of networking and collaboration among agricultural stakeholders, fostering a community of informed and proactive farmers. By equipping farmers with the necessary skills and knowledge, the initiative aimed to drive regional agricultural development, improve crop productivity, and enhance economic returns. The successful execution of these training programs reflects AFC's commitment to empowering farmers and contributing to sustainable agricultural practices and food security in Maharashtra and Gujarat states.

## 5.2 Training of Krishi Sakhi under DAY – NRLM

Under the Uttar Pradesh State Rural Livelihoods Mission (UPSRLM), a specialized training and capacity-building program has been implemented for 'Krishi Sakhies', community based women agricultural advisors. This initiative aims to enhance their knowledge and skills in sustainable farming practices, crop management, soil health, and integrated pest management. By building the capacity of Krishi Sakhi, UPSRLM aims to strengthen the agricultural sector, increase farmers' incomes, and ensure food security in rural Uttar Pradesh, while also promoting women's empowerment and leadership in the community. AFC due to its record work was awarded the technical training of Krishi Sakhi, and have achieved significant target within a months' time.



*Training activities under the Krishi Sakhi Program*

## 5.3 Nand Baba Dugdh (Milk) Mission (NBDM)

The Government of Uttar Pradesh has initiated the 'Nand Baba Dugdh Mission (NBDM)' to enhance the dairy sector in the state. Aiming to boost milk production and ensure fair prices for dairy farmers, the mission focuses on improving infrastructure, providing financial support, and facilitating modern dairy farming techniques. This initiative is expected to strengthen the rural economy and ensure the availability of high-quality milk and dairy products to consumers. AFC has been empaneled as technical support agency with NBDM and has been awarded 2 pilot projects which includes (i) Training Need Assessment under NBDM and (ii) One-day training cum workshop under NBDM as state training provider.



## 5.4 Training and capacity building of cadres of UPSRLM under Lakhpati Mahila Scheme

The Lakhpati Mahila Scheme, implemented under the Uttar Pradesh State Rural Livelihoods Mission (UPSRLM), focuses on empowering women in rural areas by providing them with training and capacity-building support. The scheme aims to elevate women's annual incomes to at least one lakh rupees through skill development and entrepreneurship. AFC has been awarded the training Under Lakhpati Mahila Scheme, and we have achieved 100% Target. Training programs encompass a wide range of topics, including financial literacy, advanced agricultural practices, livestock management, and small business development. By enhancing their



skills and knowledge, the initiative enables women to start and expand their income-generating activities, thereby improving their economic status and self-reliance. This comprehensive approach not only boosts household incomes but also promotes gender equality and fosters inclusive growth in rural Uttar Pradesh.

## 5.5 Training and capacity building of Cadres of UPSRLM on Business Development Plan

Under the Uttar Pradesh State Rural Livelihoods Mission (UPSRLM), a targeted training and capacity-building program has been in progress for the Business Development Plan (BDP) of Model Cluster Level Federations (CLFs) cadre. AFC has been awarded the training of 12000 Cadre CLF Members for the BDP. The initiative aimed to empower CLF members to identify and exploit business opportunities, improve their operational efficiencies and drive sustainable economic growth within their communities. By building robust business development plans, the program ensures that CLFs can generate higher incomes, create employment opportunities, and foster a culture of self-reliance and economic resilience in rural Uttar Pradesh. Uttar Pradesh state. AFC was awarded the initial training of 216 Candidates in apparel trade in Ballia district. By equipping participants with relevant skills and certifications, UPSDM aims to bridge the gap between the demand and supply of skilled labor. This initiative not only improves job prospects for individuals but also supports economic growth and development in Uttar Pradesh by creating a skilled workforce ready to meet contemporary market needs.



*Training and Capacity Building under the program*



*Glimpses of skill development training to the candidates*

## 5.6 Capacity Building and Training of Ward Members in 6 blocks of Giridih District

Department of Panchayati Raj, Government of Jharkhand aims at capacity building and training program for newly elected ward members to enhance their governance and administrative skills. AFC was awarded the training and capacity building of Ward Members and elected representatives in 6 Blocks of Giridih District based on the past experience of Working in the PRI Domain in Jharkhand. This program aims to equip these local leaders with essential knowledge on public administration, local governance, financial management, and community development. This initiative is vital for strengthening local self-governance and ensuring transparent, accountable, and efficient administration at the grassroots level in Jharkhand.

## 5.7 Skill development training in Ballia on apparel trade as government training partner under Uttar Pradesh Skill Development Mission (UPSDM)

The Uttar Pradesh Skill Development Mission (UPSDM) focuses on providing skill development training to enhance employability and entrepreneurial capabilities among the state's youth. The mission offers a wide range of vocational courses across sectors such as manufacturing, healthcare, information technology, and services. AFC entered into the agreement with UPSDM as Government Training partner during the year to implement skill development training in Uttar Pradesh state. AFC was awarded the initial training of 216 Candidates in apparel trade in Ballia district. By equipping participants with relevant skills and certifications, UPSDM aims to bridge the gap between the demand and supply of skilled labor. This initiative not only improves job prospects for individuals but also supports economic growth and development in Uttar Pradesh by creating a skilled workforce ready to meet contemporary market needs.





*Training activities undertaken under UPSRLM*

## 5.8 Training and capacity building of different cadres (CRPs, PRPs) at State and District levels under UPSRLM

Under the Uttar Pradesh State Rural Livelihoods Mission (UPSRLM), a comprehensive training and capacity-building program is implemented to enhance the skills and competencies of various cadres involved in rural development. The initiative focuses on equipping Self-Help Groups (SHGs), community resource persons, and mission staff with essential knowledge and practical skills. Training modules cover financial literacy, entrepreneurship, agricultural practices, and digital literacy, among other areas. This capacity-building effort is crucial for achieving the mission's objective of poverty alleviation and improved quality of life in rural Uttar Pradesh. AFC was awarded trainings from UPSRLM for different cadres across the 75 districts of the state of Uttar Pradesh.



महा निदेशक लेखा परीक्षा  
(कृषि, खाद्य एवं जल संसाधन), नई दिल्ली  
Director General of Audit  
(Agriculture, Food & Water Resources), New Delhi



गोपनीय

रिपोर्ट/2-249/डी.जी.ए./सी.ई./ए.एफ.&डब्ल्यू.आर/Acts/AFCIL/2024-25/ 3316

दिनांक: 26/09/2024

सेवा में,

प्रबन्ध निदेशक,  
ए. एफ. सी. इंडिया लिमिटेड,  
धनराज महल, प्रथम तल,  
सी एस एम 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 2024 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 2024 को समाप्त वर्ष के वित्तीय खातों पर शून्य टिप्पणियाँ भेजी जा रही हैं।

कृपया इस पत्र की पावती भेजने की कृपा करें।

संलग्न: यथोपरि

भवदीय,

26/09/2024

(संदीप लाल)

महानिदेशक लेखापरीक्षा, केन्द्रीय व्यय  
(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 2024**

The preparation of financial statements of **AFC India Limited** for the year ended 31 March 2024 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 auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is/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 9<sup>th</sup> July 2024.

I, on behalf of the Comptroller and Auditor General of India, have conducted the supplementary audit of the financial statements of **AFC India Limited** for the year ended 31<sup>st</sup> March 2024 under section 143(6)(a) of the Act. We conducted a supplementary audit of the financial statement of **AFC India Limited** for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

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

**Place: New Delhi  
Date: 26.09.2024**

20  
26/09/2024

**(Sandeep Lall)  
Director General of Audit, Central Expenditure  
(Agriculture, Food & Water Resources)**

**AUDITED ACCOUNTS  
OF  
AFC INDIA LIMITED  
FOR THE YEAR ENDED 31-03-2024**

**AUDITORS**

**S K BHAGERIA & ASSOCIATES  
Chartered Accountants**

**1124, Hubtown Solaris, N. S Phadke Marg, Near Regency Hotel, Andheri East,  
Mumbai - 400 069, Maharashtra, India.**

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
M/s AFC INDIA LIMITED

Report on the Audit of the Financial Statements

### Opinion

1. We have audited the accompanying financial statements of M/s. AFC INDIA LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss 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.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') 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<sup>st</sup>, 2024, its Profits and cash flows for the year ended on that date.

### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SA's) 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

4. 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 standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters

### Key Audit Matter

The Recognition of Revenue relating to consulting income generated from various projects involves making critical estimates considering factors such as efforts incurred till date, status of deliverables, progress of contracts, etc which is then used to evaluate the percentage of project completed by the management. The same is also used for the valuation of "Jobs in-Progress" at the year end.

The above percentage derived on the basis of Percentage of completion method is also then used to determine the obligations to be fulfilled (expenses) to their Business Associates.

### How the same was addressed during our audit

Our audit procedures included but were not limited to the following: -

- Evaluation of the key factors, inputs and assumptions used in the derivation of the percentage of completion on a test check basis.
- Evaluation of Proportionate Booking of expenses to Business Associates basis on the percentage of completion on a test check basis
- Obtaining Management Representations for the revenues and corresponding expenses booked for the Business Associates during the year under review.

## Information other than the Financial Statements and Auditors' Report thereon

5. The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, but does not include the financial statements and our auditor's report thereon.
6. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



8. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### **Management's and Board of Director's Responsibility for the Financial Statements**

9. The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting 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.
10. In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

11. 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 Standards on Auditing 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.
12. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - a. 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.

- b. Obtain an understanding of internal controls relevant to the audit, in order to design audit procedures better appropriate in the circumstances.
  - c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - d. 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 Auditors 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 upto the date our Auditors Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - e. 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.
13. 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.
14. 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

15. 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.
16. As required by C&AG of India through supplementary direction dated 19<sup>th</sup> October 2014 issued under section 143(5) of the Companies Act, 2013 on the basis of information received from the management, we give our report on the matter specified in the **Annexure "B"** attached.
17. 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid 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 March 31<sup>st</sup>, 2024 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31<sup>st</sup>, 2024 from being appointed as a Director in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure "C"**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting,
  - g. 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;



The financial statements disclose the impact of pending litigations as at 31<sup>st</sup> March

2024 on the financial position of the Company and its joint operation to the standalone financial statements.

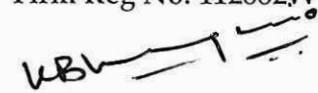
- ii. The Company did not have any long-term contracts including derivative contracts as at March 31<sup>st</sup>, 2024 for which there were any material foreseeable losses;
- iii. There has not been an occasion in case of the Company during the year ended 31<sup>st</sup> March, 2024, to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sum does not arise.
- iv.
  - The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes 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, whether, 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;
  - The management has represented, that, to the best of it’s knowledge and belief, other than as disclosed in the notes 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, whether, 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
  - Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mi-statement.
- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- vi. The Company has used accounting software (Tally) for maintaining its books of account for the financial year ended 31 March, 2024. However, the feature of audit trail (edit log) facility has not been operational throughout the year.



h. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

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 compliance with the provisions of Section 197 of the Act.

For S K Bhageria & Associates  
Chartered Accountants  
Firm Reg No. 112882W



Khush Bhageria  
(Partner)

Mem No. 603090

UDIN: 24603090BKBLHZ4392



Place: Mumbai

Date: 09<sup>th</sup> July, 2024

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

Report 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 (Refer to in paragraph 15 under 'Report on Other Legal and Regulatory Requirements' section of our report of M/s. AFC INDIA LIMITED of even date) With reference to the Annexure "A" referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31<sup>st</sup>, 2024, we report the following:

1. In Respect of Property Plant and Equipment;

- a. - The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
  - The Company has maintained full particulars of all intangible assets held during the year.
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.
- d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- e. According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of "Benami Property Transactions Act, 1988 and rules made thereunder.



2. In Respect of Inventories;  
The Company does not have any inventory and hence the provisions of this clause is not applicable to the company.
3. According to information and explanation given to us, during the year the company has not made any investment in, provided any guarantee or security or granted any loan or advances, in any nature of loans, secured or unsecured, to companies, firms, and limited liability partnerships or other parties. Therefore, the provisions of, clause (iii) (a) to (f) of paragraph 3 of the said order are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, in respect of loans, investments, guarantees, and security wherever applicable.
5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
6. According to the information and explanations given to us, The maintenance of cost records as prescribed by The Central Government of India under sub-section (1) of section 148 of the Act for the activities of the company is not applicable to the company and hence this clause is not applicable to the company.
7. In respect of statutory dues:
  - a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, cess and other statutory with the appropriate authorities. There is no undisputed amount payable in respect of such dues which have remained outstanding as at March 31<sup>st</sup>, 2024 for a period more than 6 months from the date they became payable.
  - b. According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax outstanding on account of any 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 booked an order and has remanded back the case to AA. The above amount includes only the tax amount, interest and penalty is not included in the same.
8. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed



any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

9. In respect to Loan and borrowings from Bank and Financial Institutions;
  - a. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan or other borrowings or any interest due thereon to any lender.
  - b. In our opinion and according to the information and explanations given to us, the company has not been a declared wilful defaulter by any bank or financial institution or other lender.
  - c. In our opinion and according to the information and explanations given to us, the loans were applied for the purpose for which the loans were obtained wherever applicable.
  - d. In our opinion and according to the information and explanations given to us, there are no funds raised on short term basis which have 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.
10.
  - a. In our opinion, and according to the information and explanations given to us, the moneys raised by way of term loans have been utilized for the purpose for which it was raised. Company has not raised any money form initial Public Offering or further public offering (including debt instruments).
  - b. In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares during the year and the requirements of section 42 and section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised.
11. In respect of Frauds;
  - a. We have not noticed any case of fraud by the company or any fraud on the Company by its officers or employees during the year. The management has also not reported any case of fraud during the year.
  - b. During the year no report under sub-section (12) of section 143 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. As auditor, we did not receive any whistle- blower complaint during the year.
12. The company is not a Nidhi Company. Therefore, the provisions of Clause (xii) of paragraph 3 of the order are not applicable to the Company.



13. According to the information and explanations given to us and based on our examination of the records of the company, all the transactions with the related parties are in compliance with section 177 and 188 of the Act wherever applicable, the details have been disclosed in financial statement etc., as required by the applicable accounting standards. Identification of related parties were made and provided by the management of the company and we have relied upon the same.
- 14.
- a. Yes, The Company has an internal audit system commensurate with the size and nature of its business.
  - b. The Reports of the Internal Auditors for the period under audit were taken into consideration by us while conducting the audit.
15. The Company has not entered into any non-cash transactions with directors or persons connected with him for the year under review. Therefore, the provisions of Clause (xv) of paragraph 3 of the order are not applicable to the Company.
- 16.
- a. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
  - b. The company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
  - c. The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
  - d. As per the information and explanations received, the group does not have any CIC as part of the group.
17. The company has not incurred cash loss in current financial year as well in immediately preceding financial year.
18. There has been resignation of the previous statutory auditors during the year. No specific issues, objections or concerns have come to our knowledge that has been raised by the outgoing auditors.
19. On the basis of the financial ratios, ageing and expected dates of realization 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, we are of the opinion that no material uncertainty exists 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.



20. According to the explanations provided to us the provisions of section 135 - Corporate social responsibility is not applicable to the company, and hence reporting under this clause is not applicable.
21. The company has not made investments in subsidiary company. Therefore, the company does not require to prepare consolidated financial statement. Therefore, the provisions of Clause (xxi) of paragraph 3 of the order are not applicable to the Company.

For S K Bhageria & Associates  
Chartered Accountants  
Firm Reg No. 112882W



Khush Bhageria  
(Partner)  
Mem No. 603090  
UDIN: 24603090BKBLHZ4392



Place: Mumbai  
Date: 9<sup>th</sup> July, 2024

**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

C&AG of India through supplementary direction dated 19th October 2014 issued under section 143(5) of the Companies Act, 2013 (Refer to in paragraph 16 under 'Report on Other Legal and Regulatory Requirements' section of our report of **M/s. AFC INDIA LIMITED** of even date) With reference to the **Annexure "B"** referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31<sup>st</sup>, 2024, we report the following:

Directions	Action taken	Impact on Financial Statements
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 the accounting software Tally. To the best of our knowledge and according to the information and explanation given to us, no accounting transactions are processed outside IT system.	Nil
Whether there is any 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. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	Based on the audit procedures carried out and as per the information and explanation given to us, there were no cases of restricting or waiver/write off debts/loans/interest, etc by any lender, due to the company's inability to repay the loan during the FY 2023-24	Nil
Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or	As per the information and explanation given to us, no fund has been received from Central/State agencies for specific schemes during the	Nil

its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.

year.

For S K Bhageria & Associates  
Chartered Accountants  
Firm Reg No. 112882W



Khush Bhageria  
(Partner)

Mem No. 603090

UDIN: 24603090BKBLHZ4392



Place: Mumbai

Date: 9<sup>th</sup> July, 2024

Annexure "C" to the Independent Auditor's Report

(Referred to in paragraph 17(f) under 'Report on other legal and regulatory requirements' section of our report to the Members of M/s. AFC India Limited of even date.)

**Report on the internal financial controls over financial reporting 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 at March 31<sup>st</sup>, 2024, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's responsibility for internal financial controls**

The Board of Directors of the Company 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, 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 internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those standards and the guidance note require that we comply with ethical requirements and planned perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 judgment, including the assessment of the risks of material misstatement in 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 control 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **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 of 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.

### **Empasis of Matter**

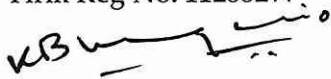
With respect to the Revenue Recognition the company follows the Percentage Completion Method (PCM) however the certification of the percentage completion is done by the management itself i.e. the Project Head and said certificate has been provided to us at the time of Audit, hence we have given our opinion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



## Opinion

In our opinion and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31<sup>st</sup>, 2024, 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.

For S K Bhageria & Associates  
Chartered Accountants  
Firm Reg No. 112882W



Khush Bhageria  
(Partner)  
Mem No. 603090  
UDIN: 24603090BKBLHZ4392



Place: Mumbai

Date: 9<sup>th</sup> July, 2024

**AFC INDIA LIMITED**  
CIN : U65990MH1968GOI013983  
Balance Sheet as at March 31, 2024

(Amount in Lakh Rupees)

Particulars	Note No.	As at 31/03/2024	As at 31/03/2023
<b>I EQUITY &amp; LIABILITIES</b>			
<b>1 Shareholder's Funds</b>			
(a) Equity Share Capital	3	1500.00	1500.00
(b) Reserves and Surplus	4	1167.00	1135.88
		<b>2667.00</b>	<b>2635.88</b>
<b>2 LIABILITIES</b>			
<b>(i) NON-CURRENT LIABILITIES</b>			
(a) Long Term Provisions	5	85.96	70.22
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>85.96</b>	<b>70.22</b>
<b>(ii) CURRENT LIABILITIES</b>			
(a) Short Term Borrowings	6	-	-
(b) Trade Payables	7	-	-
Due to Micro and Small Enterprises		5.24	-
Due to Others		1314.31	413.30
(c) Other Current Liabilities	8	11220.35	6649.64
(d) Short Term Provisions	9	1066.78	2052.76
<b>TOTAL CURRENT LIABILITIES</b>		<b>13606.68</b>	<b>9115.70</b>
<b>TOTAL LIABILITIES</b>		<b>13692.64</b>	<b>9185.92</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>16359.64</b>	<b>11821.80</b>
<b>II ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
(a) Property, Plant and Equipments and Intangible Assets			
(i) Property, Plant and Equipments	10	18.24	20.54
(ii) Intangible Assets	11	0.15	0.15
(b) Non Current Investments	12	238.34	362.19
(c) Defererd Tax Assets (Net)	13	54.42	52.90
(d) Long Term Loans and Advances	14	428.14	450.24
<b>TOTAL NON-CURRENT ASSETS</b>		<b>739.28</b>	<b>886.02</b>
<b>2 CURRENT ASSETS</b>			
(a) Other Current Assets	15	11513.29	7245.09
(b) Trade Receivables	16	219.50	336.98
(c) Cash and Cash Equivalents	17	3860.00	3261.86
(d) Short Term Loans and Advances	18	27.56	91.85
<b>TOTAL CURRENT ASSETS</b>		<b>15620.36</b>	<b>10935.78</b>
<b>TOTAL ASSETS</b>		<b>16359.64</b>	<b>11821.80</b>
<b>Significant accounting policies and notes to accounts</b>	1 to 37		

As per our report of even date attached

**For M/s.S K Bhageria & Associates**  
Chartered Accountants  
Firm Registration No.: 112882W

**CA. Khush Bhageria**  
Partner  
Membership No.: 603090  
UDIN : 24603090BKBLHZ4392

Place: Mumbai  
Date: 09.07.2024

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

**Shri Deepak Thombre**  
Chairman  
(DIN : 02421599)

**CA. Mamta Sahal**  
Chief Financial Officer

**Shri Mashar Velapurath**  
Managing Director  
(DIN : 09350971)

**CS. Nidhi Shah**  
Company Secretary



# AFC INDIA LIMITED


CIN : U65990MH1968GOI013983

## Statement of Profit and Loss for the year ended March 31, 2024

(Amount in Lakh Rupees)

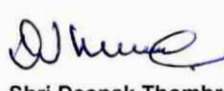
Particulars	Note No.	For the year ended 31-Mar-24	For the year ended 31-Mar-23
<b>I Income:</b>			
(a) Revenue from Operations	19	6378.60	3090.33
(b) Other Income	20	214.27	106.51
<b>Total Income</b>		<b>6592.87</b>	<b>3196.84</b>
<b>II Expenses:</b>			
(a) Project Expenses	21	5768.51	2452.83
(b) Employee Benefit Expenses	22	516.72	520.85
(c) Finance Costs	23	10.37	10.57
(d) Depreciation and Amortization	24	6.48	9.08
(e) Other Expenses	25	234.44	172.61
<b>Total Expenses</b>		<b>6536.51</b>	<b>3165.94</b>
<b>Profit Before Exceptional Items &amp; prior period expenses and Tax</b>		<b>56.36</b>	<b>30.90</b>
<b>III</b>			
(a) Exceptional Items		-	-
(b) Prior Period Income / (Expenses) Net	26	-	-
<b>IV Profit Before Tax</b>		<b>56.36</b>	<b>30.90</b>
<b>V Less : Tax Expense</b>			
(a) Current Tax		13.86	7.78
(b) Income Tax of Earlier year		12.90	10.87
(c) Deferred Tax		-1.52	1.05
<b>VI Profit/(Loss) for the year</b>		<b>31.12</b>	<b>11.20</b>
<b>VII Earnings per equity share for profit/ (Loss)</b>			
(a) Basic	27	207.46	74.66
(b) Diluted		207.46	74.66
<b>Significant accounting policies and notes to accounts</b>	1 to 37		

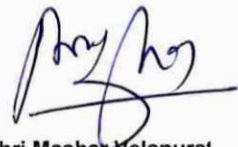
As per our report of even date attached  
For M/s.S K Bhageria & Associates  
Chartered Accountants  
Firm Registration No.: 112882W

  
CA. Khush Bhageria  
Partner  
Membership No.: 603090  
UDIN : 24603090BKBLHZ4392



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

  
Shri Deepak Thombri  
Chairman  
(DIN : 02421599)

  
Shri Masha Velapurat  
Managing Director  
(DIN : 09350971)

  
CA. Mamta Sahal  
Chief Financial Officer

  
CS. Nidhi Shah  
Company Secretary



**AFC INDIA LIMITED**  
CIN : U65990MH1968GOI013983  
Statement of cash flows for the year ended March 31, 2024

	March 31, 2024	March 31, 2023
<b>Amount in Lakhs</b>		
<b>Cash flow from Operating Activities</b>		
<b>Profit before Exceptional Items and Income tax</b>	56.36	30.90
Adjustments to reconcile net profit to net cash provided by operating activities :		
Depreciation and amortisation expense	6.48	9.08
Impairment Loss on Investments/ Revalue of Investment	.00	.00
Loss on sale of Assets	.00	.00
Interest income	-198.85	-84.00
Interest expenses	10.37	10.57
Dividend income	-.80	-.64
<b>Operating Profit Before Working Capital Changes</b>	<b>-126.44</b>	<b>-34.09</b>
<b>Change in operating assets and liabilities</b>		
Increase/(decrease) in Long Term Provisions	15.74	-4.97
Increase/(decrease) in Trade Payables	901.01	136.95
Increase/(decrease) in Other Current Liabilities	4570.71	2280.97
Increase/(decrease) in Short Term Provisions	-985.98	672.68
(Increase)/decrease in Long Term Loans and Advances	32.46	46.80
(Increase)/decrease in Other Current Assets	-4212.03	-1271.03
(Increase)/decrease in Trade Receivables	117.48	1.59
(Increase)/decrease in Short Term Loans and Advances	64.29	-71.78
<b>Cash generated from operations</b>	<b>377.22</b>	<b>1757.12</b>
Cash Flow from Exceptional Items	.00	.00
Cash Flow from Prior period expenses	.00	.00
Income tax paid	-37.11	119.66
<b>Net cash inflow / (outflow) operating activities</b>	<b>340.11</b>	<b>1876.79</b>
<b>Cash flow from investing activities</b>		
Sale / Disposal of Property, Plant and Equipments	.00	.00
Purchase of Property, Plant and Equipments	-4.17	-1.37
Investment in Fixed Deposits	-17288.61	-1030.20
Maturity in Fixed Deposit	15048.51	1074.78
Interest on Fixed Deposits	142.68	79.26
Dividend Income	0.80	0.64
<b>Net cash inflow / (outflow) investing activities</b>	<b>-2100.80</b>	<b>123.10</b>
<b>Cash flow from financing activities</b>		
Repayment of borrowings	.00	.00
Interest paid	-10.37	-10.57
<b>Net cash inflow (outflow) from financing activities</b>	<b>-10.37</b>	<b>-10.57</b>
Net increase / (decrease) in cash and cash equivalents	-1771.06	1989.32
Cash and cash equivalents at the beginning of the year	2113.35	124.03
<b>Cash and cash equivalents at the end of the year</b>	<b>342.29</b>	<b>2113.35</b>
<b>Breakup of Cash and Cash Equivalent</b>		
<b>Cash and Cash Equivalents</b>		
Cash in Hand	0.23	0.17
Balances with Banks in Current Accounts	79.57	76.68
Balances with Banks in Overdraft Accounts	267.74	2036.50
<b>Total</b>	<b>347.53</b>	<b>2113.35</b>
<b>Total Cash and Cash Equivalent</b>	<b>347.53</b>	<b>2113.35</b>

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

As per our report of even date attached  
For M/s. S K Bhageria & Associates  
Chartered Accountants  
Firm Registration No.: 112882W

CA. Khush Bhageria  
Partner  
Membership No.: 603090  
UDIN : 24603090BKBLH24392

Place: Mumbai  
Date: 09.07.2024



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

Shri Deepak Thombre  
Chairman  
(DIN : 02421599)

CA. Mamta Sahal  
Chief Financial Officer

Shri Mashar Velapurath  
Managing Director  
(DIN : 09350971)

CS. Nidhi Shah  
Company Secretary



# AFC INDIA LIMITED

CIN: U65990MH1968GOI013983

## NOTES TO FINANCIAL STATEMENTS

<b>1 OVERVIEW</b>	<p><b>AFC India Limited (AFC)</b> 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.</p>
<b>2 SIGNIFICANT ACCOUNTING POLICIES</b>	
<b>a. Basis of Preparation</b>	<p>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.</p> <p>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.</p> <p>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.</p>
<b>b. Use of Estimates</b>	<p>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.</p> <p>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.</p>
<b>c. Cash Flow Statement</b>	<p>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.</p>
<b>d. Property Plant &amp; Equipment</b>	
<b>Tangible Asset:</b>	<p>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.</p>
<b>Intangible Asset:</b>	<p>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.</p>



e.	<b>Depreciation</b>
	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.	<b>Impairment of assets</b>
	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.	<b>Investments</b>
	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.	<b>Revenue recognition</b>
	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.	<b>Employee Benefits</b>
	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.
	<b>Post-employment benefits:</b>
	<ul style="list-style-type: none"> <li>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.</li> <li>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</li> <li>iii. The retirement benefits for encashment of leave salary are fully provided for on actuarial valuation</li> </ul>
j.	<b>Borrowing Cost</b>
	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.	<b>Prior Period Item</b>
	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.	<b>Taxation</b>



	<b>Current Tax:</b>														
	Provision for current tax is made after taking in to consideration benefits admissible under the provisions of the Income tax Act, 1961.  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.														
	<b>Deferred Tax:</b>														
	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. Net outstanding balance in Deferred tax account is recognized as Deferred tax liabilities / asset. The Deferred tax account is used solely for reversing timing difference as and when crystalized														
<b>m.</b>	<b>Provisions, Contingent Liabilities and Contingent Assets</b>														
	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.  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.														
<b>n.</b>	<b>Earnings Per Share</b>														
	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. 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.														
<b>o.</b>	<b>Cash and Cash Equivalent</b>														
	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.														
<b>p.</b>	<b>Provision for Bad and Doubtful Debts</b>														
	The policy being followed by the company for providing for doubtful debts and writing off bad debts is as follows:														
	<table border="1"> <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														



<b>q. Events occurring after balance sheet date</b>
No significant events which could affect the financial position as on 31.03.2024 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 M/s.S K Bhageria & Associates  
Chartered Accountants**

**Firm Registration No.: 112882W**



**CA. Khush Bhageria  
Partner  
Membership No.: 603090  
UDIN : 24603090BKBLHZ4392**

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

**Shri Deepak Thombre  
Chairman  
(DIN : 02421599)**

**Shri Mashar Velapurath  
Managing Director  
(DIN : 09350971)**

**CA. Mamta Sahal  
Chief Financial Officer**

**CS. Nidhi Shah  
Company Secretary**

**Place: Mumbai  
Date: 09-07-2024**



**AFC INDIA LIMITED**  
CIN : U65990MH1968GOI013983

Notes forming part of the financial statements

3 Share Capital

Particulars	As at 31 March, 2024		As at 31 March, 2023	
	Number of shares	(Amount in Lakh Rs.)	Number of shares	(Amount in Lakh Rs.)
<b>Authorised Share Capital</b>				
Equity shares of Rs. 10,000/- each	1,00,000	10000.00	1,00,000	10000.00
<b>Issued Subscribed and fully paid up</b>				
Equity shares of Rs. 10,000/- each	15,000	1500.00	15,000	1500.00
<b>Total</b>	<b>15,000</b>	<b>1500.00</b>	<b>15,000</b>	<b>1500.00</b>

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, 2024		As at 31 March, 2023	
	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	-	-	-	-
<b>Closing Balance</b>	<b>15,000</b>	<b>1500.00</b>	<b>15,000</b>	<b>1500.00</b>

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

Name of shareholder	As at 31 March, 2024		As at 31 March, 2023	
	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%
<b>Total</b>	<b>6,409</b>	<b>42.73%</b>	<b>0.00%</b>



**AFC India Limited**  
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**4 Reserves and Surplus**

Particulars	Amounts in Lakh	
	As at March 31, 2024	As at March 31, 2023
<b>Profit and Loss Account</b>		
Opening Balance	1135.88	1124.68
Add : Net Profit for the year	31.12	11.20
<b>Total</b>	<b>1167.00</b>	<b>1135.88</b>

**5 Long Term Provisions**

Particulars	Amounts in Lakh	
	As at March 31, 2024	As at March 31, 2023
Provision for Leave Encashments	85.96	70.22
<b>Total</b>	<b>85.96</b>	<b>70.22</b>

**6 Short Term Borrowings**

Particulars	Amounts in Lakh	
	As at March 31, 2024	As at March 31, 2023
Secured Overdraft from Central Bank of India	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

6.1 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/-)



7 Trade Payable

Particulars	Amounts in Lakh	
	As at March 31, 2024	As at March 31, 2023
*Total outstanding dues of micro enterprises and small enterprises	5.24	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	1314.31	413.30
<b>Total</b>	<b>1319.55</b>	<b>413.30</b>

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
1) MSME	5.24	-	-	-	5.24
2) Others	1,269.42	44.89	0.00	0.00	1,314.31
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
	<b>1,274.66</b>	<b>44.89</b>	<b>0.00</b>	<b>0.00</b>	<b>1,319.55</b>

\* The outstanding of Rs.5.24 lakhs under MSME category is less than 45 days old. 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, 2024	As at March 31, 2023
Advance from Customers	11166.21	6627.11
Duties and Taxes	35.69	22.53
Bank Guarantee & Earnest money deposit received	18.46	0.00
<b>Total</b>	<b>11220.35</b>	<b>6649.64</b>

9 Short Term Provisions

Particulars	Amounts in Lakh	
	As at March 31, 2024	As at March 31, 2023
Provision for Project Expenses	940.54	1907.81
Provision for Leave Encashments (Short Term)	27.74	38.34
Provision for Bad Debts	15.46	19.41
Provision for Gratuity	80.65	78.29
Provision for other expenses	2.39	8.90
<b>Total</b>	<b>1066.78</b>	<b>2052.76</b>



**AFC India Limited**  
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10 **Plant, Property and Equipment**

Amounts in Lakh

Particulars	Buildings	Data Processing Equipments	Furniture & Fixtures	Vehicles	Office Equipments	Total
<b><u>Cost or Deemed Cost</u></b>						
At April 1, 2023	2.47	129.43	109.46	2.94	85.14	329.43
Additions during the year	-	2.80	1.18	-	0.19	4.17
Disposals / Adjustments	-	-	-	-	-	0.00
<b>At March 31, 2024</b>	<b>2.47</b>	<b>132.23</b>	<b>110.64</b>	<b>2.94</b>	<b>85.33</b>	<b>333.61</b>
<b><u>Depreciation and Impairment</u></b>						
At April 1, 2023	2.23	125.80	97.06	2.84	80.97	308.89
Depreciation for the year	0.01	2.43	2.68	0.02	1.34	6.48
Impairment	-	-	-	-	-	0.00
Disposals / Adjustments	-	-	-	-	-	0.00
<b>At March 31, 2024</b>	<b>2.24</b>	<b>128.23</b>	<b>99.74</b>	<b>2.85</b>	<b>82.31</b>	<b>315.37</b>
<b><u>Net Book Value</u></b>						
At March 31, 2024	0.22	4.00	10.90	0.09	3.02	18.24
At March 31, 2023	0.23	3.63	12.40	0.10	4.17	20.54

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**  
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11 Intangible Assets

Particulars	Amounts in Lakh
<b><u>Cost or Deemed Cost</u></b>	
At April 1, 2023	14.80
Additions during the year	-
Disposals / Adjustments	-
<b>At March 31, 2024</b>	<b>14.80</b>
<b><u>Accumulated Amortisation</u></b>	
At April 1, 2023	14.66
Depreciation for the year	0.00
Impairment	-
Disposals / Adjustments	-
<b>At March 31, 2024</b>	<b>14.66</b>
<b><u>Net Book Value</u></b>	
<b>At March 31, 2024</b>	<b>0.15</b>
<b>At March 31, 2023</b>	<b>0.15</b>

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**  
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**12 Non Current Investments**

Particulars	Amounts in Lakh	
	As at March 31, 2024	As at March 31, 2023
<b>Investments - Other Than Trade</b>		
<b>(i) Equity Instruments - Quoted</b>		
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>	0.64	0.64
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
<b>(ii) Equity Instruments - Unquoted</b>		
<b>Investment in Other Companies</b>		
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
<b>Fixed Deposits with Banks (Having maturity more than 12 Months)</b>	233.53	357.38
<b>Total</b>	<b>238.34</b>	<b>362.19</b>
Cost of Purchase of Quoted Investments	1.81	1.81
Market Value of Quoted Investment	2.38	1.53
Aggregate Amount of Unquoted Investments	3.00	3.00
Aggregate Amount of Deposit with Bank	233.53	357.38

**13 Deferred Tax Assets**

Particulars	Amounts in Lakh	
	As at March 31, 2024	As at March 31, 2023
<b>Deferred Tax Assets</b>		
Opening Balance	52.90	53.95
Add : Additions / (Deletions) during the year	1.52	-1.05
<b>Total</b>	<b>54.42</b>	<b>52.90</b>

13.1 The Component of Deferred Tax Balances as on 31-03-2024 accounted in accordance with Accounting Standard - 22 "Accounting for Taxes on Income" issued by ICAI are as under :



Particulars	As at March 31, 2024	As at March 31, 2023
Expenses allowed on Payment Basis	48.91	47.03
Depreciation on Fixed Assets	5.51	5.88
<b>Net Deferred Tax Asset</b>	<b>54.42</b>	<b>52.90</b>

14 Long Term Loans and Advances

Particulars	Amounts in Lakh	
	As at March 31, 2024	As at March 31, 2023
<b>Unsecured Considered Good</b>		
Advance Taxes (Net of Provision)	364.17	353.82
Deposits	63.64	95.96
Festival Advance	0.33	0.46
<b>Total</b>	<b>428.14</b>	<b>450.24</b>

15 Other Current Assets

Particulars	Amounts in Lakh	
	As at March 31, 2024	As at March 31, 2023
Jobs in Progress	11295.27	7165.06
Accrued Interest on Investments	87.63	31.46
Balance with Government Authorities - GST (Net)	130.01	48.19
Service Tax Appeal Deposit	0.38	0.38
<b>Total</b>	<b>11513.29</b>	<b>7245.09</b>



## 16 Trade Receivables

Amounts in Lakh

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Unsecured</b>		
Outstanding for a period exceeding six months :		
Unsecured Considered Good	134.50	185.77
Unsecured Considered Doubtful	15.46	19.41
<b>Sub Total</b>	<b>149.96</b>	<b>205.19</b>
Provision for Bad Debts	15.46	19.41
<b>Net</b>	<b>134.50</b>	<b>185.77</b>
<b>Others</b>		
Unsecured Considered Good	85.00	151.21
<b>Total</b>	<b>219.50</b>	<b>336.98</b>

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	85.00	12.02	88.94	6.45	11.63	204.04
(ii) Undisputed Trade Receivables – considered doubtful	-	-	9.88	1.14	4.44	15.46
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
	<b>85.00</b>	<b>12.02</b>	<b>98.82</b>	<b>7.59</b>	<b>16.07</b>	<b>219.50</b>



17 Cash and Cash Equivalents

Particulars	Amounts in Lakh	
	As at March 31, 2024	As at March 31, 2023
(i) <u>Cash and Cash Equivalents</u>		
Cash in Hand	0.23	0.17
Balances with Banks in Current Accounts	79.57	76.68
Balances with Banks in Overdraft Accounts	267.74	2036.50
Others :		
Investment in Mutual Funds	-	-
	<b>347.53</b>	<b>2113.35</b>
(ii) <u>Other Bank Balances</u>		
Deposit with Bank (Maturity in less than 3 Months)	2350.69	732.00
Deposit with Bank (Maturity in less than 12 Months but more than 3 Months)	1161.78	416.51
<b>Total</b>	<b>3860.00</b>	<b>3261.86</b>

17.1 Fixed Deposits includes Fixed Deposits pledged with bank for facilities granted to the company aggregating to Rs. 5,07,93,160/- (Against Overdraft Facility Rs. 2,25,00,000/- and Against Bank Guarantees Rs. 2,82,93,160/-) (Previous Year Rs. 4,75,00,000/-)

18 Short Term Loans and Advances

Particulars	Amounts in Lakh	
	As at March 31, 2024	As at March 31, 2023
Advances to Related Parties	3.95	3.75
Prepaid Expenses	17.72	14.99
Other Advances (Net)	5.90	73.11
<b>Total</b>	<b>27.56</b>	<b>91.85</b>

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

Particulars	Amounts in Lakh	
	As at March 31, 2024	As at March 31, 2023
AFC Foundation	3.95	3.75
<b>Total</b>	<b>3.95</b>	<b>3.75</b>



**AFC INDIA LIMITED**  
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**19 Revenue from Operations**

(Amount in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Consultancy Income	6378.60	3090.33
<b>Total</b>	<b>6378.60</b>	<b>3090.33</b>

**19.1 Consultancy Income**

Particulars	As at March 31, 2024	As at March 31, 2023
Projects Completed During the Year	2248.39	1803.87
Add : Value of Closing Jobs in Progress	11295.27	7165.06
Less : Value of Opening Jobs in Progress	7165.06	5878.60
<b>Total</b>	<b>6378.60</b>	<b>3090.33</b>

**20 Other Income**

(Amount in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Interest Income	198.85	84.00
Other Non Operating Revenue	0.19	0.08
Dividend Income	0.80	0.64
Provision for Doubtful Debts written back	3.95	3.58
Sundry Balance Written Back	3.45	0.00
Interest on IT Refund	7.03	18.21
<b>Total</b>	<b>214.27</b>	<b>106.51</b>



**21 Project Expenses**

Particulars	(Amount in Lakh)	
	As at March 31, 2024	As at March 31, 2023
Project Expenses	5669.38	2359.99
Consultancy Charges	80.77	63.83
Other Expenses	18.36	29.01
<b>Total</b>	<b>5768.51</b>	<b>2452.83</b>

**22 Employee Benefits Expenses**

Particulars	(Amount in Lakh)	
	As at March 31, 2024	As at March 31, 2023
Salary Allowances and Bonus	439.47	447.18
Contribution to Provident Fund and Other Funds	45.50	48.20
Staff Welfare Expenses	31.75	25.47
<b>Total</b>	<b>516.72</b>	<b>520.85</b>

**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. 23.88/- Lakh (PY Rs. 25.96/- 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, 2024	As at March 31, 2023
Interest on Overdraft	2.01	6.16
Interest Others	4.43	0.00
Bank Charges	3.93	4.41
<b>Total</b>	<b>10.37</b>	<b>10.57</b>

**24 Depreciation and Amortisation Costs**

Particulars	(Amount in Lakh)	
	As at March 31, 2024	As at March 31, 2023
Depreciation on Tangible Assets	6.48	9.08
Depreciation on Intangible Assets	0.00	0.00
<b>Total</b>	<b>6.48</b>	<b>9.08</b>



25 **Other Expenses**

(Amount in Lakh)

Particulars	(Amount in Lakh)	
	As at March 31, 2024	As at March 31, 2023
Advertisement Expenses	0.52	0.00
AMC Charges	1.94	1.51
Annual Custody Fees to NSDL & Others	0.04	0.00
Bad Debts Written off	44.32	8.68
Brokerage charges	0.00	0.00
Business Promotion Expenses	2.36	2.71
Communication Expenses	6.65	6.97
Computer Repairs and Maintenance	2.85	3.53
Director Sitting Fees & Others	3.00	2.50
Electricity Charges	9.53	9.43
Inspection Charges	0.38	0.42
Insurance Expenses	1.43	3.37
Legal and Professional Fees	11.62	9.21
Membership and Subscription	2.99	2.33
Miscellaneous Expenses	2.36	0.30
Office Maintenance	28.51	27.30
Other Expenses	0.25	0.00
Printing and Stationery	7.59	6.43
Rent Rates and Taxes	70.07	63.70
Statutory Audit Fees	0.30	0.30
Tax Audit Fees	0.20	0.20
Travelling and Conveyance	33.31	20.52
Exchange Loss	0.04	0.00
Vehicle Maintenance and Hiring Charges	3.18	2.11
Water Charges	1.00	1.07
<b>Total</b>	<b>234.44</b>	<b>172.61</b>

Payment to Auditors: (Including GST wherever applicable)

25.1 Particulars	31-Mar-24	31-Mar-23
A Audit Fees	0.30	0.30
B Tax Audit Fees	0.20	0.20
C As advisor or in any other capacity in respect of:		
Taxation Matters	0.00	0.00
In any other manner (Certification, Consultancy Work, Etc.)	0.00	0.00
D GST	0.00	0.00



**AFC INDIA LIMITED**  
CIN : U65990MH1968GOI013983

**27 Earnings Per Share**

Particulars	March 31, 2024	March 31, 2023
Basic Earnings per share	207.46	74.66
Diluted Earnings per share	207.46	74.66
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, 2024	March 31, 2023
<b>i. Profit attributable to equity shareholders (basic &amp; diluted)</b>		
Profit/(loss) for the year, attributable to equity shareholders of the company	31.12	11.20
<b>No of shares</b>		
<b>ii. Weighted average number of equity shares (basic)</b>	15,000	15,000
Issued equity shares as at the beginning of the year	-	-
<b>Weighted average number of shares as at the end of the year</b>	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)	<b>Key Management Personnel :</b>	
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	Shri Goverdhan Singh Rawat	Director
7	Shri Nitin Govindrao Deshpande	Director
8	Shri Nityananda Behera	Director
9	Shri V. Lakshmana Rao	Additional Director
10	Smt. N. Neeraja	Additional Director
11	Shri Ashok Kumar Pathak	Additional Director
12	Shri Kuldeep Singh Rana	Additional Director
13	CA Mamta Neeraj Sahal	Chief Financial Officer
14	CS Nidhi Kishor Shah	Company Secretary
ii)	<b>Subsidiaries :</b>	
	NA	
iii)	<b>Other Related parties :</b>	
1	AFC Foundation	

B. Transactions during the year :

			Amount in Lakh	
Nature of transaction		Key Management Personnel	Other Related Parties	Total
1	<b>Remuneration to Key Management Personnel :-</b> Salary, Allowances, Perks and Other benefits Shri Mashar Velapurath CA. Mamta Neeraj Sahal CS. Nidhi Kishor Shah	38.88 19.95 10.18	0.00 0.00 0.00	38.88 19.95 10.18
				<b>69.02</b>
2	Directors Sitting Fees & Honorarium Fees Shri Deepak Thombre Shri Ravindra Vidyadhar Boratkar Shri Bhagirath Choudhary	1.60 1.00 0.90	0.00 0.00 0.00	1.60 1.00 0.90
				<b>3.50</b>
3	Current Assets AFC Foundation Amount Received Amount Given	0.00 0.00	0.00 -3.95	0.00 -3.95
				<b>-3.95</b>

C. Outstanding at the year end:

		Amount in Lakh	
Nature of transaction		As at 31.03.2024 Rs.	As at 31.03.2023 Rs.
1	<b>Loans and Advance to, Related Parties :</b> AFC Foundation	3.95	3.75
	<b>Total</b>	<b>3.95</b>	<b>3.75</b>



**AFC INDIA LIMITED**  
CIN : U65990MH1968GOI013983

29 Contingent liabilities

		Rs. In Lakhs	
		March 31, 2024	March 31, 2023
(a)	<b>Contingent liabilities</b>		
	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	245.43	206.51

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,2024 from Life Insurance corporation of India is attached as part of this financial statements.

31 Financial Ratio

Sr. No.	RATIOS	FY 23-24	FY 22-23	% CHANGE	NUMERATOR	DENOMINATOR	Reason for Increase/Decrease
1	Current ratio	1.1466	1.1997	-4.43%	Sum Of Current Assets	Sum Of Current Liabilities	Due to improved business prospect Sundry Creditors and Other Payables have increased slightly in compare to previous year.
2	Return on equity ratio	1.1657	0.4248	174.40%	Profit After Tax	Sum Of Shareholders Fund	Due to improved business prospect overall net profitability of business has increased
3	Trade receivables turnover ratio	22.9245	9.1490	150.57%	Turnover	Average Trade Receivables	Due to improved business prospect the Turnover of Company has increased Significantly and Trade Receivables of the company has improved hence the positive difference in trade receivable turnover ratio
4	Trade payables turnover ratio	6.6578	7.1132	-6.40%	Purchase	Average Trade Payable	Sundry Creditors and Other Payables have increased slightly in compare to previous year. due to significant increase in Turnover.
5	Net capital turnover ratio	2.3917	1.1724	104.00%	Turnover	Sum Of Shareholders Fund	Due to improved business prospect Turnover of the company has increased significantly, Hence the positive difference.
6	Net profit ratio	0.0049	0.0036	34.51%	Profit After Tax	Turnover	Due to improved business prospect Turnover of the company has increased significantly however the expenses has not increased in same proportion as turnover hence the positive difference
7	Return on capital employed	0.0219	0.0141	55.56%	EBIT	Sum Of Shareholders Fund And Sum Of Long Term Borrowings	Due to improved business prospect Turnover of the company has increased significantly, Hence the positive difference.
8	Return on investment	1.1657	0.4248	174.40%	Profit After Tax	Sum Of Shareholders Fund And Sum Of Long Term Borrowings	Due to increase in Profit After Tax by 174.4% 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 2024**

**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
<b>Not Applicable</b>					

**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
<b>Not Applicable</b>						

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*



<b>Intangible Asset under development</b>					
<b>Projects in Progress</b>	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects Temporarily Suspended</b>	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,

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

v. Intangible assets under development:

(a) For Intangible assets under development:

<b>Intangible Asset under development</b>	<b>Amount of CWIP for a period of</b>	<b>Total*</b>



<b>Projects in Progress</b>	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects Temporarily Suspended</b>	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

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

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 –

(a) Whether quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts. –  
Since the overdraft facility is against Fixed Deposit's no such statement is required to be submitted with the bank.



(b) if not, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed. - Nil

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 M/s.S K Bhageria & Associates  
Chartered Accountants

Firm Registration No.: 112882W



CA. Khush Bhageria  
Partner  
Membership No.: 603090  
UDIN : 24603090BKBLHZ4392

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

  
Shri Deepak Thombre  
Chairman  
(DIN : 02421599)

  
Shri Mashar Velapurath  
Managing Director  
(DIN : 09350971)

Place: Mumbai  
Date: 09-07-2024

  
CA. Mamta Sahal  
Chief Financial Officer

  
CS. Nidhi Shah  
Company Secretary



Life Insurance Corporation of India  
Pension and Group Schemes Department  
P&GS DEPT MDO-I

Date :18/04/2024

Page : 1

Statement of Policy Account For The Period :  
31/03/2024

01/04/2023 to

The Trustees

The Trustees Agricultural Finance Corp Ltd Empl Grty Fund  
Dhanraj Mahal 1st Floor  
Chh Shivaji Maharaj Marg  
Mumbai 400001

Re : NGGCA Policy No 706002486

1. Name of Product : New Group Gratuity Cash Accumulation Plan  
2. Unique Identification Number : 512N281V01  
3. Par/Non\_par : Non\_Par  
4. Linked/Non\_linked : Non\_linked  
5. Minimum Floor Rate of Interest (MFR) : 0.5 % pa effective  
6. Additional Interest Rate of Interest (AIR) :  
6a.AIR for quarter ending 30/06/2023 : 6.77% pa effective .  
6b.AIR for quarter ending 30/09/2023 : 6.68% pa effective .  
6c.AIR for quarter ending 31/12/2023 : 6.79% pa effective .  
6c.AIR for quarter ending 31/03/2024 : 6.86% pa effective .

Statement of policy Account Value Showing Various Components Under The Policy  
for the period :  
01/04/2023 to 31/03/2024

A.Opening Balance of PAV(*) at the begining	:	4864575.661
B.Fund Converted from Old scheme	:	.000
C.Premium Received During the Period	:	1905121.000
D.Total Claim Paid For the Period	:	3410798.000
E.Total Equitable / Transfer in For the Period	:	.000
F.Total Equitable transfer out For the Period	:	.000
G.Total Mortality Charges (MOC) Deducted For the Period	:	33014.640
H.Total Pol Admin Charges (PAC) Deducted For the Period	:	821.630
I.Total correction add of fund For prev. quarters	:	.000
J.Total correction ded of fund For prev. quarters	:	.000
K.Total Fund Management Charges(FMC) Ded For the Period	:	26991.819
L.Service Tax On MOC+PAC+FMC For the Period	:	10949.057
M.Education Cess + Higher Edu Cess on Service Tax	:	.000
N.Interest Amount Credited (MFR) For the Period	:	27004.185
O.Interest Amount Credited (AIR) For the Period	:	357481.427
P.Residual Interest Credited For the Period	:	.000
Q.MVA Charges applied For the Period	:	.000
R.Exit Load applied For the Period	:	.000

Closing Balance of PAV :(A+B+C-D+E-F-G-H+I-J-K-L-M+N+O+P-Q-R): 3671607.127

Any discrepancy in the statement may be brought to our notice immediately.

Thanking you

Yours faithfully  
Manager (PGS)





**K.A. PANDIT**

# **Privilege Leave**

# **Liability Valuation**

# **Report**



**Issued to AFC India Limited**

**As at 31-03-2024**

**As required Under Accounting Standard 15 (Revised 2005)**

**Report Date: 30-05-2024**



**K.A. PANDIT**

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

Date: 30-05-2024

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 31-03-2024**

As per the request received from **AFC India Limited** for conducting an actuarial valuation as on **31-03-2024** towards **Privilege Leave liability (Ref: 353267 )**, the valuation report is attached herewith. I certify that the **Defined Benefit Obligation** as per the details mentioned here under works out to **INR 11,369,991**.

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

Signature Not Verified

Signed by : KULIN PATEL  
location : MUMBAI, INDIA  
Date : 30-05-2024  
18:06:33

#### ACTUARY

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

2nd Floor, Churchgate  
House, Veer Nariman Road,  
Fort, Mumbai - 400 001.

201/C, Remi Bizcourt, Off.  
Veera Desai Road, Andheri  
(W), Mumbai - 400 058.

509, Golden Triangle, Near Sardar  
Patel Stadium, Navrangpura,  
Ahmedabad - 380 014.

Tel: (91-22) 4292 2231  
kap@ka-pandit.com  
www.ka-pandit.com



**K.A. PANDIT**

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

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## 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





**K.A. PANDIT**

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

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 **31-03-2024**. 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

	31-03-2024	31-03-2023	
Number of Employees	17	18	(-5.56%)
Total Eligible Encashment Salary	INR 1,984,920	INR 1,953,237	(+1.62%)
Total Eligible Availment Salary	INR 1,984,920	INR 1,953,237	(+1.62%)

### Valuation Results

	31-03-2024	31-03-2023	
Discontinuance Liability	INR 13,170,306	INR 12,266,923	(+7.36%)
Defined Benefit Obligation	INR 11,369,991	INR 10,856,399	(+4.73%)
Funding Status	Unfunded	Unfunded	
Fund Balance	N.A.	N.A.	
Current Liability	INR 2,774,118	INR 3,834,478	
Non-Current Liability	INR 8,595,873	INR 7,021,921	

The average expected future service is **10.00 years**. (refer glossary for more detail)



## SUMMARY OF MEMBERSHIP DATA

### 2.1 Data and Validation

- The valuation as on **31-03-2024** is based on the data provided by the Entity, having relevance to the data requirements as on **31-03-2024**.
- We have not audited the accuracy of the data but have checked for consistency and reasonableness including checks for age band, service band, negativesalaries, 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:

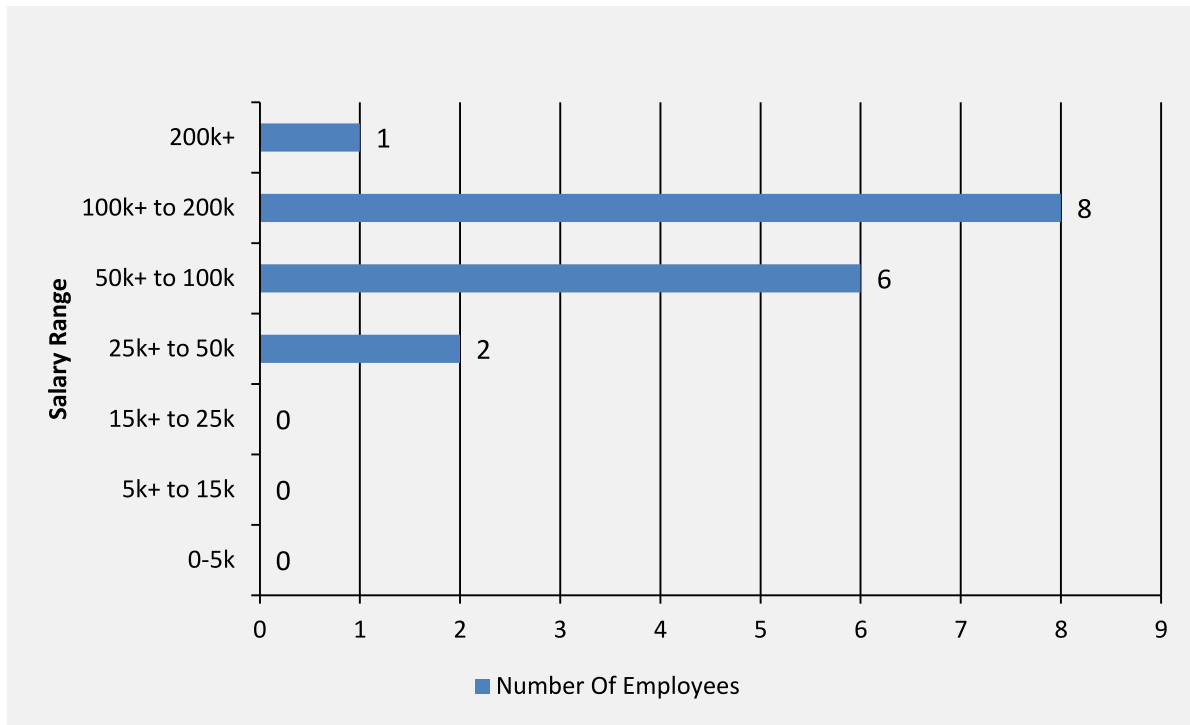
**Table 1: Data Summary:**

Date of Valuation	31-03-2024	31-03-2023
Number of Employees	17	18
Total Salary (Encashment)	INR 1,984,920	INR 1,953,237
Average Salary (Encashment)	INR 116,760	INR 108,513
Total Salary (Availment)	INR 1,984,920	INR 1,953,237
Average Salary (Availment)	INR 116,760	INR 108,513
Average Age	48.47 years	50.89 years
Average Past Service	12.59 years	15.00 years
Total Leave Days	3309.00 days	3474.00 days
Average Leave Days	194.65 days	193.00 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 may be 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 201214 (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 **60 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 **7.19% p.a.** which relates to the par-yield rate available on Government Securities (G. Sec.) for the tenure of **10.00 years** i.e. the expected term of the obligation. The rate is taken as





per the deal rate as on **28-03-2024** as suggested under **Accounting Standard 15 (Revised 2005)** . (Ref: G Sec. rates available through [www.fbil.org.in](http://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	31-03-2024	31-03-2023
<b>Demographic Assumptions</b>		
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:	60 years	58 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).
<b>Financial Assumptions</b>		
Salary Escalation Rate:	4.00% p.a.	4.00% p.a.
Discount Rate:	7.19% p.a.(Indicative G.Sec referenced on 28-03-2024)	7.39% p.a.(Indicative G.Sec referenced on 31-03-2023)

### 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





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improvements have been applied where necessary.

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	270 days
Maximum Encashment	270 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.



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## 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 **31-03-2024** 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.

### **Discontinuance 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 13,170,306** .





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	31-03-2024	31-03-2023
Defined Benefit Obligation	INR 11,369,991	INR 10,856,399
Funding Status	Unfunded	Unfunded
Fund Balance	N.A.	N.A.
Current Liability	INR 2,774,118	INR 3,834,478
Non-Current Liability	INR 8,595,873	INR 7,021,921

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	9.93%
10 to 19	90.07%
20 to 29	0.00%
30 and above	0.00%

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 -459,849
Delta Effect of -1.00% Change in Rate of Discounting	INR 504,859
Delta Effect of +1.00% Change in Rate of Salary Increase	INR 515,914
Delta Effect of -1.00% Change in Rate of Salary Increase	INR -477,683
Delta Effect of +1.00% Change in Rate of Employee Turnover	INR 87,952
Delta Effect of -1.00% Change in Rate of Employee Turnover	INR -94,644



## 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.





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### **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.

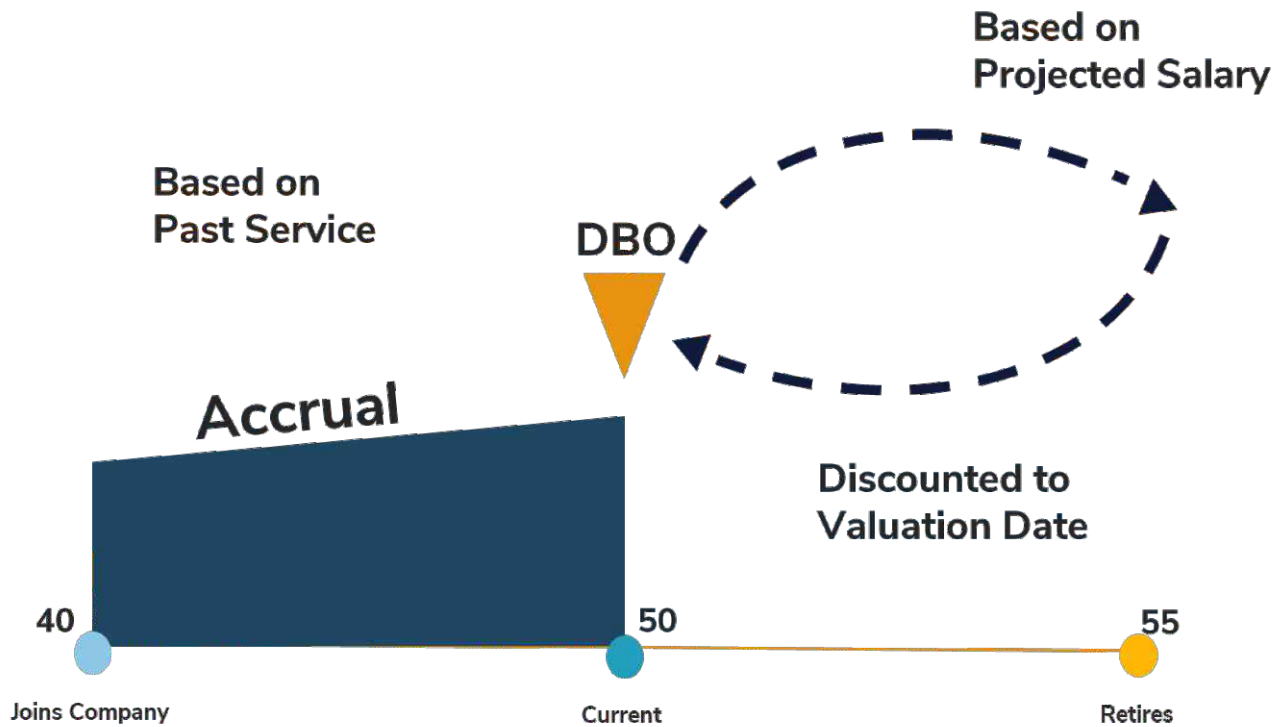
### 5. What is the treatment for due but not paid liability?



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:





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## 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.



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