

ANNUAL REPORT 2017-18



AFC INDIA LIMITED

Broad Based Consultancy & Project Implementation Agency

**Formerly Agricultural Finance Corporation Ltd.
ISO-9001:2008 Certified Company**

Company Information

Fiftieth Annual Report 2017-18

Authorized Capital : Rs 100 Crores

Paid-Up Capital : Rs 15 Crores

Directors

Dr C D Mayee **Former Chairman, ASRB, New Delhi & Eminent Agriculture Scientist**

Shri Sebastian Selvaraj **Chief General Manager, NABARD**

Shri Samuel Joseph **Chief General Manager, EXIM Bank**

Shri Ramesh Kadam **Former General Manager, Bank of India**

Dr A J Shaikh **Former Director, Central Institute for Research on Cotton Technology**

Shri R. N. Hirve **General Manager, Central Bank of India**

Shri J S Ravikumar **General Manager, Bank of India**

Shri A K Garg **Managing Director, AFC India Ltd**

Statutory Auditor

M/s. Ramanand and Associates

(Chartered Accountants)

6/C, Ostwal Park Bldg No. 4 CHSI

Bhayandar East, Thane - 401105

50th Annual Report 2017-2018



Since 1968

AFC INDIA LIMITED

Formerly Agricultural Finance Corporation Ltd.

CIN No. U65990MH1968GOI013983

**REGD. OFFICE: Dhanraj Mahal, First Floor, CSM Marg, Colaba,
Mumbai – 400 001 Telephone : 91-22-22028924**

Website : www.afcindia.org.in

Member banks & Institutions

PUBLIC SECTOR BANKS

- Central Bank of India
- Bank of Baroda
- Bank of India
- Punjab National Bank
- State Bank of India
- Oriental Bank of Commerce
- UCO Bank
- Union Bank of India
- Allahabad Bank
- Dena Bank
- Canara Bank
- United Bank of India
- Bank of Maharashtra
- Indian Bank
- Syndicate Bank
- Indian Overseas Bank
- Andhra Bank
- Vijaya Bank
- Punjab and Sind Bank

DEVELOPMENT FINANCE INSTITUTIONS

- NABARD
- Export Import Bank of India

PRIVATE SECTOR BANKS

- Industrial Development Bank of India (IDBI)
- J & K Bank
- The Karur Vyasya Bank Ltd
- ICICI Bank Ltd
- HDFC Bank Ltd
- Kotak Mahindra Bank Ltd
- The Catholic Syrian Bank Ltd.,
- The South Indian Bank Ltd
- The Karnataka Bank Ltd

FOREIGN BANKS

- Standard Chartered Bank
- HSBC
- Banque Nationale De Paris (BNP Paribas)
- First National City Bank (Citibank NA)
- Bank of America NT and SA

STATE CO-OPERATIVE BANK

- The Gujarat State Co-operative Bank Ltd



DIRECTORS' REPORT 2017-18

To Members,
AFC INDIA LIMITED

Dear Shareholders,

Your Directors have pleasure in presenting the Fiftieth Annual Report and Audited Statement of Accounts on the business and operations of your Company for the year ended 31st March, 2018.

1. FINANCIAL RESULTS:

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

Sr. No	Particulars	2017-18	2016-17
		Rs.	Rs.
1.	Income for the year	186,735,714	146,126,786
2.	Less: Expenditure	(191,513,078)	(142,057,093)
3.	Profit Before Depreciation, Extraordinary Items & Tax	(4,777,364)	4,069,693
4.	Less: Depreciation	(1,150,078)	(917,396)
5.	Less: Extraordinary Items	(342,921)	0
6.	Profit / (Loss) before tax (PBT)	(6,270,363)	3,152,297
7.	Less: Provision for current tax	0	(9,89,937)
8.	Add : Provision for deferred tax	4,470,202	4,96,144
9.	Less : Tax expense for earlier years	0	0
10.	Profit / (Loss) after tax (PAT)	(1,800,161)**	2,658,504
11.	Less : Preference Dividend provision made	0	0
12.	Balance brought forward from previous year	115,691,580	113,033,076
13.	Less: Retained earnings	0	0
14.	Balance carried to Balance Sheet	113,891,419	115,691,580

** It may be noted that above loss is due to provision of Rs. 1.41 Crores towards Gratuity.

2. STATEMENT OF AFFAIRS OF THE COMPANY IN THE FINANCIAL YEAR 2017-18

The total number of assignments bagged during the reporting period was 41 with consultancy fees to the tune of Rs. 25.75 cr. The volume of business that was carried forward from the previous year (2016-17) was Rs. 51.58 cr. Your company was able to successfully complete during the year (2017-18) with a PCM income of Rs. 17.21 Crores. As on 31st March 2018, the ongoing business that was carried forward to 2018-19 was Rs. 57.53 Crores. Details are furnished in Annexure 1.

3. DIVIDEND

There was no dividend declared by the company in the current financial year.

4. Business Outlook for the year 2018 - 2019

Furthering AFC's Board's views on venturing into overseas business, the company has made concerted efforts to identify new overseas partners vis-à-vis business opportunities over there. In the process, the company has submitted number of bid documents in association with local partners in Afghanistan, Philippines and Sri Lanka. It is pertinent to mention that the company is being considered for award of one World Bank assignment in Afghanistan based on Consultants' Qualification Selection (CQS) method. Besides, efforts are also being made to explore business opportunities in the countries like Senegal, Latin America, Mali and Myanmar with support from existing overseas business partner.

Considering the business potential in Climate Change sector, Company has already initiated necessary efforts to identify the funding agencies and the specific themes for seeking assistance for implementation of the projects. In this endeavour, the company has already entered into an MoU with Gujarat Forests Department for jointly bidding for high value implementation project. Another emerging sub sector under climate change is "vulnerability assessment" having good potential for business canvassing. Such business opportunities are being explored and necessary actions for bidding are being taken accordingly.

The Forest & Environment is another potential sector for business, where the company is having enriched experience and expertise. Externally aided projects in this sector are under implementation in several states of the country. The company has been eyeing on identifying such opportunities and participating in the bidding. In this effort, the company has bagged two new assignments, viz. Monitoring & Evaluation of World Bank assisted Integrated Coastal Zone Management Project (ICZM) and Evaluation of Agence Francaise de Développement (AFD) assisted Assam Project on Forest & Biodiversity Conservation (APFBC). The company is also coordinating with the Society for Integrated Coastal Management (SICOM), Ministry of Environment and Forests & Climate Change, Government of India to rope in for undertaking concurrent monitoring of ICZM Project (Phase II), proposed to be initiated in January 2019 in 9 states and 3 UTs of the country.

The company has been able to enter business arena of Social Impact Assessment (SIA) across different sectors like metro rail, mega thermal power plants, hydel power, coal blocks, roads, bridges, railway tracks and other infrastructure. The main concentration for business in this domain has been in the State of Jharkhand, but recent empanelment with Rajasthan, Himachal Pradesh, Chandigarh UT and Odisha has opened new business opportunities and

the company has bagged one assignment in Odisha and two in Himachal Pradesh. Further the company is being considered by Central Water Commission (CWC) for award of two new assignments of similar nature in respect of two major irrigation projects through two tier bidding system. The company has also been recently shortlisted by the Ministry of Urban Development & Housing, Islamic Republic of Afghanistan for submission of proposal for Environmental & Social Impact Assessment of a major irrigation project. The company is looking forward to more such opportunities in other states and overseas also.

The company has been associated with monitoring and evaluation studies in fisheries sector in different states for quite some time. The fisheries development has been accorded priority by the Union Government and has, therefore, launched Blue Revolution in the country. All activities, under ambit of it, would be undertaken by the National Fisheries Development Board (NFDB) towards realizing Blue Revolution. The company has been rigorously following up with NFDB for consulting business in the sector. Recently NFDB has given an opportunity to the company to “Frame the guidelines for the NFDB activities under the Blue Revolution” on nomination basis. Further NFDB has assured that it may consider awarding more assignments to the company.

With established credentials of the company in the field of implementation of organic farming projects under NPOP guidelines, it could succeed in getting registered with NCOF as Regional Council on pan India basis for participating in implementation of organic farming project under Paramparagat Krishi Vikas Yojana (PKVY), as per new guidelines. The Company has submitted proposals *suo moto* as well as through bidding in potential states.

In medicinal plant sector, the company has been sourcing consultancy business from National Medicinal Plant Board (NMPB). Recently two operational research studies have been awarded by NMPB on nomination basis. Taking leverage of above, the company has been making efforts to source similar nature of research assignments from Department of Bio-technology. Besides, efforts are also being made to participate in promotion of FPOs in medicinal plant sector.

In the new and renewable energy sector, the company has been consistently exploring consulting business opportunities. In this endeavor, the company has succeeded in entering an MOU with National Institute of Solar Energy (NISE), an apex Institution of the Ministry of New & Renewable Energy (MNRE), Government of India for providing set of consultancy and professional services on mutually agreed terms and conditions. Appropriate business opportunities are being explored including identification of suitable Business Associates/ Professionals.

There is a huge opportunity in the agri-business sector. With the emphasis on the value chain infrastructure development, business opportunities have increased in assessing the techno-economic viability (TEV) of the upcoming value chain infrastructure like processing, cold storage, ripening chamber, pre-cooling, cold room & pack houses, floriculture market etc in the coastal states. Efforts are also being made to explore possibilities of business in ADB funded project in Meghalaya State and elsewhere in the country. Besides, efforts are also being made to get the company empanelled with the Mission for Integrated Development of Horticulture (MIDH), Ministry of Agriculture & Farmers Welfare, Government of India for getting better opportunity for bagging business in the sector.

Upcoming opportunities are being explored to get associated with CSR activities of PSUs/ Corporates. Accordingly efforts are being made by the company to identify the sectors/ activities of CSR interventions by the potential PSUs/ Corporates, where it may make dent. Concept notes/ proposals are being developed, as per needs of the identified prospective clients.

Health & Sanitation Sector had remained unexplored but with increasing opportunities, business associates have been identified and opportunities are being exploited.

Monitoring & Evaluation has been the core strength of the Company and business opportunities in different sectors are being explored and tapped. With empanelment of the company with Niti Ayog and State Planning Department, Government of Uttarakhand for providing consulting services in different sectors, the chances of bagging more consultancy assignments of different Ministries/ Departments may increase. Besides, based on successful completion of one of the studies sponsored by the World Bank/ IFC, networking has been established with them for getting new Monitoring & Evaluation studies and other consultancy assignments directly.

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. M B Kasar & Co., Chartered Accountant, a 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" within the meaning of applicable securities laws and regulations. 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. CONSOLIDATED ACCOUNTS

The Consolidated Financial Statements of the Company are prepared in accordance with relevant Accounting Standard viz. AS-21, AS-23 and AS -27 issued by the Institute of Chartered Accountants of India and forms a part of this Annual Report.

8. **BOARD OF DIRECTORS**

The composition of the Board of Directors as on 31st March, 2018 is as follows:

Sl. No.	Name	Particulars
1.	Dr. C. D. Mayee	Ph.D IARI, New Delhi, D.Sc, Former Chairman, Agricultural Scientists Recruitment Board, New Delhi
2.	Shri Sebastian Selvaraj	Chief General Manager, NABARD
3.	Shri R. N. Hirve	General Manager- Treasury & ID, Central Bank of India
4.	Shri J S Ravikumar	General Manager , Bank of India
5.	Shri Samuel Joseph	Chief General Manager , Export Import Bank of India
6.	Shri Ramesh Kadam	Former General Manager , Bank of India
7.	Dr A J Shaikh	Former Director, Central Institute for Research on Cotton Technology,
8.	Shri A K Garg	Managing Director, AFC India Limited

9. **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.	Dr.C.D.Mayee	Chairman
2.	Dr A J Shaikh	Member
3.	Shri R. N. Hirve	Member

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

A) **APPOINTMENT OF DIRECTORS**

Sl. No.	Directors	Date of Appointment
1	Shri Sebastian Selvaraj	30.06.2017
2	Shri Ramesh Kadam	25.09.2017
3	Shri R. N. Hirve	25.09.2017

4	Shri J S Ravikumar	21.12.2017
---	--------------------	------------

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 M V Ashok	30.06.2017
2.	Shri Ramesh Kadam	24.09.2017
3.	Dr. Krishna Lavekar	27.03.2018

C) COMPANY SECRETARY & COMPLIANCE OFFICER

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

11. DIRECTOR'S RESPONSIBILITY STATEMENT:

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

- i. In the preparation of the Annual Accounts of the Company, the applicable Accounting Standards had been followed.
- ii. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year as at 31st March, 2016 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,

12. 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.

13. 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 fifty percent of Co-opted Directors and balances are Shareholder Directors, besides the Managing Director. The Board meets regularly and the senior executives of your Company are invited to attend the Board Meetings.

14. 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

15. 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.

16. 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.

17. 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

18. 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

19. 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 Note no. 26 of Profit And Loss Statement for the year ended 2018.

20. 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.

21. 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

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

The Company had 4(four) Board meetings during the financial year under review held on following dates 30th June 2017, 25th September 2017, 21st December 2017 and 27th March 2018.

23. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The details of financial performance of Subsidiary/ Joint Venture/Associate Company are furnished in "Annexure A" and attached to this report.

24. 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.

25. APPOINTMENT OF STATUTORY AUDITORS

The Comptroller and Auditor General, Government of India, had appointed M/s. Ramanand & Associates, Chartered Accountants, Mumbai as Statutory Auditors of your Company for the financial year 2017 -18 to hold office until the conclusion of the ensuing Annual General Meeting.

26. PARTICULARS OF EMPLOYEES

During the year under review, there were no employees drawing remuneration of Rs.1.20 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) Amendmend 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 of the cooperation and support provided by the clientele and takes this opportunity to gratefully thank them. The Directors extend their grateful thanks to the Ministries of the Government of India, in particular, Ministries of Agriculture, Rural Development, 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

Place: Nagpur
Date: 26.06.2018



CHAIRMAN

BOARD'S REPORT

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2018

[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
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

All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated:

Name and Description	NIC Code of the Product / Service	% of total turnover of the Company
NA		

III

III Holding / Subsidiary and Associate Companies

Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
AFCL FINANCE SERVICES PRIVATE LIMITED Dhanraj Mahal 1st Floor CSM Marg, Mumbai 400001	U65999MH2010PTC200737	Subsidiary	100	2(87)

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

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	0	0	0	0	0	0	0	0	0
e) Banks / FI	5657	27	5684	37.89	5657	27	5684	37.89	0
f) Any Other	0	0	0	0	0	0	0	0	0
Directors	0	0	0	0	0	0	0	0	00
Directors	0	0	0	0	0	0	0	0	00

Relatives									
Sub-Total (A)(1)	5657	27	5684	37.89	5657	27	5684	37.89	0
(2) Foreign									
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
Sub-Total (A)(2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	5657	27	5684	37.89	5657	27	5684	37.89	0
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	0	0	0	0	0	0	0	0	0
b) Banks / FI	9196	120	9316	62.11	9196	120	9316	62.11	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) FII's	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 (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1):	9196	120	9316	62.11	9196	120	9316	62.11	0
(2) Non-Institutions									
a) Bodies Corporate	0	0	0	0	0	0	0	0	00
b) Individuals									
i) Individual Shareholders holding nominal share capital	0	0	0	0	0	0	0	0	00

upto ` 1 lakh									
ii) Individual Shareholders holding nominal share capital in excess of ` 1 lakh	0	0	0	0	0	0	0	0	00
c) Others (specify)									
i) Shares held by Pakistani citizens vested with the Custodian of Enemy Property	0	0	0	0	0	0	0	0	0
ii) Other Foreign Nationals	0	0	0	0	0	0	0	0	0
iii) Foreign Bodies	0	0	0	0	0	0	0	0	0
iv) NRI (Non-Repat)	0	0	0	0	0	0	0	0	0
NRI (Repat)	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	00
viii) Foreign Portfolio Partnership Investor (Corporate)	0	0	0	0	0	0	0	0	0
ix) Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2):	0	0	0	0	0	0	0	0	
Total Public Shareholding (B)=(B)(1)+(B)(9196	120	9316	62.11	9196	120	9316	62.11	0

2)									
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	14853	147	15000	100	14853	147	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	
CENTRAL BANK OF INDIA	1608	10.72	-	1608	10.72	-	-
BANK OF BARODA	1603	10.68	-	1603	10.68	-	-
STANDARD CHARTERED BANK	970	6.47	-	970	6.47	-	-
UNION BANK OF INDIA	706	4.70	-	706	4.70	-	-
DENA BANK	547	3.65	-	547	3.65	-	-
SYNDICATE BANK	250	1.67	-	250	1.67	-	-

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	No. of Shares	% of total shares of the

		Company		Company
At the beginning of the year	5684	37.89	5684	37.89
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No change		No change	
At the end of the year	5684	37.89	5684	37.89

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
BANK OF INDIA	1261	8.41	1261	8.41
PUNJAB NATIONAL BANK	1089	7.26	1089	7.26
THE NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT	1000	6.66	1000	6.66
STATE BANK OF INDIA	700	4.66	950	6.33
UCO BANK	803	5.35	803	5.35
EXIM BANK	750	5.00	750	5.00
ALLAHABAD BANK	695	4.63	695	4.63
CANARA BANK-MUMBAI	500	3.33	500	3.33
UNITED BANK OF INDIA	430	2.87	430	2.87
BANK OF MAHARASHTRA	303	2.02	303	2.02

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			

V Indebtedness

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

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

VI Remuneration of Directors and Key Managerial Person

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

S. No	Particulars of Remuneration	SHRI A K GARG (MD)
1	Gross Salary	22,20,000/-
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	10,10,929/-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-
2	Stock Options	-
3	Sweat Equity	-
4	Commission	-
	as % of profit	-
	others, specify	-
5	Others, please specify	-
	Total (A)	32,30,929/-

B. Remuneration to other Directors:

1. Independent Directors

S. No	Remuneration	Name of Directors				Total amount (Rs)
		Shri Ramesh Kadam	Mr. C D Mayee	Mr. Krishna Lavekar	Dr. A J Shaikh	
	Fee for attending Board/Committee Meetings	20,000	1,20,000	30,000	40,000	2,10,000
	Commission	-				-
	Others, please specify	-				-
	Total (B)(1)	20,000	1,20,000	30,000	40,000	2,10,000

2. Non Executive Directors

S. No	Remuneration	Name of Directors			
		Shri S. Selvaraj	Shri R. N. Hirve	Shri J. S. Ravikumar	Shri Samuel Joseph
	Fee for attending Board/Committee Meetings	-	-	-	
	Commission	-	-	-	
	Others, please specify	-	-	-	
	Total (B)(2)	-	-	-	
	Total (B)= (B)(1)+ (B)(2)	-	-	-	

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No	Particulars of Remuneration	Key Managerial Personnel		
		CA. MAMTA SAHAL (CFO)	CS. Nidhi Shah	Total Amount (Rs)
1	Gross Salary	Rs. 10,25,060/-	Rs. 4,62,703/-	Rs. 14,87,763
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-		
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-	-
	(c) Profit in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	as % of profit	-	-	-
	others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (C)	Rs. 10,25,060/-	Rs. 4,62,703/-	Rs. 14,87,763

VII PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment None					
Compounding					
B. DIRECTORS					
Penalty					
Punishment None			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment None					
Compounding					

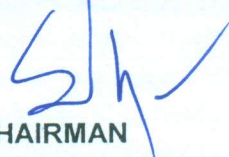
RELATED PARTY TRANSACTIONS

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

Place: Nagpur
Date: 26.06.2018


CHAIRMAN

Details of Assignments Canvassed during 2017-18

SI.No	Project Name	Client	Total Fees (Rs. In lakh with S.T)
1.	Undertaking Baseline Survey for Development of Fisheries in the Telangana State	Commissioner of Fisheries, Govt of Telangana	32.34
2.	Social Impact Assessment for Land Acquisition for construction of Katri Reservoir, Gumla District of Jharkhand	The Deputy Commissioner, Gumla Collectorate, Jharkhand	4.83
3.	Third Party Monitoring & Evaluation of Jalyukta Shivar Abhiyaan in 213 Villages of Chandrapur district of Maharashtra	JSA Samittee, Dist Suprietedent, Agriculture Officer, Chandrapur	41.20
4.	Conducting Topographic Survey of three city forest viz. Bela Farm, Garhi Mandu and Shastri Park	Addl. Principal Chief Conservator of Forests, Delhi Forest and Wildlife Dept, New Delhi	8.78
5.	100% Physical Verification of PMEGP Units for the Year-2012-13 & 2013-14 in Meghalaya	Director, KVIC, Meghalaya	11.13
6.	SFAC, NAM	Director, SFAC, New Delhi	53.10
7.	Approved work plan for Publicity support for central sector scheme of SFAC-9th Quarter for the period from April to June-2017	Small Farmers' Agri-Business Consortium New Delhi 16	29.54
8.	Impact Evaluation study of Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC) for the period from 2012-13 to 2016-17.	Joint Secretary, Department of Agriculture, Cooperation & Farmers Welfare, Govt of India New Delhi	61.37
9.	SIA of Land Acquisition for construction of Talcher-Bimalgarh New B.G. Rail Link Project in Sundergarh District of Odisha	Coordinator- State SIA Unit NCCDS, Bhubaneshwar, Odisha	19.59
10.	Study of Analysis of Supply and Value Chain of Major Medicinal Plants in selected Mandis and Marketing Channel of Medicinal Plants Produce at National Level	National Medicinal Plants Board, Ministry of AAYUSH, Govt of India	101.22
11.	Cost Benefits Analysis of Major Commercially Cultivated Medicinal Plants Species-NMPB VII	National Medicinal Plants Board, Ministry of AAYUSH, Govt of India	82.76

12.	SIA Study for Construction of Road upto Appolo Hospital in Ranchi	Dy. Commissioner Ranchi, Jharkhand	5.21
13.	TEV Study of PHM Units in Andhra Pradesh	Commissioner of Horticulture, GoAP	14.75
14.	Physical Verification of PMEGP Units in Madhya Pradesh	State Director, KVIC Bhopal Madhya Pradesh	47.85
15.	Allocation of Mainpuri for Capacity Building & Training in Uttar Pradesh	District Officer, Mainpuri	14.97
16.	Third Party Monitoring & Evaluation of Jalyukta Shivar Abhiyaan in 187 Villages of Nagpur district of Maharashtra	JSA Samittee, Dist Suprietedent, Agriculture Officer, Nagpur	82.50
17.	Third Party Monitoring & Evaluation of Jalyukta Shivar Abhiyaan of Thane district of Maharashtra	JSA Samittee, Dist Suprietedent, Agriculture Officer, Thane	37.50
18.	Approved work plan for Publicity support for central sector scheme of SFAC-10th Quarter for the period from July to Sept-2017	Small Farmers' Agri-Business Consortium New Delhi 16	32.33
19.	Third Party Monitoring & Evaluation of Jalyukta Shivar Abhiyaan of Raigad district of Maharashtra	JSA Samittee, Dist Suprietedent, Agriculture Officer, Raigad	40.00
20.	Third Party Verification of Net Houses in Telangana State	Commissioner of Horticulture, Govt of Telangana	13.82
21.	Conducting Survey for Collection of Farm Activities	Joint Director (N.I.) Directorate of Economics & Statatic Department, Mumbai	125.62
22.	Capacity Building & Training Under Prime Minister Agriculture Irrigation Scheme - IWMP for 2017-18	Chief Executive Officer, SLNA, IWMP, Parti Bhumi Vikas Vibhag, Lucknow U.P	300.00
23.	Third Party Physical Monitoring of MPLADS scheme work in 4 districts of the Punjab state-Third Phase	The Economic Advisor, Dept of Planning, Economic Statistical Organisation, MPLADS section, Govt of Punjab	8.36
24.	Third Party Monitoring & Evaluation of Jalyukta Shivar Abhiyaan of Ratnagiri district of Maharashtra	JSA Samittee, Dist Suprietedent, Agriculture Officer, Ratnagiri	40.00
25.	Third Party Monitoring & Evaluation of Jalyukta Shivar Abhiyaan of Palghar district of Maharashtra	JSA Samittee, Dist Suprietedent, Agriculture Officer, Palghar	30.00
26.	Conducting Pre Feasibility study for setting up Haryana State Insurance Company under PMFBY	Director, Agriculture & Farmers Welfare Department, Haryana, Panchkula	17.95

27.	"Swatchha Bharat Mission" under Urban Development Department Government of Uttar Pradesh	Secretary, Urban Development department, Govt of Uttar Pradesh	200.00
28.	Empanelment of Agencies for Loss Assessment under "PMFBY" and "RWBCIS" on individual and Post Harvest covers with the use of Mobile apps in 4 state (AP, Karnataka, Telangana & Tamil Nadu	Deputy Manager Agricultural Insurance Company of India New Delhi	50.00
29.	IFC - Quantitative data collection with green chili farmers in Varanasi, Mirzapur and Sonbhadra, and tomato famers in Ranchi and Hazaribag in Jharkhand (India)	The World Bank Group	18.34
30.	Preparation of DPR for Urban Green Environment Project in 72 ULB's of Telangana	Project Director, Telangana Municipal Development Project, Hyderabad, Telangana	177.00
31.	Skill Development Training Program under the Pradhan Mantri Krishi Sinchan Yojana under IWMP for 2017-18	Chief Executive Officer, SLNA, IWMP, Parti Bhumi Vikas Vibhag, Lucknow U.P	400.00
32.	Hiring Services for Witnessing Crop Cutting Experiments with the use of Mobile Apps in the 10 State - Tamilnadu state	Deputy Manager Agricultural Insurance Company of India New Delhi	14.24
33.	Execution of Evaluation of Rice Transplanter Machines provided to Farmers Group under Manav Vikas Program in Gondia district	DSAO, Gondia	2.20
34.	Allocation of Mainpuri for Capacity Building & Training in Uttar Pradesh	District Officer, Mainpuri	19.09
35.	Monitoring and Evaluation of Integrated Coastal Zone Management Project (ICZM)	National Project Director, Society of Integrated coastal management (SICOM) Ist floor DDUAB, CGO complex New Delhi-110003	249.80
36.	Conducting Survey, Validation of Beneficiaries and Preparing DPR's for BLC Component	Housing Department, Govt of Maharashtra	16.80
37.	Hiring Services for Witnessing Crop Cutting Experiments in the state of Madhya Pradesh for Rabi 2017-18 season	Regional Manager Agricultural Insurance Company of India Ltd, Bhopal - Madhya Pradesh	110.10
38.	Social Impact Assessment for Luhri HE Project Stage-I	Dept of Revenue, Govt of HP, Shimla	25.79

39.	Sample check of Afforestation/Tree planting activities under 20 point programme during 2017-18 In the 3 states- Gujarat, Madhya Pradesh, Haryana, Punjab, Rajasthan & Chattisgarh	Ministry of Environment, forests & climate change Govt of India	15.00
40.	PMA for Publicity and Awareness building plan to Centra Sector Scheme EGCGFS under implementation by SFAC - communication & media part	Director SFAC, New Delhi	20.06
41.	Social Impact Assessment forThana Plaun HEProject	Dept of Revenue, Govt of HP, Shimla	24.39
	TOTAL		2575.14

MAJOR ASSIGNMENTS

I. Monitoring & Evaluation of Integrated Coastal Zone Management Project

India has 7500 km long coastline that harbors some of the unique biodiversity. A significant number of people living around the coastal areas are dependent on natural resources for their livelihood and exerts pressure on this fragile ecosystem. National and state governments are making concerted efforts to address these issues and manage such areas in integrated and sustainable manner. The World Bank assisted Integrated Coastal Zone Management (ICZM) project was conceived in accordance with this in 2010. Initially, it was a 5-year project but later extended till December 2018. It has the focus on developing the institutional arrangements, capacity and adequate knowledge systems to enable the desired shift to ICZM approaches that would promote the livelihood security of the coastal communities with the help of people's participation and thus protect the ecosystems while promoting sustainable development.

The Society for Integrated Coastal Zone Management (SICOM) has been established under the aegis of Ministry of Environment, Forests and Climate change, Government of India. SICOM is responsible for implementing the four components of ICZM namely, (i) National Coastal Management Programme (ii) ICZM West Bengal (iii) ICZM Orissa (iv) ICZM Gujarat. SICOM has appointed AFC India Ltd. as the National level Monitoring & Evaluation agency for the ICZM project. In the project AFC is responsible to review of baseline conditions of the project areas, establish the institutional and knowledge benchmarks M&E, create an appropriate evaluation system, evaluate the entire project to satisfy the results framework, investigate and diagnose the information, and consolidate and provide documentation of lessons learnt to the implementing agencies on the ICZM approach.



M&E team at NCSCM, Chennai



Field visit of M&E team to Pentha, Kendrapara district, Odisha

AFC, as the national M&E agency, is assisting SICOM in providing important inputs about the progress of various components of the project which would help in streamlining the operations and take suitable measures for smooth operations in order to achieve the aim and objectives of the ICZM project in holistic manner.

II. Preparation of Detailed Project Report for Urban Green Environment Project in 72 Urban Local Bodies (ULBs) of Telangana State

The forest area in Telangana state is 27,293 sq. km. that is 24.35 percent of total geographical area whereas the current National Forest Policy of India envisage a minimum of 33 percent are under forest/tree cover for the sustenance of all life-forms including human, animal and plants. Deforestation, especially destruction of forests, cutting of trees in open places in urban areas for new layouts, construction of buildings, etc., is one of the major

factors in contribution of climate change. The Government of Telangana has identified that depletion of tree area in urban areas is mainly due to massive multi-dimensional increase in all urban development activities. Consequently, green cover in all Urban Local Bodies (ULBs) in the state is at an alarming rate. Hence, it is the direct requirement to enhance the urban greenery in all the ULBs for better life and environment. In order to address all these concerns, the following measures are needed for urban green development.

- ❖ Implement best practice in urban greenery through *Haritha Haram*
- ❖ Transform and convert urban Government land as tree grooves and parks
- ❖ Convert urban waste lands as green lung spaces for walking and jogging tracks
- ❖ Develop children parks and public parks
- ❖ Develop road medians, avenues cover
- ❖ Create green environment with reduction of pollution for better life
- ❖ Add aesthetic value

Haritha Haram is a large-scale tree-planting program, launched by the Chief Minister of the State of Telangana in the year 2015 and implemented by the Government Telangana, to increase the amount of tree cover in the state from 24% to 33%. The program uses multiple planting models including avenue plantation, block plantation, institutional plantation, Tank Fore Shore plantation, Homestead plantation, agro-forestry plantation and barren hill plantation.



In this connection, to address the broader context of the Urban Greenery under *Haritha Haram* initiative through the ULBs, the Government of Telangana has entrusted AFC to prepare of Detailed Project Reports (DPRs) for Urban Green Environment Project in 72



ULBs of the state amounting to around 700+ parks. The DPRs for the ULBs include plans of the selected sites for creation of parks, green lung spaces, as well as detailed layout designs for parks and detailed cost estimates for each site. The DPR would also contain details of greening initiatives for side-walks, medians, avenues, and rotaries and also the cost estimates for each open space considered for development into a park or

green lung space along with costs of maintenance. These estimates shall later be aggregated into a consolidated cost estimate for each ULB. Estimates shall be made considering hard and soft landscaping requirements of each selected open space, and shall refer the State and Forest Schedule of Rates (SSR and FSR). IEC activities to be undertaken with local community members, women's SHGs, NGOs, and ULB officials would ensure that urban and social forestry initiatives in the ULB are sustainable. Maintenance and

upkeep of the parks and green spaces created under this project will also be proposed in the DPRs, and relevant cost heads will be considered while preparing detailed cost estimates. The DPRs would contain an assessment of environmental and social impact borne out of implementation of the Urban Green Environment Project and suggest appropriate mitigating factors for the same.

III. Baseline study on Fisheries Development for the State of Telangana

In Telangana State Fisheries sector generates substantial income and employment to rural population and provides for welfare of fishers. The state is ranked 4th with 6.14 lakh hectares of water spread area accounting over 11.60% of total inland water resources of the country and is next to Odisha (9.89 lakh ha), Karnataka (7.4 lakh ha) and Tamil Nadu (6.93 lakh ha). The state is also known for its rich fish biodiversity harboring over 165 species of fishes. The



state is endowed with a rich and wide variety of water bodies both seasonal and perennial in the form of tanks/ponds, reservoirs, rivers and canals, water harvesting structures, non-conventional water bodies viz., coal & quarry tanks/pits, irrigation wells and small water bodies. With the changing consumption pattern, emerging market forces and recent technological developments, the sector has

assumed increased importance with farmers and others.

In this backdrop, the Government of Telangana intend to address identified Key Resulting Areas (KRA's) viz., Integrated Resource Development (IRD), better resource expansion & utilization, vertical resource productivity enhancement improved fish culture and management practices, growth of the sector with improved resource productivity, enhanced fish production, profitability and community socio- economic benefits in a holistic way. With a view to do Profiling of sector through a well structured professional baseline/benchmark study, services of AFC were hired by the Department of Fisheries, Government of Telangana.



The study focus was mainly for development of baseline document in support of growth of fisheries and aquaculture sector in the state. The Core Team of Multi-disciplinary Experts' with the field level assistance and support of enumerators and cluster leaders profiled fisheries and aquaculture sector of the state covering 405 villages spread across 81 clusters in 9 selected districts.

The study assessed resource status, fish stock enhancement, farming status, support systems, institutional arrangement and networks, schemes/programs and policies to promote fisheries and aquaculture. Identified sector related gaps in the entire supply-value chain and prioritized Key Resulting Areas (KRAs) viz., Integrated Resource Development

(IRD), better resource expansion & utilization, vertical enhancement of resource productivity through improved fish culture and management practices etc for enhanced sector development and growth. The road map and strategies developed for building new landscape for sector growth in the state are the major output of the study.

The study outcome would help the state in sector reforms to bring inclusiveness in sector growth model with appropriate backward and forward support systems, supportive institutional arrangements, schemes/ programs, pro-sector policies.

IV. Operational Research Study entitled “Cost Benefits Analysis of Major Commercially Cultivated Medicinal Plants Species”

The economic viability provides the main rationale to bring a species under cultivation. For the reorganization of improved technology for increasing area under prioritized species, their coverage, production and timely marketing, National Medicinal Plants Board (NMPB), Ministry of AYUSH, Govt. of India, New Delhi has been implementing Centrally Sponsored National Ayush Mission (NAM) scheme based on the mission objectives with strategic plan for boosting motivation with financial support towards undertaking commercial cultivation of medicinal plant species across the country. Till 31st March 2018 NMPB supported cultivation of 1.99 lakh hectare of area across the Country and noticed that majority of registered farmers include



Focus Group Discussion with Farmer



Ashwagandha Crop at Farmer Field in Pipali village, Neemuch district of Madhya Pradesh

small and marginal land holding. Cultivation of medicinal plant species was a comparatively new occupation for these farmers and risk of failure was particularly high. In addition to risk of crop failure, they face serious market related risk and difficulties in getting remunerative price. Keeping in view the high level of investment of the Board through grant-in-aid and interest shown by the farmers who have had initiated cultivation of medicinal plant species in association with their traditional cropping pattern, it would be apt if some initiative should be drawn for fixation of Minimum Support Price (MSP) of the farmer’s produce/usufructs.

Currently, it is important to focus on “price policy” to unravel the ‘mystery’ of how Minimum Support Prices (MSPs) should be fixed for medicinal plant based produces, and what is the level and structure of profitability in species which are being cultivated outside the forest areas i.e. commercial cultivation. In this context, cost of production and its relation to productivity is dealt with, in greater detail as that holds the key to how profitable the cultivation of medicinal plant species like agriculture is, or can be. One of the critical factors to look at is the concept of cost, how it is measured, and how does NMPB accommodate this in its deliberations to arrive at MSPs.

In view of above, NMPB entrusted AFC to undertake in-depth study of assessing actual cost incurred by farmer for undertaking cultivation of approved species in different edaphic conditions and agro-climatic regions/ States across the Country.

V. Operational Research Study entitled “Analysis of Supply and Value Chain of Major Medicinal Plants in Selected mandis and Marketing Channel of Medicinal Plants Produce at National Level”

Trade in medicinal herbs, like any other natural product, suffers from market imperfections. Factors contributing to such market imperfections include (i) unique characters of medicinal plants and uncertainty of their availability, (ii) knowledge about medicinal plants being restricted to a limited people, (iii) absence of organized market, (iii) interplay of middlemen in the trade and (iv) problems in marginal cost pricing of the medicinal herbs i.e. absence of a mechanism for determining the share of the primary collectors in the final revenue obtained from the finished products.

Medicinal plants and their products can be viewed as an important commodity items for sustainable economic development of the country. There is also need to organise marketing and trade of medicinal plants and their various products. To meet the domestic and international demands, it has become imperative to produce the quality raw

materials in significant quantities. It has been observed that harvested produces (raw materials) are being sold in the open market (local agents who offered the price at nearest their door steps). Generally, farmers sell their produces to the local /commission agents and

such local/commission agents bring the raw materials at “District level Mandis” and auction them to traders engaged who would further sell to manufacturing industries/exports. Majority of the farmers are not satisfied with the price offered to them by various stakeholders involved in the process.



Keeping in view the above cited facts, NMPB has been entrusted AFC to undertake in-depth study to i) access various supply chains of a species within and across states both from wild and cultivated sources, ii) identify significant links in the chain while the traded material reaches the market or the manufacturing industry, iii) analyze the identified supply chains of a species (system of transit like grower –

middlemen – commission agents – mandi – traders – manufacturers, iv) analyze policies affecting trade of medicinal plants and also render appropriate recommendations for further policy formulation and v) make suggestions on ways NMPB may streamline and support the supply chain of raw materials. Identify measures to boost the traceability of raw materials in order to ensure sustainability of the sources. The study would help NMPB to take policy decisions in streamlining the process of trade of medicinal and aromatic plants in the country.

VI. Social Impact Assessment (SIA) of various Infrastructural Projects

In order to carry out infrastructural development activities viz. construction/ strengthening roads/bridges, irrigation projects, railway lines, power projects, setting up of industries and other such activities, Government of India, State Governments and their agencies need to acquire land from farmers at different locations. Even for establishing Industries in Public and Private Sectors, acquisition of land is needed. To ensure fair deal to the farmers whose land is acquired for carrying out these development activities, Government of India has framed guidelines of Right to Fair Compensation & Transparency in Land Acquisition and Rehabilitation & Resettlement Act (RTFCTLARRA 2013), according to which it is mandatory to conduct Social Impact Assessment of the project affected persons, whose land is proposed to be acquired. Broadly Social Impact Assessment (SIA) undertaken by AFC had the following three components:

Project Component of SIA	Details
Screening, Scoping and Social Assessment	Desk review of the available reports, designs and information and field visits of the area to determine the magnitude of actual and potential envisaged impacts to ensure that social considerations are given adequate weight in the selection and design of proposed Project.
Resettlement and Rehabilitation (R&R) Entitlement Framework	The basis for designing this entitlement framework is the RTFCTLARRA 2013 and JLARR Rule, 2015. It would calculate the compensation and assistances for the affected families/persons, losses due to project, types of economic and social impact on people, develop draft R&R framework, etc.
Resettlement Action Plan (RAP)	Prepared through carrying out socio-economic baseline survey of 100% affected people to be inclusive of information on various categories of total resource base (formal and informal) of the people and the losses and other adverse impacts likely under the project. The losses are categorized and vary based on the local context.
Public Hearing	Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, conducted the public hearing in affected areas after submission of draft report by giving an advance notice of 15 days. Affected families or individuals, NGOs, District Government officials are attended in the public hearing and expressed their claims/objections/suggestions which has been documented and submitted to client.

AFC has been engaged by the state governments to carry out SIA studies for a variety of infrastructural projects in Jharkhand, Odisha, and Himachal Pradesh states.

SIA are carried out as per requirement of State Government rules 2015 for the purpose of

Land Acquisition. During the year the following SIA studies have been/being carried out by AFC:

Sl. No.	Project Title
1	Consulting Services for conducting Social Impact Assessment (SIA) study of Land Acquisition for construction of Katri Reservoir, Gumla District of Jharkhand state
2	Social Impact Assessment (SIA) study of Land Acquisition for construction of Talcher-Bimalgarh new B.G. Rail Link project in Sundergarh district of Odisha state
3	Social Impact Assessment (SIA) study for construction of Road upto Apollo Hospital in Ranchi state
4	Social Impact Assessment (SIA) Study and Social Impact Management Plan for Land Acquisition for Luhri Hydro-Electric Project Stage -1 in Shimla and Kullu Districts of Himachal Pradesh
5	Social Impact Assessment (SIA) in respect of land being acquired for execution of Thana Plaum Hydro Electric Power (191 MW) in Himachal Pradesh

Based on findings of the SIA studies, project specific draft R&R frameworks were developed and the authorities could decide compensation and assistance to be provided to the affected families due to implementation of infrastructure projects and acquisition of lands.

VII. Physical Verification of Units assisted under Prime Minister's Employment Generation Programme (PMEGP) Meghalaya and Madhya Pradesh states

Prime Minister's Employment Generation Programme (PMEGP), a central sector scheme, is in operation since 15th August, 2008 for generation of employment opportunities through establishment of micro enterprises in rural as well as urban areas. PMEGP is administered by the Ministry of Micro, Small and Medium Enterprises (MSME), Govt. of India and being implemented by Khadi and Village Industries Commission (KVIC), a statutory organization under the administrative control of the Ministry of



MSME as the single nodal agency at the National level.

AFC has been allotted the work of Physical Verification of 100% units assisted by the State Directors of KVIC in the States of Meghalaya and Madhya Pradesh. Number of units assisted in each these states in the years for which physical verification carried out are given below:

- Meghalaya – 920 Units assisted during 2012-13 and 2013-14.
- Madhya Pradesh – 5199 Units assisted during 2013 -14 and 2014 -15.



The physical verification of the units confirms whether the unit is set up as per the norms of the scheme and is working satisfactorily. Based on reports submitted by AFC to the client, KVICs took decision whether to release Margin Money subsidy in the account of the beneficiary or not.

VIII. Publicity Support for Central Sector Scheme of SFAC

Small Farmers Agribusiness Consortium (SFAC) is an Autonomous Society promoted by Ministry of Agriculture, Cooperation and Farmers' Welfare, Government of India. SFAC is implementing the central schemes of Government of India namely Venture Capital Assistance (VCA) for agri-business development and Equity Grant and Credit Guarantee Fund (EGCGF) for Farmer Producer Companies (FPCs) for economic inclusion of small and marginal farmers in agribusiness activities.

VCA Scheme

SFAC provides interest free Venture Capital to set up agribusiness projects and Project Development Facility (PDF) to assist individuals, producers groups/organizations for preparation of Detailed Project Reports (DPRs). The scheme envisages a single- window approach for extending Venture Capital along with bank term loan/working capital to the beneficiary. SFAC is implementing this scheme in close association with nationalized banks, SBI and its subsidiaries, IDBI, SIDBI, NABARD, NCDC, EXIM Bank, RRBs and State Financial Corporations.

EGCGF Scheme

It is an amalgamation of two schemes namely Equity Grant Fund (EGF) and Credit Guarantee Fund (CGF). SFAC support the equity base of FPOs/FPCs through grant upto Rs. 10 lakh and provide cover to lending institutions advancing loans to FPOs/FPCs by minimizing their lending risk in respects of loan not exceeding Rs. 100 lakh.

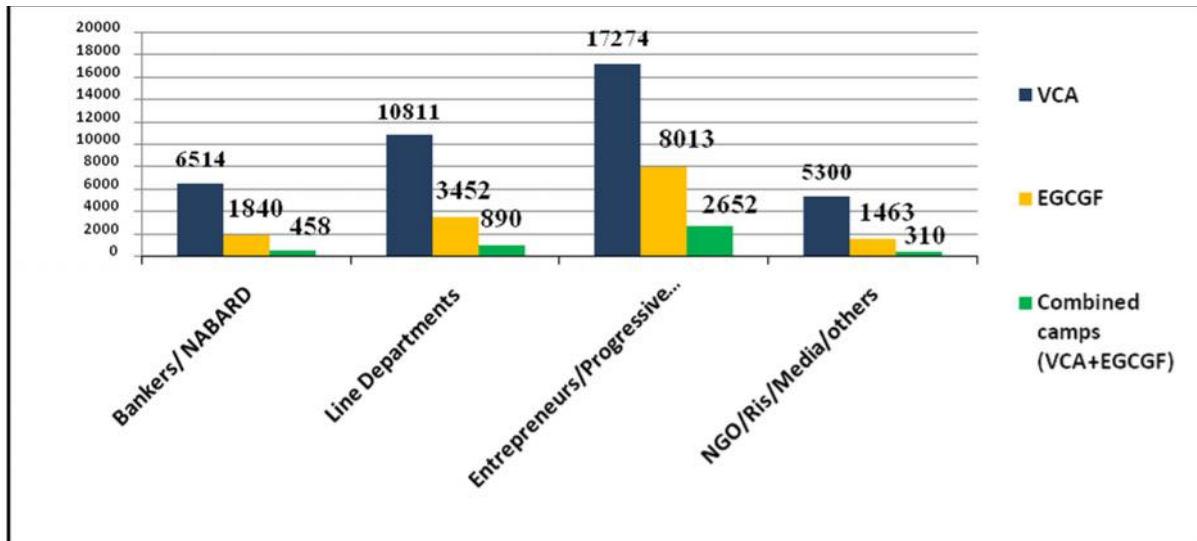
SFAC has engaged AFC as a Project Management Agency (PMA) to provide a package of services for supporting advertising, public relations and awareness building inputs for the effective implementation of the Central Sector Schemes including VCA and EGCGF schemes. The role of PMA includes strengthening backward linkages of agri-business as well as sensitizing the stakeholders which include officials at the state and district levels of the notified financial institutions, other line departments, entrepreneurs, FPOs, farmers, etc. The awareness building is carried out through district and state level camps throughout the country in a phased manner (on quarterly basis).



Under the assignment, since beginning in July, 2012 AFC has conducted total 32 state and 593 districts level camps for VCA scheme. Similarly, for EGCGF scheme since beginning in October, 2014, AFC has conducted total 24 state and 247 district level camps. During the year 2017-18, combined awareness camps for both schemes were conducted. Total six state level and 60 district level

camps were organized during 2017-18. Since beginning of the camps, total numbers of participants have been 39,899 in the VCA scheme camps, 14,768 in the EGCGF scheme camps and 4,310 in the combined camps. Break-up of the participants in the awareness camps organized by AFC during 2017-18 is given below:

No. of participants of VCA and EGCGF schemes camps (since beginning) and of Combined Awareness Camps during 2017-18



The camps could help SFAC is enhancing coverage of VCA and EGCGF schemes in different locations of the country. The project applications from different locations have increased significantly. Since beginning of the VCA awareness camps in July, 2012 to till March, 2018 total number of projects sanctioned was 2083 (costing Rs.608.85 Crore) whereas 460 projects (costing Rs.128.48 Crore) were sanctioned only during 2017-18. Similarly, under EGCGF scheme, total 301 projects have been sanctioned under EGF Scheme (costing Rs.1816.43 Crore) and 34 projects (amounting Rs.1699.66 Crore) have been provided guarantee cover under CGF Scheme.

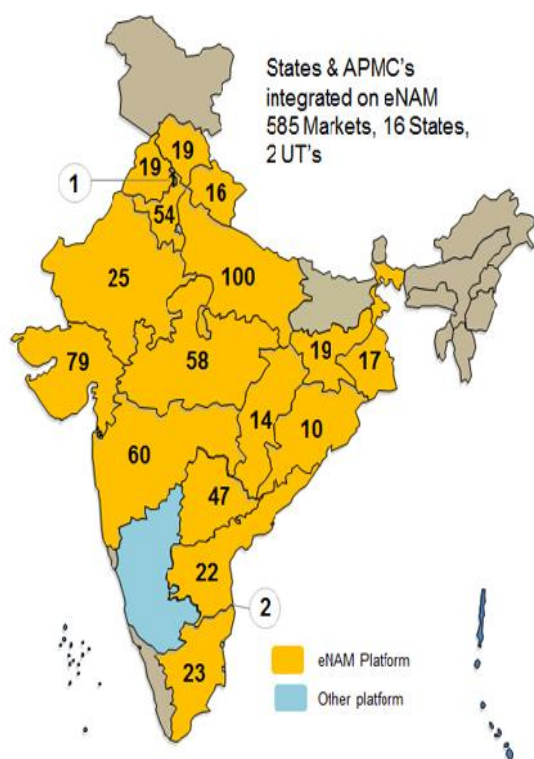
IX. Project Management Agency (PMA) for e National Agriculture Market (eNAM) project

AFC India Ltd. (AFC) has been entrusted with the responsibility to act as a Project Management Agency (PMA) by Small Farmers Agribusiness Consortium (SFAC) functioning under the aegis of Ministry of Agriculture and Farmers Welfare, Govt. of India for

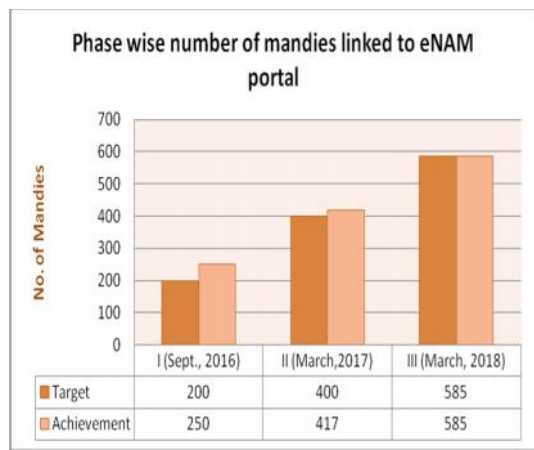
implementing a Central Sector Scheme for development of e National Agriculture Market (eNAM) w.e.f. 1st July, 2015.

The eNAM portal was launched by the Hon'ble Prime Minister of India. eNAM is envisaged as a pan-India electronic trading portal to network the existing APMC and other market yards to create a unified national market for agricultural commodities and will provide a single window service for all APMC related information and services. This will include commodity arrivals and prices, buy and sell trade offers within mandi, outside mandi (inter-state trade), provision to respond to trade offers, among other services.

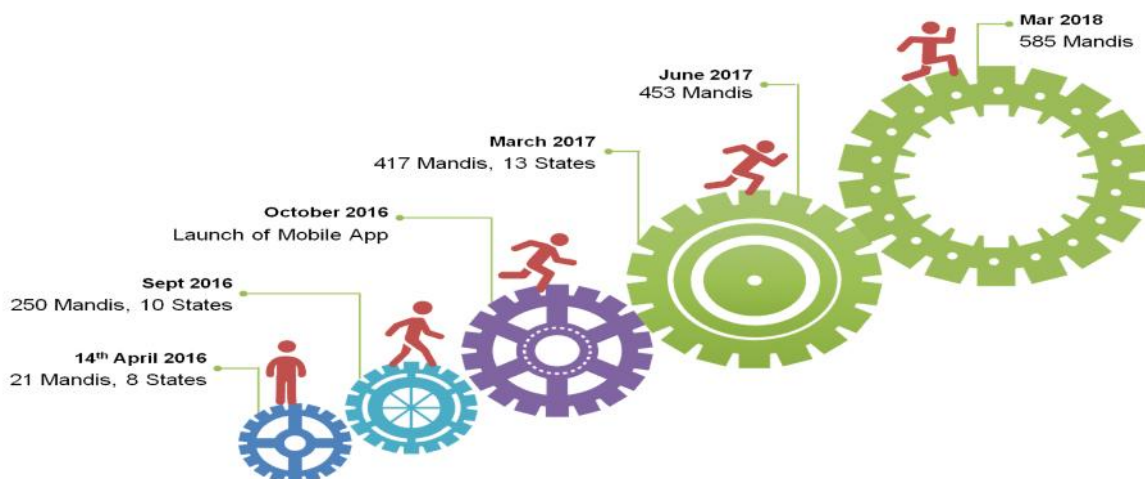
Till 31st March 2018, Ministry of Agriculture, Cooperation & Farmers' Welfare, GOI had accorded in principle approval to the proposals of 13 States for integration of 585 mandis and all these 585 mandis have been integrated before the due date. State-wise details of approved and integrated mandis under eNAM is as under:



eNAM journey so far



NAM Implementation Progress



X. Impact Evaluation of Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC)

The Central Sector Integrated Scheme on Agricultural Cooperation (CSISAC) has been implemented through various projects and programmes of National Cooperative Development Corporation (NCDC) and National Cooperative Union of India (NCUI) for cooperative development in India. CSISAC is an initiative of Ministry of Agriculture and Farmers' Welfare (MoA&FW) to improve economy and livelihood of the resource poor people who do not have adequate capacity to get support from the banking sector but have access to cooperative sector. The financial assistance extended under the



scheme through NCDC, has resulted in the promotion and development of a wide range of cooperatives working in different sectors leading to significant positive changes in infrastructure, business diversification, value addition in agriculture and allied sectors and human resources of the cooperatives. Through NCUI, the scheme has provided support for cooperative training, education, research and knowledge sharing. This has benefited both the local level cooperative societies and their members. Through various initiatives knowledge, awareness and skills of a large number of people in cooperative sector is being enhanced. The field projects of NCUI are directly impacting the lives of the people through education, training and multi-faceted support for livelihoods. The CSISAC scheme has been complementing the initiatives and programmes of Government like "Doubling the farmers income", skills development, livelihood promotion,



development of weaker section and empowerment of women. Through the support under CSISAC, the value chains of various subsectors of agriculture, allied and non-farm sectors are strengthened for the benefit of the cooperatives and their members.

In order to know the impact of CSISAC scheme at the society and members levels during the 12th Five Year Plan (FYP) period of India, the MoA&FW has entrusted the work of impact evaluation of the CSISAC programme to AFC. The impact evaluation of the CSISAC programme assistance identified and assessed the development of cooperatives/societies in their respective field of activities during the 12th five year plan period of India.

It would provide important input to MoA&FW in further continuation of the scheme and bring the suitable modifications.

XI. Techno Economic Viability studies under Post Harvest Management (PHM) units of Mission for Integrated Development of Horticulture (MIDH) in Andhra Pradesh state



Himagiri Cold Storage



Inside view of the cold storage



AFC Team at Machinery Room in Himagiri Cold Storage



Front View of Cashew processing Unit with Functional Infrastructure- Deepika Cashew Industries at Anantapuram (V), Srikakulam (D)

The State Horticulture Mission (SHM) and the Department of Horticulture, Andhra Pradesh are encouraging the entrepreneurs to establish horticulture projects and channelizing the subsidy for Post-Harvest Management (PHM) projects such as pack houses, pre-cooling

units, mobile pre-cooling units, cold storage units, Controlled Atmosphere(CA) Storage/Modified Atmosphere Storage (MAS)/supply of refrigerated vans/containers, primary/mobile processing units, ripening chambers, evaporative/low energy cool chambers, preservation units, onion storage units and zero energy cool chambers as per the revised guidelines of MIDH.

All these projects are entrepreneur driven through commercial ventures for which Governmental assistance will be credit linked back-ended. Entrepreneurs would submit proposal to the SHM for back end subsidy after duly completing all the requirements of the project. The proposals are appraised and evaluated by the firms having experience in financing and evaluation studies and based on their recommendations, the Department of Horticulture further processing for the release of subsidy. The SHM, Department of Horticulture, Government of Andhra Pradesh as part of Post- Harvest Management component of MIDH entrusted the task of conducting Techno Economic Viability study to AFC.

Under the assignment, since beginning i.e. October, 2015 AFC has conducted Techno Economic Viability study for total 60 units in the state of Andhra Pradesh. During 2017-18, AFC has studied total 24 units. Based on recommendations, the Department further processes the proposals for the release of subsidy.

XII. Third Party Verification of Net Houses



Establishment of Green/Poly-houses is a flagship programme of the Government of Telangana in the state that was launched during 2014-15. Under the programme, 75% subsidy is given to promote cultivation of high value vegetables and flowers. During 2016-17, the subsidy component was enhanced upto 95% for SC/ST farmers. Beneficiaries are eligible up to establishment of minimum of 200 sq.mts and maximum of 12000 sq. mts (3.00 acres) for poly-houses under general category and a maximum of 1.00 acre under SC &

ST category.

Objectives of the Scheme include:

- ❖ Enhance productivity and yields per unit area which in turn gives higher returns to farmers.
- ❖ Promotion of high value Horticulture crops under Poly houses.
- ❖ Year round production of Vegetable crops especially for off season production of vegetables.

To achieve the objective of the scheme, the Department of Horticulture & Sericulture, Government of Telangana has been inviting the applications from the farmers/potential beneficiaries to establish net houses for growing vegetables and fruits and channelizing the subsidy under state plan scheme. The



proposals submitted by farmers are appraised and evaluated by the respective District Horticulture Officer and the firms having experience in 3rd party evaluation studies.

After completing the construction of net house and based on the secondary inspection report of concerned District Horticulture officer, the Department has entrusted the task for conducting Joint inspection of the net houses to AFC along with other committee members. Based on our recommendations, the Department further processes the proposals for the release of subsidy.

XIII. Quantitative data collection with Chili farmers in Varanasi, Mirzapur and Ghazipur in Uttar Pradesh and Chatra and Lohardaga in Jharkhand (India)

International Finance Corporation (IFC), HQ Washington, D.C. aims to enable smallholders



to unlock their farming potential and improve their livelihoods. This could be achieved through developing a comprehensive agricultural input, financing and off-take package for smallholders in select crops. In collaboration with partners, the IFC program seeks to create an innovative and holistic business model for reaching smallholder farmers in Africa and Asia. The objective of the program was to develop a cost-effective business model for reaching smallholder farmers with an improved input package which is also

proven to improve farmer livelihoods. After the initial pilot phase of the program in 2-3 countries (proving that the business model is cost effective with respect to business as usual and results in improvement of farmer livelihoods), the idea was to have a roll out in additional countries / crops chosen with the partners to achieve the target reach of 3 million smallholders. Upon completion of the initial pilot, the partners of IFC have agreed to develop and implement a joint digital platform to improve information flow and design additional offers for

smallholders, such as payment and farmer financing options, to which IFC will contribute its knowledge. IFC needed quantitative data for a quasi-experimental evaluation of the results of this program. In India, IFC entrusted AFC to conduct data collection with Chili farmers in



Varanasi, Mirzapur and Ghazipur districts in the state of Uttar Pradesh, and tomato farmers

in Lohardaga and Chatra districts in the state of Jharkhand. Before the launch of IFC Baseline Survey, i.e., livelihood assessment survey and enumerator's training, under the supervision of IFC team, meticulous preparations were done by the AFC team. The survey was conducted through handheld device i.e. tablet using survey CTO software. A total of 1,300 chili and tomato farmers were covered in the survey in both the states including U.P. and

Jharkhand. The survey provided important inputs to help IFC and its members in designing appropriate business models for smallholder farmers in the project area/region.

XIV. Assessing crop losses reported under “PMFBY” and “RWBCIS” under individual and Post-Harvest covers with the use of Mobile Application

The flagship crop insurance scheme, Pradhan Mantri Fasal Bima Yojana (PMFBY) was launched by the Government of India in 2016. This scheme has replaced the two schemes namely, National Agricultural Insurance Scheme (NAIS) and Modified National Agricultural Insurance Scheme (MNAIS). PMFBY scheme would be providing insurance coverage and financial support to farmers in the event of failure of any of the notified crop as a result of natural calamities, pests and diseases. It would also stabilize the income of farmers to ensure their continuance in farming. Accordingly, farmers will be encouraged to invest in the innovative and modern agricultural practices, ensuring flow of credit to the agriculture sector. Prime highlight of this scheme is the 'enrolment', which is compulsory for the farmers in the notified area who have a crop loan/ Kisan Credit Card (KCC) account. Not only this, the Government is also encouraging coverage of non-loanee farmers.

The scheme provides comprehensive insurance to cover yield losses of standing crops due to non-preventable risks, such as natural fire, lightning & thunderstorm, hailstorm, cyclone, drought, floods, landslides, dry spells, pest infestation and disease outbreak.

Department of Agriculture Cooperative & Farmers Welfare has designated/empanelled Agriculture Insurance Company of India (AIC) and some private insurance companies to participate in the Government sponsored agriculture /crop insurance schemes based on their financial strength, infrastructure, manpower, expertise etc.

To assess the individual crop loss in case of occurrence of localized perils, such as hailstorm, landslide, cyclone and flood, resulting in damage to harvested crop lying in the field in 'cut and spread' condition, The AIC, HO, New Delhi has empanelled to AFC for Assessing Losses Reported under PMFBY under Individual and Post-Harvest Covers with the Use of Mobile App for the years 2018 & 2019 in 4 states namely Tamil Nadu, Karnataka, Andhra Pradesh and Telangana.

XV. Witnessing Crop Cutting Experiments (CCEs) under PMFBY / RWBCIS for the years 2018 & 2019

Under Pradhan Mantri Fasal Bima Yojana (PMFBY) scheme of the Government of India the actual yield of the insured crop, measured by crop cutting experiments in the notified area, is compared to threshold yield arrived from historical yields. If the former is lower than the

latter, all insured farmers in the notified area are eligible for the same rate of indemnity payout. Individual crop insurance would have been virtually impossible given large number of very small landholdings. The area yield based approach also has other merits.

Since the scheme operates on area approach, claims on individual basis are not settled. Further, the basis for settling the claims of farmers, in a defined area for a notified crop is the 'actual yield'. Since, the actual estimated yield is based on requisite number of Crop Cutting Experiments (CCEs), the CCEs form the backbone of the PMFBY. The CCEs can be defined as sampling process by which crop yields are statistically estimated in each insurance unit. Hence, it is essential



that the CCEs are conducted systematically and in scientific manner. Because insurance payments are based on an area and yield estimate determined by harvest production measurements taken at a series of randomly chosen CCE locations.

In view of the above, the Government of Tamil Nadu organizes CCEs in the state, planning of which is done under the Chief Statistician, Commissionerate of Agriculture. District- wise experiments are planned for various crops by the Chief Statistician based on which the Superintending Agricultural Officer of respective districts plan circle and crop wise CCEs. The work of conducting the CCEs at the circle level is allotted to the Talathies and Circle Inspectors (Revenue Department); Taluka Agricultural Officers and Village Extension Workers (Agricultural Department); Agricultural Officers and Village Level Workers (Zilla Parishad) which is preceded by training / orientation and selection of crops, plot selection, etc.



Agricultural Insurance Company of India (AIC), Tamil Nadu has assigned the task of supervision of CCEs to AFC with a view to ensuring that the CCEs of the notified crops are conducted as per set procedure for Paddy-11, under which aspects relating to correctness of sampling, selection of farmers and plots thereof, weight of the

grain in the experimental plot were looked into with taking photographs with GPS tag. The findings/observations of conducting CCEs as per procedure were consolidated and submit to AIC for further processes to release the percentage of crop loss claims.

XVI. THIRD PARTY MONITORING AND EVALUATION OF JALYUKT SHIVAR ABHIYAN (JSA), MAHARASHTRA

The Government has decided to implement Jalayukta Shivar Abhiyan project to overcome the water scarcity for drinking and agriculture due to erratic rainfall. Under the project, it is

planned to collect the rainwater, ensure its percolation, increasing the groundwater table and building up the water storage in a decentralized manner. This project envisages that every village will conserve water decentralized planning and implementation. This scheme should remain as government scheme but people should feel that it belongs to them. For this, an amount of Rs. 1000 crore has been made available through district schemes.

1.1 Scope of JSA

This programme has been implemented as a campaign through government departments, voluntary organizations, public participation and funds available with private businessmen (Corporate Social Responsibility), to ensure nonoccurrence drought in future in the state.

1.2 JSA Activities/Interventions

The project involves deepening and widening of streams, construction of Cement Nala Bund, Farm Ponds, Forest Ponds, Nala Deepening, CNB Repair, KTW Repair, Village Pond Repair, Graded Bunding, Loose Boulder checks, CCT, Cattle Proof Trenches, Recharge Shaft, Under Ground Bund, Village Pond Desilting, Irrigation Tank Repairs etc., were proposed and implemented.

1.3 Implementing Authority

A Committee under the Chairmanship of District Collector has been formed to prepare the action plan, to take decisions of implementation, to select villages/activities and approve them, to implement/monitor and coordinate the programme. The District Superintending Agriculture Officer (DSAO) is the nodal officer and Member Secretary of the JSA Committee. Agriculture Department (AD), Minor Irrigation - Local Sector (MI_Local), Minor Irrigation Zilla Parishad (MI_ZP), Groundwater and Development Survey Agency (GSDA), Rural Water Supply and Sanitation (RWSS), Forest Department (FD), Social Forestry (SF), Panchayat Samitee are involved in the implementation of JSA.

1.4 Assignment Coverage

The assignment of Third Party Monitoring & Evaluation of JSA has been entrusted to AFC India Ltd., Mumbai by individual (10) District Collectors of Bhandara, Gondia, Wardha, Nagpur, Chandrapur, Gadchiroli, Palghar, Thane, Raigad, and Ratnagiri.

1.5 Nature of Services as M&E

- To conduct the verification visit to each structure/activity executed during the year.
- To assess the physical verification of the structure such as site selection, actual measurement, quality and condition of the structure, recorded data, etc.
- To assess the impact of structures on crop cultivation with protective/lifesaving Irrigation using quantitative approach supplemented by qualitative methods. In particular study focuses on:
 - a) Extent of availability of storage water in the structures



b) Usage of stored water for:

- i. Agriculture cultivation - Life saving irrigation for the crops, additional area brought under cultivation, crop diversification, incremental yield, incremental income, increase in area under irrigation
 - ii. Economic/ aquaculture activities: Fisheries etc.
 - iii. Animal drinking
 - iv. Domestic usage
- c) Introduction of micro-irrigation system for vegetable and horticultural crops - Area, production and productivity, income etc.
- d) Ground water recharge - incremental increase in water level in the wells
- e) Impact on tanker water supply, if any
- f) Drought proofing and water sufficiency in the project villages
- g) Views/ opinion of the villagers about the project intervention
- To submit the detailed Report on observations, findings, suggestions and recommendations along with case studies.

1.6 Utility of the Report

The Report would facilitate the Departments to take appropriate remedial measures on a one to one basis in order to make all defunct structures operational through repairs of broken structures, removal of silt for increasing storage capacity, cutting of wild vegetation grown around the structure to make it accessible, etc.

Further while creating new structures it would help in taking up necessary steps like selecting the right site /location which would be more beneficial to the community, value addition to crop production, establishing base-line for impact assessment at a later stage, etc.

XVII. ASSIGNMENTS OF PROJECTS IN BHAWANIPATNA BLOCK OF KALAHANDI DISTRICT IN ODISHA

1. Implementation of KfW Climate Change Soil Project supported by NABARD



Climate change workshop for NABARD & NGO officials

Human-induced climate change impact has far reaching economic and social effects which are being felt all around the world. In fact the global average temperature has risen by 0.7o C during the 20th century. The consequence of this is, rising in the sea levels; melting glaciers and increasing extreme weather events with frequently change in precipitation effects for man and the environment. In view of this as a experience partner NABARD has assigned KfW Soil projects (Belgaon & Laxmipur) on

07.02.2017 for implementation within three years. The total project cost is 100.46 lakhs for 1005.68 Ha which will covered 439 House Holds.

2. Implementation of Watershed Development Fund (WDF) Projects (NABARD)

AFC has been entrusted by NABARD to undertake the responsibility for Livelihood based Full Implementation Phase (FIP) in Bhawanipatna block of Kalahandi district in Odisha. Out of 8 projects 3 have completed within its time frame and two have again assigned under Climate Change project. Another will shortly be included in Green Climate Fund (GCF).

In this process 6 watershed projects covering 3884.42 Ha geographical and 3068.36 Ha are under implementation which covering 13 tribal dominated villages treatable areas assigned for Full Implementation Phase (FIP) in 11 villages. The Project villages are Tribal dominated in nature covering 373 House Holds & 1748 population. These projects are running with its target and will shortly completed by coming December, 18.



Construction of Ring well

AFC teams from various technical experience backgrounds supported with Village Watershed Development Committees

(VWDC) implemented the planned activities for its success. In this context 3012.18 Ha have been treated with several conservation measures. 78% of fallow lands comes under different seasonal crops. Water table rises up to 4 to 5 ft. as per the records maintained at VWDC. Most of the drainage lines treated with various structures for control of rain water flow & soil erosion. Various small indigenous structures implemented through VWC are effective. Each Land less House Holds & SHG's supported with different IG Activities for enhancement their livelihoods for sustainable their household income. Activity based training & demonstration programmes undertaken periodically to strengthen the capacity to regularize their activities. People in the project areas feel the real benefit.

3. Implementation of Integrated Tribal Development Fund WADI Project (NABARD)

Looking to the grass root level AFC's experience for implementation of watershed based livelihood programme in Bhawanipatna Block of Kalahandi District, NABARD awarded TDF based WADI project for implementation to cover 967 tribal families in 43 villages within 7 years in Bhawanipatna Block of Kalahandi district during 2014-15. The project mainly focused on improvement of livelihood through orchard based programme utilizing land, water & manpower which give poor families in the upgrading of their resources in an effective way & also assured income for future.



This emphasizes mainly on up-grading wastelands through orchard development, effective utilization of available resources involving and empowering people to manage their own resources. The orchard development programme provides long-term sustainable income for the family whereas effective use of available resources through soil and water conservation and inter crop cultivation provides the income needed to meet immediate demands of needy tribal farmers. The programme aims to

organize people and build-up their capacity for decision making and management.

In this process 43 Udyan Vikash Samiti's (UVS) have been formed & 200 farmers covered during 2014-15, 313 farmers in 2015-16 & 272 farmers in 2016-17. 774.41 acres of fallow lands with a 41180 no plants brought under mango & cashew orchard with different seasonal intercrops. 41300 no border plantation also planted in WADI patches. 9 new SHG's formed & 6 have regularized for involved themselves in livelihood activities. Ongoing government programmes from Horticulture, Agriculture, Lift Irrigation, KVK etc. also converged in WADI patches for its success.

4. Implementation of Farmers producer Organizations.

After successful implementation of NABARD's rural development programmes in tribal remote areas in Odisha, NABARD again assigned AFC to form 4 Farmers Producer Organizations under WDF & WADI in Bhawanipatna Block of Kalahandi district. In this process 4 FPO's have been formed and registered under company's act 2013. 2298 farmers have been included for directly involve in companies



developmental marketing activities. Different capacity building, exposure visit, Agricultural input licenses, convergence programmes under taken at village, District as well as outside state level for strengthening to grow their day to day business.

XVIII. Preparation 12th and 13th Five Years Comprehensive District Agriculture Plans (C-DAPs) for 35 Districts of Uttar Pradesh and State Agricultural Plans (SAP) under RKVY



Preliminary meeting in chairmanship of District Magistrate

The Preparation of 12th C-DAP is completed and 13th in under process of Approval from District Level Committee under chairmanship of concern District Magistrates/Authorities. The C-DAP are prepared through participatory process involving various organizations and stakeholders. The Objectives addressed are as follows:

- Doubling the farmer's income.
- Attracting the youth to Agri-startups
- Strengthen the farmers efforts through creation of required infrastructure for pre and post production facilities.
- To promote region and problem specific initiatives that will help to increase income of farmers as well as enhancement in production and productivity.
- To empower farmers for risk mitigation with more focus on off farm additional income generation activities like integrated farming, bee keeping, medicinal and aromatic plant cultivation, floriculture etc.
- To empower/promote Agri-entrepreneurs, incubators and support business modules that maximize returns to the farmers in agriculture and allied sectors to foster innovation and entrepreneurship.
- To generate a common development perspective of the District that reflected the aspirations of the common rural people and other diverse stake holders.
- To work out and inspiring goal for overall development of the area.
- To envisage and incorporate roles of women and disadvantaged group in the main stream development.
- To pasteurize optimal utilization of the available resources for achieving higher level of livelihood, specially for the under privileges.
- To foresee needs and level of human and infrastructure development as it emerges from collective wisdom for achieving goals.
- To motivate people of the area and gear up all segments of population for facing the challenges, difficulties and bottlenecks to realize their cherished common goals.
- To act as a goal post towards which the entire planning process be oriented.
- To help people of the area in developing more realistic, objective oriented and executable long term annual plans.

XIX. Empaneled with Swachh Bharat Mission (Urban) and Atal Mission for Rejuvenation and Urban Transformation (AMRUT), Ministry of Housing and Urban Affairs, Government of Uttar Pradesh

We get empanelled with Ministry of Housing and Urban Affairs Uttar Pradesh, Govt. of Uttar Pradesh for handholding, monitoring and verification of District level NGOs for mobilization, IEC works and generating awareness amongst Individual Households of Urban Areas for Toilet construction work under Urban Local Bodies in 14 Districts including Kanpur Nagar, Kanpur Dehat, Kannauj, Farrukhabad, Mahoba, Hamirpur, Banda, Balrampur, Sharavasti, Gonda, Behraich, Auriya and Etawah Districts.



Participating in State Level Workshop of SBM (U) in presence of Hon'ble Minister, Pr. Secretary and Functionaries



Handholding of NGOs in meeting with Zonal E.O. (ULB) of Kannauj District under SBM (U)

The Project aims to provide the handholding support for imparting, educating and stimulating the necessary information to targeted economically poor section of urban households on needs of maintaining proper Hygiene, sanitation facilities and linkage with sewer Lines or onsite sanitation facility and adequate use of safe tap/piped drinking water through community oriented participatory methods.

The focus will be on:

1. Creating awareness amongst the target households in creating appropriate sanitation facilities linked with sewer lines or onsite sanitation facility.
2. Triggering Households on adequate use of clean Tap drinking water and avoiding contaminated water sources.
3. Selection of suitable interventions through IEC activities and appropriate communication methods for disseminating information to Target community/Individuals for required behavioral changes.
4. Creating awareness amongst the community and Handholding to promote personal accountability and responsibility amongst the community/individuals for ensuring proper sanitation and provision of safe drinking water on sustainable basis.

XX. Conducting Consolidation and withdrawal Phase and Skill development trainings under Integrated watershed Management Project in state of Uttar Pradesh

We Conducted 2 Days Consolidation and Withdrawal Phase Training in 12 Districts and 2 - 10 Days Skill Development training for several traits in 15 Districts under Integrated

Watershed Management Program of Uttar Pradesh. The Consolidation and Withdrawal Phase Training was conducted from 22 January to 31 March 2018. While, the Skill Development Training was conducted from 20 February to 31 March 2018.



Conducting 2 Days Training of Participants



Conducting 2 Days Training of Women Participants

The details of 2 Day Trainings conducted are as follows:

2 Days Consolidation and Withdrawal Phase Training		
Sr. No	Particulars	Nos.
1	No of Participants/Beneficiaries	5687
2	No of Districts	18
3	No of Trainers	140
4	No of Batches	97

The skill Development training was organized for Family Members of Watershed groups members formed under Watershed Programme on several traits like Candle Making, Poultry Farming, ChikanJardoji, Vermi- Compost Production etc, to make them self-reliant and livelihood generation from on-farm and non-farm activities. This training was conducted for 1898 beneficiaries from 15 districts of Uttar Pradesh.



Conducting Stitching trainings of Participants



Conducting Skill Development Training of Participants

The details of Skill development Training conducted are as given below:

2, 3, 10 Days Skill Development Training		
Sr. No	Particulars	Nos.
1	No of Participants/Beneficiaries	4100
2	No of Districts	20
3	No of Trainers	30
4	No of Batches	75

XXI. Imparted 2 Days and 4 Days Training in Mainpuri District for Department of Panchayti Raj, State of Uttar Pradesh

We Imparted 2 Days and 4 Days Training of elected Representatives and Functionaries of three Samitis in Village Panchayats of District Mainpuri. Total no of Participant functionaries trained are 1512. The Training was imparted from 20 March- 29 March 2018 in 9 Blocks. The Training aims at strengthening institutions and mechanisms so as to enhance capacities of elected representatives and functionaries for human development oriented, inclusive planning, implementation, and improved accountability in local governance.



Imparting 2 Days Training of Gram Panchayat Functionaries in District Mainpuri

The details of the 2 Days Trainings are as follows:

2 Days Training of elected Representatives/Functionaries of Gram Panchayats at Village Level		
Sr. No	Particulars	Nos.
1	No of Participants/Beneficiaries	1512
2	No of Districts	1
3	No of Trainers	20
4	No of Batches	33



Imparting 4 Days Training of Gram Pradhans in District Mainpuri

The details of 4 Day Training are as follows:

4 Days Training of elected Representatives/Functionaries of Gram Panchayats at Village Level

Sr. No	Particulars	Nos.
1	No of Participants/Beneficiaries	556
2	No of Districts	1
3	No of Trainers	20
4	No of Batches	15

SISTER CONCERNS

1. AFC Foundation

AFC Foundation (AFCF), is a sister concern of parent organization AFC INDIA LIMITED, was set up in 2007 under the Indian Trust Act, 1882 as an institution for microfinance, education and livelihood promotion with its registered as well as head office at New Delhi. Its head office was shifted to Mumbai from New Delhi for its better and effective operations during the year 2010-11.

Microfinance: AFCF ventured into retail microfinance operations on larger scale and initiated its operations through AFCF, Kolkata branch during the year 2009 in West Bengal with support from a local NGO partner Bengal Women Welfare Association (BWWA) following AFC Foundation-NGO Partners-SHGs/JLGs model. Subsequently, as part of the geographical expansion programme, the existing operations were also extended to Jalgaon district in Maharashtra with support from a local NGO partner Bhagini Nivedita Gramin Vigyan Niketan (BNGVN), which has been discontinued after settlement.

However, retail micro finance operations are being wound up due to strategic reason and no new investments are being made.

2. AFCL Finance Services Pvt. Ltd.

Your Company has incorporated a wholly owned subsidiary 'AFCL Finance Services Pvt. Ltd.' on 11th March, 2010 with the objectives of carrying out (i) the business of financing, corporate lending as well as micro financing in all its aspects and by all possible ways and means on short term, medium term and long term basis; (ii) the business of hire purchase, leasing, installment financing, refinancing and letting on hire all description, agriculture implements, machineries and all other goods and articles which can be financed by hire purchase leasing or otherwise and (iii) to promote and organize research and development or to act as consultant, advisor, manager, representative, retainer or in other capacity for the purpose of accomplishment of the objects under these present capacity in the field of micro finance, small & medium enterprise finance, agri finance, and any other related activities. Business operations of this subsidiary are likely to commence shortly after drawing a sound road map based on a vision document.



INDEPENDENT AUDITOR'S REPORT

To

The Members of

AFC INDIA LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **AFC INDIA LIMITED**, which comprise the Balance Sheet as at **31st March, 2018**, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('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, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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; design, implementation and maintenance of adequate internal financial controls, that are 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.



Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our knowledge and according to the information and explanations given to us, the said financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

i. In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018,



ii. In the case of Statement of Profit and Loss, of the profit for the year ended on that date and

iii. In the case of Cash Flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the **Companies (Auditor's Report) Order, 2016** ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure "A"** statement on the matters Specified in paragraphs 3 and 4 of the Order.

As required by C&AG of India through supplementary directions dated 19.10.2014 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.


Further to our comments in the Annexure referred to above and as per 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 purpose of our audit;
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid standalone Balance Sheet and Profit and Loss account dealt with by this report comply with the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
- e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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"**; and
- g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information as required by the Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in the manner so required and give a true and fair view and are in conformity with the accounting principles generally accepted in India .

For Ramanand & Associates
Chartered Accountants
Firm Registration No. : 117776W


CA Ramanand Gupta
Managing Partner
M. No. 103975
Place: Mumbai
Date: 26th July, 2018



“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2018:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- 2) In our opinion and according to the information and explanation given to us, since ,the company does not hold any inventories, the provisions of clause is not applicable.
- 3) The Company has not granted loans, secured or unsecured to companies, firms, Limited Liability partnership or other parties covered in the Register maintained under section 189 of the Act,
- 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.
- 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) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) In respect of Statutory Dues :
- a. According to the records of the Company, the Company is regular in depositing with appropriate authorities, undisputed statutory dues including Income Tax, other taxes, cess and statutory dues applicable to it as explained to us by the management. According to the information and explanations given to us, no undisputed amounts payable in respect of Income - Tax, Wealth Tax, Service Tax, Sales Tax, Customs Duty, Cess were outstanding as at 31st March, 2018 for a period of more than six months from the date those became payable.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;



- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For Ramanand & Associates
Chartered Accountants
Firm Registration No. : 117776W


CA Ramanand Gupta
Managing Partner
M. No. 103975
Place: Mumbai
Date: 26th July, 2018



Annexure B to Independent Auditors' Report

Report u/s 143(5) of the Companies Act 2013

Sl No.	Directions	Action Taken	Impact on Financial Statement
A. Directions			
1.	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	According to information and explanations given to us, The Company does not hold any freehold or lease hold land.	NIL
2.	Please report whether there are any cases of waiver/ debts/loans/interest etc., if yes, the reasons there for and the amount involved.	According to information and explanations given to us, there are no cases of waiver/debts/loans/interest etc	NIL
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.	According to information and explanation given to us there are no inventory lying with the third party and No assets received as gift from Govt. or other authorities.	NIL

For Ramanand & Associates
Chartered Accountants
Firm Registration No. : 117776W


CA Ramanand Gupta
Managing Partner
M. No. 103975
Place: Mumbai
Date: 26th July, 2018



Annexure C to Independent Auditors' Report

Referred to in paragraph 10(f) of the Independent Auditors' Report of even date to the members of **AFC India Limited** on the financial statements for the year ended March 31, 2018

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of **AFC India Limited** ("the Company") as of March 31, 2018 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

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

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both



issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. 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 of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Emphasis of Matter

8. *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

9. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, *however the above opinion is made on the basis of the information provided to us, as the company does not have the adopted internal control policy 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 Ramanand & Associates
Chartered Accountants
Firm Registration No. : 117776W



CA Ramanand Gupta
Managing Partner
M. No. 103975
Place: Mumbai
Date: 26th July, 2018



AFC INDIA LTD

BALANCE SHEET AS AT 31st March 2018

(Amt. in Rs.)

Particulars	Note	As at 31st March,2018	As at 31st March,2017
I. EQUITY AND LIABILITIES			
(1)Shareholders' Fund			
(a) Share Capital	3	15,00,00,000	15,00,00,000
(b) Reserves & Surplus	4	11,38,91,419	11,56,91,580
(2) Non current Liabilities			
(a) Long term provisions	5	70,36,850	80,92,517
(3) Current Liabilities			
(a) Short term borrowings	6	11,44,271	-
(b) Trade Payables	7	46,83,72,276	43,72,61,616
(c) Other current liabilities	8	32,07,589	11,54,082
(d) Short term provisions	9	13,18,42,332	11,16,74,262
TOTAL		87,54,94,737	82,38,74,057
II. Assets			
(1) Non current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	27,53,742	36,78,823
(ii) Intangible Assets	10	21,294	35,923
(b) Non Current Investments	11	2,34,40,639	20,21,18,156
(c) Deferred Tax Assets (Net)	12	84,72,691	40,02,489
(d) Long-term loans & advances	13	3,14,36,096	2,60,25,276
(2) Current Assets			
(a) Other current assets	14	58,21,52,345	52,00,65,643
(b) Trade Receivables	15	4,51,53,522	3,90,49,811
(c) Cash and Cash Equivalents	16	17,34,78,231	1,86,43,178
(d) Short-term loans & advances	17	85,86,176	1,02,54,758
TOTAL		87,54,94,737	82,38,74,057

Notes on Financial Statements
Significant Accounting Policies

1 to 27

For and on behalf of the Board of Directors

As per our report of even date
For Ramanand & Associates
Chartered Accountants

(Ramanand Gupta)
Partner
Membership No:103975

Place : Mumbai
Date : 26/06/2018



Dr C D Mayee
Chairman

Mamta Sahal
Chief Financial Officer

A. K. Garg
Managing Director

Nidhi Shah
Company Secretary



Statement of Profit And Loss for the year ended 31st March 2018

(Amount.In Rupees)

Particulars	Note	31st March 2018 Rupees	31st March 2017 Rupees
INCOME			
Revenue from Operations	18	17,20,51,171	13,02,94,670
Other Income	19	1,46,84,543	1,58,32,116
Total Revenue		18,67,35,714	14,61,26,786
EXPENDITURE			
Project Expenses	20	12,94,59,807	9,51,64,946
Employees Benefits Expense	21	4,82,27,837	3,59,18,935
Finance Costs	22	8,88,512	9,47,326
Depreciation and Amotisation Expense	10	11,50,078	9,17,396
Other Expenses	23	1,29,36,922	1,00,25,886
Total Expenses		19,26,63,156	14,29,74,489
Profit Before Tax & Extraordinary Items		(59,27,442)	31,52,297
Prior Period Expenses & Extraordinary Items		(3,42,921)	-
Profit before Tax		(62,70,363)	31,52,297
Tax Expense :			
Current Tax Expense			9,89,937
Tax Expense for earlier years		-	-
Deferred Tax - Income/(Expense)		44,70,202	4,96,144
Profit for the year		(18,00,161)	26,58,504

Earning per equity share of face value of Rs.10000/- each

Basic and Diluted (in Rupees)	24	(120)	177
-------------------------------	----	-------	-----

Notes on Financial Statements
Significant Accounting Policies

1 to 27

For and on behalf of the Board of Directors

As per our report of even date
For Ramanand & Associates
Chartered Accountants

(Ramanand Gupta)

Partner

Membership No:103975



Dr C D Mayee

Chairman

Mamta Sahal

Chief Financial Officer

A. K. Garg

Managing Director

Nidhi Shah

Company Secretary

Place : Mumbai

Date : 26/06/2018



Notes forming part of Financial Statements for the Year Ended 31st March, 2018.

1. AFC India Limited (AFC) is a multi-disciplinary consultancy and technical support organization 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 grassroots level project implementation under watershed development, livelihood promotions, organic farming, agriculture extension services, environmental impact assessments, retail microfinance operations, training and capacity building, education, skill development and financial literacy.

2. SIGNIFICANT ACCOUNTING POLICIES

a. BASIS OF ACCOUNTING:

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies(Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis.

b. USE OF ESTIMATES:

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Future results could differ due to changes in these estimates and differences between actual and estimates are recognized in the period in which the results are known.

c. REVENUE RECOGNITION:

- I. The company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.
- II. Consultancy fees are recognized 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".



d. FIXED ASSETS:

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.

e. DEPRECIATION:

The company provides for depreciation/amortization on its fixed assets on straight line basis over the useful lives of the assets as specified in Part "C" of Schedule II of the Companies Act 2013.

f. INVESTMENTS:

Investments are classified into Current and Long Term Investments. Long Term Investments are stated at cost. A Provision for diminution is made to recognize a decline other than temporary, in value of Long Term Investments.

g. EMPLOYEE BENEFITS:

A. Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account for the year in which the related service is rendered.

B. Post employments benefits:

I. Defined contribution plans:

i) For all employees, provident fund monthly contributions are made to trust administered 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 the shortfall, if any, between the return on investments of the trust and the notified interest rates. Company's contributions towards the provident fund scheme are recognized during the year in which the related service is rendered.

ii) The company has taken a policy of Group Gratuity cum Life Assurance Scheme with Life Insurance Corporation of India (LIC) and the premium determined by the LIC is paid and accounted as gratuity. The retirement benefits for gratuity are fully provided as per the certificate received from LIC.

II. The retirement benefits for encashment of leave salary are fully provided for on actuarial valuation.



h. TAXATION:

Income tax expense comprises Current tax and Deferred tax charge or credit. Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year.

The Deferred Tax Asset and Deferred Tax Liability are calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax Assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred Tax Assets on account of other timing differences are recognized, only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amount of Deferred Tax Assets is reviewed to reassure realization.

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 to and intends to settle the asset and liability on a net basis.

i. EVENTS OCCURRING AFTER BALANCE SHEET DATE:

No significant events which could affect the financial position as on 31.03.2018 to a material extent have been reported by the company, after the balance sheet date till the signing of report.

k. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. These are reviewed at each balance sheet date and adjusted to reflect current best estimates. Contingent liabilities are not recognized but are disclosed in the financial statements. Contingent Assets are neither recognized nor disclosed in the financial statements.

l. OPERATING LEASES:

Lease of assets under which all the risk and rewards of ownership are effectively retained by the lesser are classified as operating leases. Lease payments under operating leases are recognized as expenses on accrual basis in accordance with the respective lease agreements.



m. CASH AND CASH EQUIVALENTS

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.

n. PROVISION FOR BAD AND DOUBTFUL DEBTS:

The policy being followed by the company for providing for doubtful debts and writing off bad debts is as follows:

Period of outstanding debt	Amount of Debt to be transferred as Doubtful debt
Six month – One Year	Nil
One – Two years	10% of the total outstanding amount
Two – Three years	15% of the total outstanding amount
Three – Five years	20% of the total outstanding amount
Five- seven years	30% of the total outstanding amount
More than seven years	Written off as Bad Debts



3. SHARE CAPITAL

Particulars	As at 31st March,2018 Rupees	As at 31st March,2017 Rupees
Authorised Share Capital 100,000 equity shares of Rs.10,000/- each	1,00,00,00,000	1,00,00,00,000
Issued,Subscribed and Paid up 15,000 equity shares of Rs 10,000/- each fully paid up	15,00,00,000	15,00,00,000
Total	15,00,00,000	15,00,00,000

3.1 The details of Shareholder's holding more than 5% shares :

Name of Shareholders	No. of Shares As At 31/03/2018	No. of Shares As At 31/03/2017
Central Bank of India	1608	1608
Bank of Baroda	1603	1603
Bank of India	1261	1261
Punjab National Bank	1089	1089
NABARD	1000	1000
Standard Chartered Bank	970	970
State Bank of India	950	700
UCO Bank	803	803
Export Import Bank of India	750	750

3.2 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March,2018 No. of shares	As at 31st March,2017 No. of Shares
Equity Shares at the beginning of the year	15,000	15,000
Issued during the year	--	--
Equity Shares at the end of the year	15,000	15,000

4. RESERVES AND SURPLUS

Particulars	As at 31st March,2018 Rupees	As at 31st March,2017 Rupees
Profit And Loss Account As per last Balance Sheet	11,56,91,580	11,30,33,076
Add : Profit for the year	(18,00,161)	26,58,504
Total	11,38,91,419	11,56,91,580

5. Long term provisions

Particulars	As at 31st March,2018 Rupees	As at 31st March,2017 Rupees
Provision for Employees Leave Encashment	70,36,850	80,92,517
Total	70,36,850	80,92,517



6. Short Term Borrowing

Particulars	As at 31st March,2018 Rupees	As at 31st March,2017 Rupees
SECURED OVERDRAFT From Central Bank of India	11,44,271	-
Total	11,44,271	-

7. TRADE PAYABLES

Particulars	As at 31st March,2018 Rupees	As at 31st March,2017 Rupees
Micro, Small and Medium Enterprises	-	-
Creditors For Project Expenses	48,86,121	82,59,247
Advances from Customers	46,34,86,155	42,90,02,369
TOTAL	46,83,72,276	43,72,61,616

8. OTHER CURRENT LIABILITIES

Particulars	As at 31st March,2018 Rupees	As at 31st March,2017 Rupees
Others (outstanding liability)	32,07,589	11,54,082
TOTAL	32,07,589	11,54,082

9. SHORT TERM PROVISIONS

Particulars	As at 31st March,2018 Rupees	As at 31st March,2017 Rupees
Provision for Project Expenses	10,57,27,138	10,26,88,985
Provision for Employee Benefits		
For Employees' Leave Encashment	43,42,387	34,19,627
Provision for Other Expenses	76,29,119	55,65,650
Provision for Gratuity	1,41,43,688	-
TOTAL	13,18,42,332	11,16,74,262



10. FIXED ASSETS

(In Rupees)

Fixed Assets	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01.04.2017	Additions during the year	Deductions / Adjustments	As at 31.03.2018	As at 01.04.2017	For the Year	Deductions / Adjustments	Upto 31.03.2018	As at 31.03.2018	As at 31.03.2017
(A) TANGIBLE										
Building	2,46,597	-	-	2,46,597	2,09,659	3,509	-	2,13,168	33,429	36,940
Furniture & Fixtures	1,17,15,717	79,480	5,000	1,17,90,197	92,89,817	6,39,771	2,227.26	99,27,361	18,62,836	24,25,900
Office Equipment	72,04,276	54,349	6,000	72,52,625	68,07,279	1,75,175	4,094.36	69,78,360	2,74,264	3,96,996
Air Conditioners	12,42,690	54,766	21,000	12,76,456	9,99,708	1,17,326	18,300.93	10,98,733	1,77,722	2,42,981
Vehicles	13,78,688	-	-	13,78,688	9,81,116	1,24,162	-	11,05,278	2,73,410	3,97,572
Computers	1,11,66,361	29,153	-	1,11,95,514	1,09,87,927	75,506	-	1,10,63,433	1,32,081	1,78,434
Total (A)	3,29,54,329	2,17,748	32,000	3,31,40,077	2,92,75,506	11,35,450	24,623	3,03,86,333	27,53,742	36,78,823
(B) INTANGIBLE										
Software	14,80,481	-	-	14,80,481	14,44,558	14,629	-	14,59,187	21,294	35,923
Total (B)	14,80,481	-	-	14,80,481	14,44,558	14,629	-	14,59,187	21,294	35,923
Total (A+B)	3,44,34,810	2,17,748	32,000	3,46,20,558	3,07,20,064	11,50,078	24,623	3,18,45,520	27,75,036	37,14,746

10.1 Building includes Rs 500/- being cost of fully paid-up shares in a Co-Operative Housing Society

10.2 The execution of the Deed of Conveyance in favour of the Housing Society in which the Company owns a flat since 1972 is yet to be completed.



11. NON-CURRENT INVESTMENTS

Particulars	As at 31st March,2018 Rupees	As at 31st March,2017 Rupees
Other than Trade :		
i) Equity Instruments - Quoted		
Investment in Other Companies		
250 (250) Equity shares of Rs. 10/- each fully paid up of Gujarat State Petronet Ltd.	-	6,750
200 Equity shares of Rs. 10/- each fully paid up of Coal India Ltd.	63,639	63,639
1000 Equity shares of Rs. 10/- each fully paid up of IDFC India Ltd.	77,000	77,000
50 Equity shares of Rs. 10/- each fully paid up of HPCL Ltd.	-	20,767
ii) Equity Instruments, Unquoted		
Investment in Subsidiaries		
50000 Equity Shares of AFC Finance Services Pvt Ltd of Rs.10/-each fully paid up	5,00,000	5,00,000
Investment in Other Companies		
30,000 (30,000) Equity Shares of Rs. 10/- each fully paid up of Global Procurement Consultants Ltd	3,00,000	3,00,000
Fixed Deposit with Bank	2,25,00,000	20,11,50,000
Total	2,34,40,639	20,21,18,156

Long term investment are stated at cost

Aggregate amount of quoted investments

1,40,639

1,68,156

Market value of quoted investments as on 31st March,2018

1,04,050

1,71,371

Aggregate amount of unquoted investments

2,33,00,000

20,19,50,000

11.1 Fixed Deposits figure includes Fixed Deposits pledged with bank for facilities granted to the Company, cost aggregating to Rs.2,25,00,000/- (P.Y. Rs. 4,25,00,000/-)



12. Deferred Tax Assets

Particulars	As at 31st March, 2018 Rupees	As at 31st March, 2017 Rupees
Deferred Tax Assets	40,02,489	35,06,345
Add: Addition / (Deletion) for the year	44,70,202	4,96,144
Total	84,72,691	40,02,489

12.1 The component of Deferred Tax balances as on 31st March, 2018 accounted in accordance with AS-22 " Accounting for taxes on Income" issued by ICAI are as under:

Deferred Tax Assets arising on account of timing difference on

Particulars	As at 31st March, 2018 Rupees	As at 31st March, 2017 Rupees
Expenses allowable on payment basis	78,86,584	35,57,252
Depreciation	5,86,107	4,45,236
Total	84,72,691	40,02,489

	As at 31st March, 2018	As at 31st March, 2017
Net Deferred Tax Assets	84,72,691	40,02,489



13. LONG-TERM LOANS & ADVANCES

Particulars	As at 31st March,2018 Rupees	As at 31st March,2017 Rupees
(Unsecured Considered Good)		
Advance Tax (2004-05) (Net of Provision)	4,56,530	4,56,530
Advance Tax (2006-07) (Net of Provision)	4,77,462	4,77,462
Advance Tax (2008-09) (Net of Provision)	20,49,118	20,49,118
Advance Tax (2010-11) (Net of Provision)	18,23,788	18,23,788
Advance Tax (2011-12) (Net of Provision)	8,89,738	8,89,738
Advance Tax (2013-14) (Net of Provision)	8,51,508	8,51,508
Advance Tax (2014-15) (Net of Provision)	22,99,001	22,99,001
Advance Tax (2015-16) (Net of Provision)	51,26,078	51,26,078
Advance Tax (2016-17) (Net of Provision)	13,21,717	13,21,717
Advance Tax (2017-18) (Net of Provision)	63,69,045	60,59,473
Advance Tax (2018-19) (Net of Provision)	58,49,628	
Others		
- Deposits	37,85,333	45,28,213
Festival Advance	1,37,150	1,42,650
Total	3,14,36,096	2,60,25,276

14. Other Current Assets

Particulars	As at 31st March,2018 Rupees	As at 31st March,2017 Rupees
Jobs in Progress	57,53,81,000	51,57,78,000
Accrued interest on investment	67,71,345	42,87,643
Total	58,21,52,345	52,00,65,643

15. TRADE RECEIVABLES

Particulars	As at 31st March,2018 Rupees	As at 31st March,2017 Rupees
(Unsecured)		
Outstanding for a period exceeding six months		
Considered Good	3,67,15,066	3,30,23,709
Considered Doubtful	75,75,966	55,05,698
	4,42,91,032	3,85,29,407
Less: Provision for Doubtful Debts	75,75,966	55,05,698
	3,67,15,066	3,30,23,709
Others, considered good	84,38,456	60,26,102
Total	4,51,53,522	3,90,49,811



16. CASH & CASH EQUIVALENTS

Particulars	As at 31st March,2018 Rupees	As at 31st March,2017 Rupees
Cash on Hand	49,300	38,640
Balances with Banks		
In Current Account	52,53,931	77,90,555
In Overdraft Account	-	80,23,441
investment in Mutual Fund	1,69,75,000	24,90,542
Short term deposit with bank	15,12,00,000	3,00,000
Total	17,34,78,231	1,86,43,178

16.1 Short term deposit with bank figure includes Fixed Deposits pledged with bank for facilities granted to the Company, cost aggregating to Rs.2,00,00,000/-

17. SHORT-TERM LOANS & ADVANCES

Particulars	As at 31st March,2018 Rupees	As at 31st March,2017 Rupees
(Unsecured Considered Good)		
Others #	85,86,176	1,02,54,758
Total	85,86,176	1,02,54,758

Includes loans and advances given to Companies under the same management:

Particulars	As at 31st March,2018 Rupees	As at 31st March,2017 Rupees
AFC Foundation	66,77,001	68,70,405
AFCL Finance Services Pvt. Ltd.	3,73,300	3,73,300
Total	70,50,301	72,43,705



AFC INDIA LTD.

18. REVENUE FROM OPERATIONS

Particulars	31st March 2018 Rupees	31st March 2017 Rupees
Consultancy Income	17,20,51,171	13,02,94,670
Total	17,20,51,171	13,02,94,670

18.1 CONSULTANCY INCOME

Particulars	31st March 2018 Rupees	31st March 2017 Rupees
Projects completed during the year	11,24,48,171	7,86,89,670
Add : Value of Closing Jobs in Progress	57,53,81,000	51,57,78,000
Less : Value of Opening Jobs in Progress	51,57,78,000	46,41,73,000
Total	17,20,51,171	13,02,94,670

19. OTHER INCOME

Particulars	31st March 2018 Rupees	31st March 2017 Rupees
Interest Income	1,40,85,762	1,49,93,261
Other non operating income	38,325	31,981
Profit on redemption of Bonds	5,02,975	3,22,170
Dividend Income	54,105	35,800
Profit on sale of Fixed Asset	3,376	29,486
Excess Provision written Back	-	4,19,418
Total	1,46,84,543	1,58,32,116



20. PROJECT EXPENSE

Particulars	31st March 2018	31st March 2017
	Rupees	Rupees
Project Expenses	11,95,43,603	7,80,05,786
Consultancy Charges	94,95,547	1,48,57,056
Other Expenses	4,20,657	23,02,104
Total	12,94,59,807	9,51,64,946

21. EMPLOYEE BENEFITS EXPENSE

Particulars	31st March 2018	31st March 2017
	Rupees	Rupees
Salaries, Allowances, Bonus	2,82,85,035	2,89,39,111
Contribution to Provident and other funds	1,73,22,714	31,61,119
Staff Welfare Expenses	26,20,088	38,18,705
Total	4,82,27,837	3,59,18,935

22. FINANCE COSTS

Particulars	31st March 2018	31st March 2017
	Rupees	Rupees
Interest On Overdraft	6,24,975	6,82,164
Bank Charges	2,63,537	2,65,162
Total	8,88,512	9,47,326



23. OTHER EXPENSES

Particulars	31st March 2018	31st March 2017
	Rupees	Rupees
Travelling Expenses	15,77,632	8,78,799
Communication Charges	6,03,555	5,94,425
Legal & Professional Fees	3,64,289	4,69,020
Electricity Charges	6,56,686	8,12,072
Insurance Charges	1,89,946	67,614
Rent, Rates and Taxes	23,71,957	20,38,335
Repairs and Maintenance	18,51,918	16,93,602
Vehicle Hiring Expenses	3,53,619	4,33,775
Printing and Stationery	4,88,247	4,89,242
Miscellaneous Expenses	19,16,680	15,79,612
Bad debts	4,42,125	-
Payment to Auditors:		
Statutory Audit	30,000	30,000
Tax Audit	20,000	20,000
Provision for doubtful debts	20,70,268	9,19,390
TOTAL	1,29,36,922	1,00,25,886

24. EARNINGS PER SHARE (EPS)

	2017-18	2016-17
(i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	(18,00,161)	26,58,504
(ii) Weighted Average of number of equity shares used as denominator for calculating EPS	15,000	15,000
(iii) Basic and Diluted Earnings per share (Rs.)	(120)	177
(iv) Face value per equity share	10,000	10,000

25) (a) Particulars of Subsidiaries

Name of Company	% of Voting Power as on 31.03.2018	% of Voting Power as on 31.03.2017
AFCL Finance Services Pvt. Ltd	100	100

(b) The contribution of the subsidiaries incorporated during the year is as under

Name of Subsidiary	Revenue	Net Profit/(Loss)
AFCL Finance Services Pvt. Ltd	31340	(26773)



26. Related Party Disclosures

Transactions with related parties for the year ended 31st March 2018

Particulars	AFCL Finance Services Pvt. Ltd	AFC Foundation
Loan repaid by AFC Foundation	-	1,93,404
Interest from AFC Foundation	-	-

Balances with related parties as at March 31, 2018

Particulars	AFCL Finance Services Pvt. Ltd	AFC Foundation
AFCL Finance Services Pvt. Ltd	3,73,300	
AFC Foundation		66,77,001

27. Contingent Liabilities :

- a) Bank Guarantees issued to obtain various project works on behalf of the Company outstanding as on 31.03.2018 aggregate to Rs.196.17 lakhs (Previous Year Rs. 236.88 Lakhs).

As per our Report of even date

For Ramanand & Associates
Chartered Accountants


(Ramanand Gupta)
Partner

Membership No:103975
Place : Mumbai
Date :26/06/2018




Dr.C D Mayee
Chairman


Mamta Sahal
Chief Financial Officer


A K Garg
Managing Director


Nidhi Shah
Company Secretary



CASH FLOW STATEMENT AS ON 31st MARCH, 2018

2017-18

(A) Cash Flow From Operating Activities:- (Amount in Rs)

Project Receipts	16,73,87,852
Sundry Receipts	65,309
Refund of EMD and other Deposits	9,46,322
Project expenses	(16,21,07,653)
Payments to and on behalf of staff	(2,85,63,535)
Payment of Taxes	(96,78,951)
Administrative expenses	(33,88,206)

Net Cash Flow from Operating Activities(A) **(3,53,38,862)****(B) Cash Flow From Investing Activities:-**

Sale of Fixed Assets	7,377
Maturity of Fixed deposits and Bonds	17,44,37,593
Interest on Investments	1,11,05,996
Profit on redemption of Bond	4,40,808
Dividend	54,105
Purchase of Fixed Assets	(2,17,748)
Investment in Fixed deposits with bank	(14,38,00,000)
Investment in Mutual Funds	(1,74,00,000)
Other Interest	(87,451)

Net Cash Flow from Investing Activities(B) **2,45,40,680****(C) Cash Flow From Financing Activities(C)**

Bank Charges	(2,60,381)
Interest on Bank OD	(6,35,113)

Net Cash Flow from Financing Activities(C) **(8,95,494)****Net Cash & Cash Equivalents(A-B-C)** **(1,16,93,676)**Cash at the Beginning **1,58,52,636****Cash at the end** **41,58,960**

As per our Report of even date
For Ramanand & Associates
Chartered Accountants


(Ramanand Gupta)
Partner
M. No : 103975



For an on behalf of the Board


Dr. C D Mayee
Chairman

Mamta Sahal
Chief Financial Officer


A K Garg
Managing Director

Nidhi Shah
Company Secretary

Place : Mumbai
Date : 26/06/2018





INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS.

To,
The Members,
AFC INDIA LTD.

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of **AFC INDIA LTD.** as at 31st March, 2018 and its subsidiary which comprise the consolidated Balance Sheet as at 31st March, 2018, the Consolidated Profit & Loss Statement and Consolidated Cash Flow Statement for the year then ended. These consolidated financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

Management' responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Company and its subsidiary are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the respective assets of the Company and its subsidiary and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of these consolidated financial statements by the Board of Directors of the Company.



Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with Standards of Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our knowledge and according to the information and explanations given to us, the said financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

i. In the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2018,



ii. In the case of Statement of the Consolidated Profit and Loss, of the profit for the year ended on that date and

iii. In the case of the Consolidated Cash Flow statement, of the cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of AFCL Finance Services Pvt. Ltd whose financial statements reflect total assets of Rs. 6,60,145/- as at 31 March 2018, total revenues of Rs. 31,340/- for the year ended on that date as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

As required by C&AG of India through supplementary directions dated 19.10.2014 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. As required by sub-section 3 of Section 143 of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement



with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- (d) In our opinion, the aforesaid consolidated 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 of the Holding Company as on 31 March 2018 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of the Group companies incorporated in India is disqualified as on 31 March 2018 from being appointed as a Director of that company in terms of sub-section 2 of Section 164 of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "**Annexure A**"; and
- (g) In our opinion and to the best of our information and according to the explanations given to us the said accounts give the information as required by the Rule 11 of the Companies (Audit and Auditors) Rules, 2014 in the manner so required and give a true and fair view and are in conformity with the accounting principles generally accepted in India

For Ramanand & Associates
Chartered Accountants
Firm Registration No. : 117776W


CA Ramanand Gupta
Managing Partner
M. No. 103975
Place: Mumbai
Date: 26th July, 2018



Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting of **AFC INDIA LTD** ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.
3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether



adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. 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 of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls Over Financial Reporting

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


Emphasis of Matter

8. *With respect to the Revenue Recognition the holding 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

9. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, *however the above opinion is made on the basis of the information provided to us, as the holding company does not have the adopted internal control policy 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 Ramanand & Associates
Chartered Accountants
Firm Registration No. : 117776W


CA Ramanand Gupta
Managing Partner
M. No. 103975
Place: Mumbai
Date: 26th July, 2018



Annexure B to Independent Auditors' Report

Report u/s 143(5) of the Companies Act 2013

Sl No.	Directions	Action Taken	Impact on Financial Statement
A. Directions			
1.	Whether the company has clear title/lease deeds for freehold and leasehold land respectively? If not please state the area of freehold and leasehold land for which title/lease deeds are not available.	According to information and explanations given to us, The Company does not hold any freehold or lease hold land.	NIL
2.	Please report whether there are any cases of waiver/ debts/loans/interest etc., if yes, the reasons there for and the amount involved.	According to information and explanations given to us, there are no cases of waiver/debts/loans/interest etc	NIL
3.	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities.	According to information and explanation given to us there are no inventories lying with the third party and No assets received as gift from Govt. or other authorities.	NIL

**For Ramanand & Associates
Chartered Accountants
Firm Registration No. : 117776W**


**CA Ramanand Gupta
Managing Partner
M. No. 103975
Place: Mumbai
Date: 26th July, 2018**



(Amt. in Rs.)

Particulars	Note	31st March 2018	31st March 2017
I. EQUITY AND LIABILITIES			
(1) Shareholders' Fund			
(a) Share Capital	3	15,00,00,000	15,00,00,000
(b) Reserves & Surplus	4	11,37,93,564	11,56,20,498
(2) Non current Liabilities			
(a) Long term provisions	5	70,36,850	80,92,517
(3) Current Liabilities			
(a) Short Term Borrowings	6	11,44,271	-
(b) Trade Payables	7	46,87,45,576	43,76,34,916
(c) Other current liabilities	8	32,07,589	11,54,082
(d) Short term provisions	9	13,18,42,332	11,16,74,262
TOTAL		87,57,70,183	82,41,76,275
II. Assets			
(1) Non current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	27,53,742	36,78,823
(ii) Intangible Assets	10	21,294	35,923
(b) Non Current Investments	11	2,35,10,639	20,21,88,156
(c) Deferred Tax Assets (Net)	12	84,72,691	40,02,489
(d) Long-term loans & advances	13	3,14,42,054	2,60,28,385
(2) Current Assets			
(a) Other current assets	14	58,21,74,227	52,00,67,222
(b) Trade Receivables	15	4,51,53,522	3,90,49,811
(c) Cash and Cash Equivalents	16	17,35,40,538	1,87,06,409
(d) Short-term loans & advances	17	87,01,476	1,04,19,058
TOTAL		87,57,70,183	82,41,76,275

Notes to accounts

Significant Accounting Policies

1 to 27

As per our report of even date attached

For and on behalf of the Board of Directors

For Ramanand & Associates
Chartered Accountants(Ramanand Gupta)
Partner

Membership No:103975

Place : Mumbai

Date : 26/06/2018

Dr C D Mayee
Chairman

Mamta Sahal
Chief Financial Officer
A K Garg
Managing Director

Nidhi Shah
Company Secretary


Consolidated Statement of Profit And Loss for the year ended 31st March 2018

(Amt. in Rs.)

Particulars	Note	31st March 2018	31st March 2017
INCOME			
Revenue from Operations	18	17,20,51,171	13,02,94,670
Other Income	19	1,47,15,883	1,58,66,815
Total Revenue		18,67,67,054	14,61,61,485
EXPENDITURE			
Project Expenses	20	12,94,59,807	9,51,64,946
Employees Benefits Expense	21	4,82,27,837	3,59,18,935
Finance Costs	22	8,89,365	9,48,109
Depreciation and Amotisation Expense	10	11,50,078	9,17,396
Other Expenses	23	1,29,94,182	1,00,76,886
Total Expenses		19,27,21,269	14,30,26,272
Profit Before Extraordinary Items		(59,54,215)	31,35,213
Prior Period Expenses & Extraordinary Items		(3,42,921)	-
Profit before Tax		(62,97,136)	31,35,213
Tax Expense :			
Current Tax Expense		-	9,89,937
Tax Expense for earlier years		-	-
Deferred Tax		44,70,202	4,96,144
Profit for the year		(18,26,934)	26,41,420

Earning per equity share of face value of Rs.10000/- each

Basic & Diluted (in Rupees)	24	(122)	176
--	----	-------	-----

Notes on Financial Statements
Significant Accounting Policies

1 to 27

For and on behalf of the Board of Directors

As per our report of even date

For Ramanand & Associates
Chartered Accountants

(Ramanand Gupta)

Partner

Membership No:103975

Place : Mumbai

Date : 26/06/2018



Dr C D Mayee
Chairman

Mamta Sahal
Chief Financial Officer

A K Garg
Managing Director

Nidhi Shah
Company Secretary



Notes forming part of Consolidated Financial Statements for the Year Ended 31st March, 2018.

1. AFC India Limited (AFC) is a multi-disciplinary consultancy and technical support organization 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 grassroots level project implementation under watershed development, livelihood promotions, organic farming, agriculture extension services, environmental impact assessments, retail microfinance operations, training and capacity building, education, skill development and financial literacy.

2. SIGNIFICANT ACCOUNTING POLICIES

a. BASIS OF ACCOUNTING:

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies(Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on accrual basis.

b. PRINCIPLES OF CONSOLIDATION

The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as of the Company.

The consolidated financial statements have been prepared on the following basis:

The financial statements of the company and its subsidiary companies have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses. Inter-company balances and transactions and unrealized profits or losses have been fully eliminated.



c. USE OF ESTIMATES:

The preparation of financial statements requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Future results could differ due to changes in these estimates and differences between actual and estimates are recognized in the period in which the results are known.

d. REVENUE RECOGNITION:

- I. The company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.
- II. Consultancy fees are recognized as per proportionate completion method (PCM) as prescribed in AS-9 "Revenue Recognition" *is based on Project Completion Certificate* as certified by the management. Incomplete assignments at the Balance Sheet date are shown as "Jobs in Progress".

d. FIXED ASSETS:

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.

e. DEPRECIATION:

The company provides for depreciation/amortization on its fixed assets on straight line basis (changed from written down value method in the previous year) over the useful lives of the assets as specified in Part "C" of Schedule II of the Companies Act 2013.

f. INVESTMENTS:

Investments are classified into Current and Long Term Investments. Long Term Investments are stated at cost. A Provision for diminution is made to recognize a decline other than temporary, in value of Long Term Investments.

g. EMPLOYEE BENEFITS:

- A. Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account for the year in which the related service is rendered.



B. Post employments benefits:

I. Defined contribution plans:

- i) For all employees, provident fund monthly contributions are made to trust administered 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 the shortfall, if any, between the return on investments of the trust and the notified interest rates. Company's contribution towards the provident fund scheme are recognized during the year in which the related service is rendered.
- ii) The company has taken a policy of Group Gratuity cum Life Assurance Scheme with Life Insurance Corporation of India (LIC) and the premium determined by the LIC is paid and accounted as gratuity. The retirement benefits for gratuity are fully provided as per the certificate received from LIC.

- II. The retirement benefits for encashment of leave salary are fully provided for on actuarial valuation.

h. TAXATION:

Income tax expense comprises Current tax and Deferred tax charge or credit. Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year.

The Deferred Tax Asset and Deferred Tax Liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax Assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred Tax Assets on account of other timing differences are recognized, only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amount of Deferred Tax Assets is reviewed to reassure realization.

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 to and intends to settle the asset and liability on a net basis.



n. PROVISION FOR BAD AND DOUBTFUL DEBTS:

The policy being followed by the company for providing for doubtful debts and writing off bad debts is as follows:

Period of outstanding debt	Amount of Debt to be transferred as Doubtful debt
Six month – One Year	Nil
One – Two years	10% of the total outstanding amount
Two – Three years	15% of the total outstanding amount
Three – Five years	20% of the total outstanding amount
Five- seven years	30% of the total outstanding amount
More than seven years	Written off as Bad Debts



3. SHARE CAPITAL

Particulars	31st March 2018	31st March 2017
Authorised Share Capital 100,000 equity shares of Rs. 10,000/- each	1,00,00,00,000	1,00,00,00,000
Issued,Subscribed and Paid up 15,000 equity shares of Rs 10,000/- each fully paid up 50,000 Equity Shares of Rs. 10/-each fully paid up	15,00,00,000 -	15,00,00,000
Total	15,00,00,000	15,00,00,000

3.1 The details of Shareholder's holding more than 5% shares :

Name of Shareholders	No. of Shares As At 31/03/2018	% of shareholding
Central Bank of India	1608	10.72
Bank of Baroda	1603	10.68
Bank of India	1261	8.41
Punjab National Bank	1089	7.26
NABARD	1000	6.66
Standard Chartered Bank	970	6.47
State Bank of India	950	6.33
UCO Bank	803	5.35
Export Import Bank of India	750	5.00

3.2 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31st March, 2018 No. of shares	As at 31st March, 2017 No. of shares
Equity Shares at the beginning of the year	15,000	15,000
Issued during the year	--	--
Equity Shares at the end of the year	15,000	15,000

4. RESERVES AND SURPLUS

Particulars	31st March, 2018	31st March 2017
Profit And Loss Account(on consolidation)		
As per last Balance Sheet	11,56,20,498	11,29,79,078
Add : Profit/loss for the year	(18,26,934)	26,41,420
Total	11,37,93,564	11,56,20,498
Total	11,37,93,564	11,56,20,498

5. Long term provisions

Particulars	31st March, 2018	31st March 2017
Provision for Employees Leave Encashment	70,36,850	80,92,517
TOTAL	70,36,850	80,92,517



6. Short term Borrowings

Particulars	31st March, 2018	31st March 2017
From Central Bank of India	11,44,271	-
Total	11,44,270.98	-

7. TRADE PAYABLES

Particulars	31st March, 2018	31st March 2017
Micro, Small and Medium Enterprises @ Creditors For Project Expenses	52,59,421	86,32,547
Advances from Customers	46,34,86,155	42,90,02,369
TOTAL	46,87,45,576	43,76,34,916

@ The Company has not received the required information from Suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been made.

8. OTHER CURRENT LIABILITIES

Particulars	31st March, 2018	31st March 2017
Others	32,07,589	11,54,082
TOTAL	32,07,589	11,54,082

9. SHORT TERM PROVISIONS

Particulars	31st March, 2018	31st March 2017
Provision for Project Expenses	10,57,27,138	10,26,88,985
Provision for Employee Benefits For Employees' Leave Encashment	43,42,387	34,19,627
Provision for Other Expenses	76,29,119	55,65,650
Provision for Gratuity	1,41,43,688	-
TOTAL	13,18,42,332	11,16,74,262



10. FIXED ASSETS

(In Rupees)

Fixed Assets	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01.04.2017	Additions during the year	Deductions / Adjustments	As at 31.03.2018	As at 01.04.2017	For the Year	Deductions / Adjustments	Upto 31.03.2018	As at 31.03.2018	As at 31.03.2017
(A) TANGIBLE										
Building	2,46,597	-	-	2,46,597	2,09,659	3,509	-	2,13,168	33,429	36,940
Furniture & Fixtures	1,17,15,717	79,480	5,000	1,17,90,197	92,89,817	6,39,771	2,227.26	99,27,361	18,62,836	24,25,900
Office Equipment	72,04,276	54,349	6,000	72,52,625	68,07,279	1,75,175	4,094.36	69,78,360	2,74,264	3,96,996
Air Conditioners	12,42,690	54,766	21,000	12,76,456	9,99,708	1,17,326	18,300.93	10,98,733	1,77,722	2,42,981
Vehicles	13,78,688	-	-	13,78,688	9,81,116	1,24,162	-	11,05,278	2,73,410	3,97,572
Computers	1,11,66,361	29,153	-	1,11,95,514	1,09,87,927	75,506	-	1,10,63,433	1,32,081	1,78,434
Total (A)	3,29,54,329	2,17,748	32,000	3,31,40,077	2,92,75,506	11,35,450	24,623	3,03,86,333	27,53,742	36,78,823
(B) INTANGIBLE										
Software	14,80,481	-	-	14,80,481	14,44,558	14,629	-	14,59,187	21,294	35,923
Total (B)	14,80,481	-	-	14,80,481	14,44,558	14,629	-	14,59,187	21,294	35,923
Total (A+B)	3,44,34,810	2,17,748	32,000	3,46,20,558	3,07,20,064	11,50,078	24,623	3,18,45,520	27,75,036	37,14,746

10.1 Building includes Rs 500/- being cost of fully paid-up shares in a Co-Operative Housing Society

10.2 The execution of the Deed of Conveyance in favour of the Housing Society in which the Company owns a flat since 1972 is yet to be completed.



11. NON-CURRENT INVESTMENTS

Particulars	31st March 2018	31st March 2017
Other than Trade :		
i) Equity Instruments - Quoted		
Investment in Other Companies		
250 (250) Equity shares of Rs. 10/- each fully paid up of Gujarat State Petronet Ltd.	-	6,750
200 Equity shares of Rs. 10/- each fully paid up of Coal India Ltd.	63,639	63,639
1000 Equity shares of Rs. 10/- each fully paid up of IDFC India Ltd.	77,000	77,000
50 Equity shares of Rs. 10/- each fully paid up of HPCL Ltd.	-	20,767
ii) Equity Instruments, Unquoted		
Investment in Other Companies		
30,000 (30,000) Equity Shares of Rs. 10/- each fully paid up of Global Procurement Consultants Ltd	3,00,000	3,00,000
Investment in Mutual Fund AFC Financial Services	1,70,000	1,70,000
Fixed Deposits with Banks:		
Maturity More than 12 Months	2,29,00,000	20,15,50,000
Total	2,35,10,639	20,21,88,156

Long term investment are stated at cost

Aggregate amount of quoted investments	1,40,639	1,68,156
Market value of quoted investments as on 31st March,2018	1,04,050	1,71,371
Aggregate amount of unquoted investments	2,33,70,000	20,19,50,000

11.1 Fixed Deposits figure includes Fixed Deposits pledged with bank for facilities granted to the Company, cost aggregating to Rs.2,25,00,000/- (P.Y. Rs. 4,25,00,000/-)



12. Deferred Tax Assets

Particulars	31st March 2018	31st March 2017
Deferred Tax Assets	40,02,489	35,06,345
Add: Addition/ (Deletion) for the year	44,70,202	496144
Total	84,72,691	40,02,489

12.1 The component of Deffered Tax balances as on 31st March,2018 accounted in accordance with AS-22 " Accounting for taxes on Income" issued by ICAI are as under:

Deffered Tax Assets arising on account of timing difference on

Particulars	31st March 2018	31st March 2017
Brought forward losses	-	-
Expenses allowable on payment basis	78,86,584	35,57,252
Depreciation	5,86,107	4,45,236
Total	84,72,691	40,02,489

	31st March 2018	31st March 2017
Net Deferred Tax Assets	84,72,691	40,02,489



13. LONG-TERM LOANS & ADVANCES

Particulars	31st March 2018	31st March 2017
(Unsecured Considered Good)		
Advance Tax (2004-05) (net of provision)	4,56,530	4,56,530
Advance Tax (2006-07) (net of provision)	4,77,462	4,77,462
Advance Tax (2008-09) (net of provision)	20,49,118	20,49,118
Advance Tax (2010-11) (net of provision)	18,23,788	18,23,788
Advance Tax (2011-12) (net of provision)	8,89,738	8,89,738
Advance Tax (2013-14) (net of provision)	8,51,508	8,51,508
Advance Tax (2014-15) (net of provision)	22,99,001	22,99,001
Advance Tax (2015-16) (net of provision)	51,26,078	51,29,187
Advance Tax (2016-17) (Net of Provision)	13,21,717	13,21,717
Advance Tax (2017-18) (Net of Provision)	63,75,001	60,59,473
Advance Tax (2018-19) (Net of Provision)	58,49,630	
Others		
- Deposits	37,85,333	45,28,213
Festival Advance	1,37,150	1,42,650
Total	3,14,42,054	2,60,28,386

14. Other Current Assets

Particulars	31st March 2018	31st March 2017
Jobs in Progress	57,53,81,000	51,57,78,000
Accrued interest on investment	67,93,227	42,89,222
Total	58,21,74,227	52,00,67,222

15. TRADE RECEIVABLES

Particulars	31st March 2018	31st March 2017
(Unsecured)		
Outstanding for a period exceeding six months		
Considered Good	3,67,15,066	3,30,23,709
Considered Doubtful	75,75,966	55,05,698
	4,42,91,032	3,85,29,407
Less: Provision for Doubtful Debts	75,75,966	55,05,698
	3,67,15,066	3,30,23,709
Others, considered good	84,38,456	60,26,102
Total	4,51,53,522	3,90,49,811



16. CASH & CASH EQUIVALENTS

Particulars	31st March 2018	31st March 2017
Cash on Hand	49,300	38,640
Balances with Banks		
In Current Account	53,16,238	78,53,786
In Overdraft Account	-	80,23,441
Investment in Mutual Fund	1,69,75,000	24,90,542
Short term deposit with bank	15,12,00,000	3,00,000
Total	17,35,40,538	1,87,06,409

16.1 Short term deposit with bank figure includes Fixed Deposits pledged with bank for facilities granted to the company, cost aggregating to Rs.2,00,00,000/-

17. SHORT-TERM LOANS & ADVANCES

Particulars	31st March 2018	31st March 2017
(Unsecured Considered Good)		
Others #	87,01,476	1,04,19,058
Total	87,01,476	1,04,19,058

Includes loans and advances given to Companies under the same management as mentioned below:

Particulars	31st March 2018	31st March 2017
AFC Foundation	66,77,001	68,70,405
AFCL Finance Services Pvt. Ltd.	3,73,300	3,73,300
Total	70,50,301	72,43,705



AFC INDIA LIMITED

18. REVENUE FROM OPERATIONS

Particulars	31st March 2018	31st March 2017
Consultancy Income	17,20,51,171	13,02,94,670
Total	17,20,51,171	13,02,94,670

18.1 CONSULTANCY INCOME

Particulars	31st March 2018	31st March 2017
Projects completed during the year	112448171	7,86,89,670
Add : Value of Closing Jobs in Progress	575381000	51,57,78,000
Less : Value of Opening Jobs in Progress	515778000	46,41,73,000
Total	17,20,51,171	13,02,94,670

18.2 The above method for computing Consultancy Income is being followed consistently year after year.

19. OTHER INCOME

Particulars	31st March 2018	31st March 2017
Interest Income	1,41,17,102	1,50,27,960
Dividend Income	54,105	35,800
Other non operating income	38,325	31,981
Profit on sale of Fixed Asset	3,376	29,486
Excess Provision written Back	-	4,19,418
Profit on Redemption of Bond	5,02,975	3,22,170
Total	1,47,15,883	1,58,66,815



20. PROJECT EXPENSE

Particulars	31st March 2018	31st March 2017
Project Expenses	11,95,43,603	7,80,05,786
Consultancy Charges	94,95,547	1,48,57,056
Other Expenses	4,20,657	23,02,104
Total	12,94,59,807	9,51,64,946

21. EMPLOYEE BENEFITS EXPENSE

Particulars	31st March 2018	31st March 2017
Salaries, Allowances, Bonus	2,82,85,035	2,89,39,111
Contribution to Provident and other funds	1,73,22,714	31,61,119
Staff Welfare Expenses	26,20,088	38,18,705
Total	4,82,27,837	3,59,18,935

22. FINANCE COSTS

Particulars	31st March 2018	31st March 2017
Interest On Overdraft	6,24,975	6,82,164
Bank Charges	2,64,390	2,65,945
Total	8,89,365	9,48,109



23. OTHER EXPENSES

Particulars	31st March 2018	31st March 2017
Travelling Expenses	15,77,632	8,78,799
Communication Charges	6,03,555	5,94,425
Legal & Professional Fees	3,72,549	4,71,020
Electricity Charges	6,56,686	8,12,072
Insurance Charges	1,89,946	67,614
Rent, Rates and Taxes	23,71,957	20,38,335
Repairs and Maintenance	18,51,918	16,93,602
Vehicle Hiring Expenses	3,53,619	4,33,775
Printing and Stationery	4,88,247	4,89,242
Miscellaneous Expenses	19,16,680	15,79,612
Bad debts	4,42,125	-
Payment to Auditors:		
Statutory Audit	30,000	30,000
Tax Audit	20,000	20,000
Provision for doubtful debts	20,70,268	9,19,390
Pre incorporation Exp.	49,000	49,000
TOTAL	1,29,94,182	1,00,76,886

24. EARNINGS PER SHARE (EPS)

	2017-18	2016-17
(i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	(18,26,934)	26,41,420
(ii) Weighted Average of number of equity shares used as denominator for calculating EPS	15,000	15,000
(iii) Basic and Diluted Earnings per share (Rs.)	(122)	176
(iv) Face value per equity share	10,000	10,000

25) (a) Particulars of Subsidiaries

Name of Company	% of Voting Power as on 31.03.2017	% of Voting Power as on 31.03.2016
AFCL Finance Services Pvt. Ltd	100	100

(b) The contribution of the subsidiaries incorporated during the year is as under

Name of Subsidiary	Revenue	Net Profit/(Loss)
AFCL Finance Services Pvt. Ltd	31340	(26773)



26. Related Party Disclosures

Transactions with related parties for the year ended 31st March 2018

Particulars	AFCL Finance Services Pvt. Ltd	AFC Foundation
Loan repaid by AFC Foundation	-	1,93,404
Interest from AFC Foundation	-	-

Balances with related parties as at March 31, 2018

Particulars	AFCL Finance Services Pvt. Ltd	AFC Foundation
AFCL Finance Services Pvt. Ltd	3,73,300	-
AFC Foundation	-	66,77,001

27. Contingent Liabilities :

- a) Bank Guarantees issued to obtain various project works on behalf of the Company outstanding as on 31.03.2018 aggregate to Rs.196.17 lakhs (Previous Year Rs. 236.88 Lakhs).

As per our Report of even date

For Ramanand & Associates

Chartered Accountants

(Ramanand Gupta)

Partner

Membership No:103975

Place : Mumbai

Date :26/06/2018



Dr.C D Mayee
Chairman

Mamta Sahal

Mamta Sahal
Chief Financial Officer

A K Garg
Managing Director

Nidhi Shah

Nidhi Shah
Company Secretary



CONSOLIDATED CASH FLOW STATEMENT AS ON 31st MARCH, 2018

(A) Cash Flow From Operating Activities:- (Amount in Rs)

Project Receipts	16,73,87,852
Sundry Receipts	65,309
Refund of EMD and other Deposits	9,46,322
Project expenses	(16,21,07,653)
Payments to and on behalf of staff	(2,85,63,535)
Payment of Taxes	(96,78,951)
Administrative expenses	(33,96,466)

Net Cash Flow from Operating Activities(A) (3,53,47,122)

(B) Cash Flow From Investing Activities:-

Sale of Fixed Assets	7,377
Maturity of Fixed deposits and Bonds	17,48,37,593
Interest on Investments	1,11,14,186
Profit on redemption of Bond	4,40,808
Dividend	54,105
Purchase of Fixed Assets	(2,17,748)
Investment in Fixed deposits with bank	(14,42,00,000)
Investment in Mutual Funds	(1,74,00,000)
Other Interest	(87,451)

Net Cash Flow from Investing Activities(B) 2,45,48,870

(C) Cash Flow From Financing Activities (C)

Bank Charges	(2,61,234)
Interest on Bank OD	(6,35,113)

Net Cash Flow from Financing Activities(C) (8,96,347)

Net Cash & Cash Equivalents(A-B-C) (1,16,94,599)

Cash at the Beginning 1,59,15,867

Cash at the end 42,21,268

As per our Report of even date
For Ramanand & Associates
Chartered Accountants


(Ramanand Gupta)
Partner
M. No : 103975



For an on behalf of the Board


Dr. C D Mayee
Chairman


Mamta Sahal
Chief Financial Officer


A K Garg
Managing Director


Nidhi Shah
Company Secretary

Place : Mumbai
Date : 26/06/2018

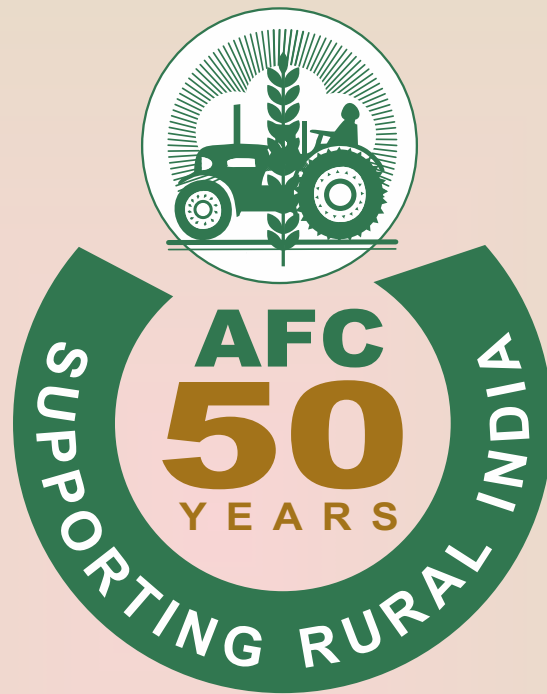




Specializations



- ❖ **Monitoring and Evaluation**
- ❖ **Organic Farming**
- ❖ **DPRs / Project Appraisal**
- ❖ **Training and Capacity Building**
- ❖ **Skill Development**
- ❖ **Socio – Economic Survey**
- ❖ **Social Impact Assessment**
- ❖ **Livelihood Support Services**
- ❖ **Agri – Business Support Services**
- ❖ **Watershed & related activities**
- ❖ **Health & Nutrition**



Since 1968

AFC INDIA LIMITED

Formerly Agricultural Finance Corporation Ltd.

CIN No. U65990MH1968GOI013983

**REGD. OFFICE: Dhanraj Mahal, First Floor, CSM Marg, Colaba
Mumbai – 400 001**

Contact : 91-22-22028924 Email id: afcl@vsnl.com

Website : www.afcindia.org.in

A Technical Support Institution Committed To Rural Prosperity