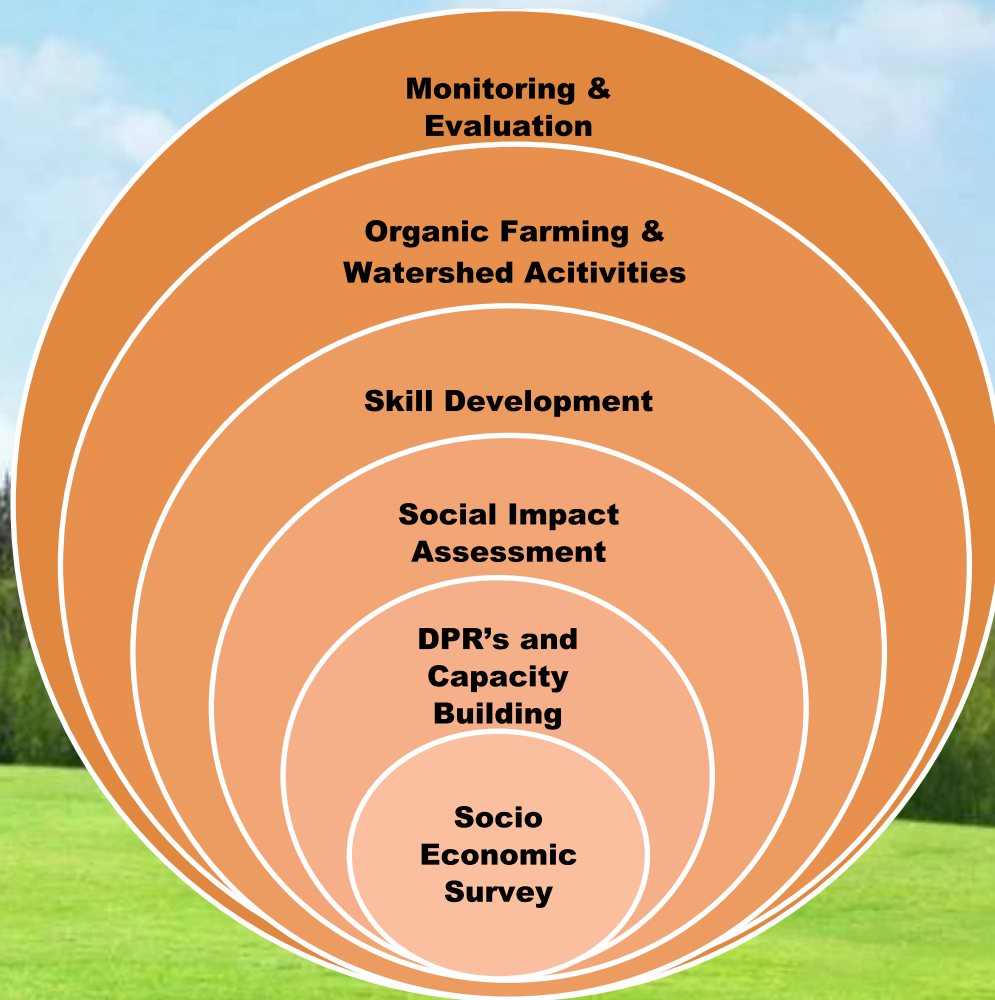


49TH ANNUAL REPORT

2016-2017



AFC INDIA LIMITED

Broad Based Consultancy & Project Implementation Agency
Formerly Agricultural Finance Corporation Ltd.
ISO-9001:2008 Certified Company

Company Information

Forty Ninth Annual Report 2016-17

Authorized Capital : Rs 100 Crores

Paid-Up Capital : Rs 15 Crores

Directors

Dr C D Mayee

**Former Chairman, ASRB, New
Delhi & Eminent Agriculture
Scientist**

Dr. Krishna Lavekar

IAS (retd)

Shri Ashok Viswanathan Methil

CGM, NABARD

Shri Samuel Joseph

CGM, EXIM Bank

Shri Ramesh Kadam

General Manager, Bank of India

Dr A J Shaikh

Former Director, Central

Institute for Research on

Cotton Technology

Shri A K Garg

Managing Director, AFC India

Ltd

Statutory Auditor

Ramanand and Associates

(Chartered Accountants)

6/C, Ostwal Park Bldg No. 4 CHSL,

Bhayandar East, Thane - 401105

49th Annual Report 2016-2017



AFC INDIA LIMITED

Formerly Agricultural Finance Corporation Ltd.

CIN No. U65990MH1968GOI013983

REGD. OFFICE: Dhanraj Mahal, First Floor, CSM Marg, 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



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

DIRECTORS' REPORT 2016-17

To Members,
AFC INDIA LIMITED

Dear Shareholders,

Your Directors have pleasure in presenting the Forty Ninth Annual Report and Audited Statement of Accounts on the business and operations of your Company for the year ended 31st March, 2017.

1. FINANCIAL RESULTS:

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

Sr. No	Particulars	2016-17	2015-16
		Rs.	Rs.
1.	Income for the year	146,126,786	197,375,230
2.	Less: Expenditure	(142,057,093)	(191,077,008)
3.	Profit Before Depreciation, Extraordinary Items & Tax	4,069,693	6,298,222
4.	Less: Depreciation	(917,396)	(1,070,830)
5.	Less: Extraordinary Items	0	(248,010)
6.	Profit / (Loss) before tax (PBT)	3,152,297	4,979,382
7.	Less: Provision for current tax	(9,89,937)	(1,510,000)
8.	Add : Provision for deferred tax	4,96,144	(181,552)
9.	Less : Tax expense for earlier years	0	0
10.	Profit / (Loss) after tax (PAT)	2,658,504	3,287,830
11.	Less : Preference Dividend provision made	0	0
12.	Balance brought forward from previous year	113,033,076	109,786,903
13.	Less: Retained earnings	0	(41,657)
14.	Balance carried to Balance Sheet	115,691,580	113,033,076

2. STATEMENT OF AFFAIRS OF THE COMPANY IN THE FINANCIAL YEAR 2016-17

The total number of assignments bagged during the reporting period was 56 with consultancy fees to the tune of Rs. 22.28 cr. The volume of business that was carried forward from the previous year (2015-16) was Rs. 46.42 cr. Your company was able to successfully complete during the year (2016-17) with a PCM income of Rs. 13.04 cr. As on

31st March 2017, the ongoing business that was carried forward to 2017-18 was Rs. 51.62 cr. 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 2017-2018

Taking forward Board's view of AFC entering overseas business, the company has identified partners. These partners have evinced interest in working with the Company in the countries like Senegal, Latin America, Mali and Myanmar and thus look forward to business through international opportunities.

Climate change is an emerging area for long term and high value business. The Company has already initiated necessary efforts to identify the funding agencies and the specific themes for seeking assistance for implementation of projects.

The company has recently bagged an assignment of Eco-development Plans for City Forests in Delhi from Delhi Forests Department. With the government's concern for environmental issues, sizeable opportunities exist in this area. The implementation of such plans also opens wide arena of business opportunities. Thermal Power Plants are generating huge quantity of fly ash, which is being dumped at various dumping sites. The Company has been approached for reclamation and rehabilitation of such sites. Similarly, reclamation and rehabilitation of opencast area in various coal mines offers good business opportunities.

The company has been able to enter business arena of Social Impact Assessment (SIA) across different sectors like metro rail, mega power plants, coal blocks, roads, 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, Chandigarh UT and Odisha has opened new opportunities and the Company is looking forward to more opportunities in other states also.

With the emphasis on the value chain infrastructure development, business opportunity has increased for agencies in assessing the techno-economic viability (TEV) of the upcoming value chain infrastructure in the coastal states.

Fisheries was a neglected sector but during recent development as part of Blue Revolution, it has been observed that there is a good scope of business in the sector in Telangana, Andhra Pradesh and Rajasthan including Jharkhand.

The Company has already established its credentials in the field of implementation of organic farming projects under State Horticulture Mission (SHM)/National Horticulture Mission (NHM)/ Rashtriya Krishi Vikas Yojana (RKVY) for the last 7 years. Now in Paramparagat Krishi Vikas Yojana (PKVY) under National Mission for Sustainable Agriculture (NMSA), the Company envisages to upscale its operations with Participatory Guarantee System (PGS) of India in different states, for which registration for Regional Council with NCOF is at advance stage.

Skill development is an important business sector, which has operational as well as financial viability issues. As part of the strategy, prime focus is on completion of the assignments on hand and realization of the optimum fees. The company is implementing Kushal Yuva Programme (KYP) under Bihar Skill Development Mission where training is being provided by online session. For repositioning the company has recently taken a dedicated professional for this purpose. Canvassing for new business is being done. Having gained

experience in implementation the company also seek its role as an Assessment Body, Affiliation & Accreditation Body and Project Management Consulting Agency for various sector skill councils and state implementing bodies.

With the launch of the National Solar Mission, need for trained manpower in this sector has increased. During interaction with the Ministry of New & Renewable Energy (MNRE), GOI, there is a good business potential pertaining to training of stakeholders both institutional and residential. The Ministry has also a dedicated Institute for Training (National Institute of Solar Energy - NISE) and the Company is looking forward to a viable collaborative partnership with NISE.

The Company has recently bagged and successfully completed business from Ministry of Agriculture and Farmers Welfare on nomination basis for conducting Impact Evaluation of one of their schemes. With the 12th plan period approaching its end (2017) different ministries of the Government of India have also the mandate for getting their schemes evaluated for continuance. The Company is identifying and submitting suo-moto proposals.

The Company has been associated with Central Water Commission (CWC) for the pilot census of medium and major irrigation projects across 7 regions of the country. Based on this pilot census, policy and strategy would be evolved for the main census of all medium and major irrigation projects of the country. The Company is looking forward to get associated with CWC for main census of about 1700 medium and major irrigation on Pan India basis.

Under the micro irrigation project large scale turnkey projects are to come up in different basins where the activities include starting from survey, investigation, designing & implementation and also automation with management, operations and maintenance for 60 months. The Company is exploring the opportunities for association with these projects.

TRIFED has called for empanelment of PIA for Implementing Rural Livelihood projects through CBOs, promotion of business activities and marketing support which will further develop into business opportunities over tribal pocket spread over different states in the country.

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

The Company has approached KVIC for organising Entrepreneurship Development Programme (EDP), a training programme for the beneficiaries of PMEGP in the states of Northern Region (Punjab, Haryana, Himachal Pradesh, Rajasthan and Uttarakhand). It is a large scale and perpetual nature of business activity.

Monitoring & Evaluation has been the core strength of the Company and business opportunities in different sectors are being explored and tapped.

With the strengthening of business acquisition activities at New Delhi, boost in business is anticipated in traditional/diversified areas as well as new areas with our existing business model.

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. Shankar & kishor, 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, 2017 is as follows:

SI. No.	Name	Particulars
1	Dr. C. D. Mayee	Ph.D IARI, New Delhi, D.Sc, Former Chairman, Agricultural Scientists Recruitment Board, New Delhi
2	Dr. Krishna Lavekar	IAS (retd)
3	Shri M V Ashok	Chief General Manager , NABARD
4	Shri Samuel Joseph	Chief General Manager , Export Import Bank of India
5	Shri Ramesh Kadam	General Manager , Bank of India
6	Dr A J Shaikh	Former Director, Central Institute for Research on Cotton Technology,
7	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:

SI. No.	Name	Committee Designation
1.	Dr.C.D.Mayee	Chairman
2.	Shri M V Ashok	Member
3.	Dr. Krishna Lavekar	Member

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

A) APPOINTMENT OF DIRECTORS

Sl. No.	Directors	Date of Appointment
1	Shri Samuel Joseph	27.06.2016
2.	Shri Ramesh Kadam	28.09.2016
3.	Dr A J Shaikh	28.09.2016

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 Ravindranath Menon	27.06.2016
2.	Shri T. C. Venkat Subramanian	28.06.2016
3.	Prof. M. C. Varshneya	28.09.2016
4.	Shri B K Mohanty	28.09.2016

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 2017.

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 27th June 2016, 28th September 2016, 24th November 2016 and 17th March 2017.

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 2016 -17 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.

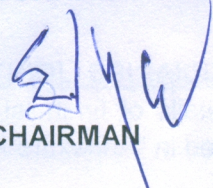
ACKNOWLEDGEMENTS

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: 30.06.2017


CHAIRMAN

BOARD'S REPORT

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2017

[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
UCO BANK	803	5.35	803	5.35
EXIM BANK	750	5.00	750	5.00
STATE BANK OF INDIA	700	4.66	700	4.66
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			
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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	
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	22,20,000

	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	5,36,531
	(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)	27,56,531

B. Remuneration to other Directors:

1. Independent Directors

S. No	Remuneration	Name of Directors					Total amount (Rs)
		MR. MADAN GOPAL CHANDRA VARSHNEYA	MR. VENKAT SUBRAMANIAN T C	MR. C D MAYEE	MR. KRISHNA LAVEKAR	DR. A J SHAIKH	
	Fee for attending Board/Committee Meetings	NIL	30,000	1,20,000	40,000	20,000	2,10,000
	Commission	-	-				-
	Others, please specify	-	-				-
	Total (B)(1)						2,10,000

2. Non Executive Directors

S. No	Remuneration	Name of Directors		
		MR. Brijesh Kumar Mohanty	MR. PUTHEN CHEERAKUZH RAVINDRANATH	MR. Ashok Viswanathan Methil
	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. SAHAL (CFO)	MAMTA MS Nidhi Shah (CS)	Total Amount (Rs)
1	Gross Salary	9,75,247	3,73,696	13,48,943
	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)	9,75,247	3,73,696	13,48,943

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			NIL		
None					
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: 30.06.2017

18


CHAIRMAN

Details of Assignments Canvassed during 2016-17

SI.No	Project Name	Client	Total Fees (Rs. In lakh with S.T)
1	Social Impact Assessment for setting Up 4000 MW Ultra Mega Power Plant, Hussainabad (Devipur), Deoghar, Ranchi	Deputy Commissioner,Deogher Collectorate,Ranchi	20.80
2	Organic Farming Mission for Integrated Development of Horticulture for Two Districts Bhiwani (250 ha) and Jhajjar (250 ha) Haryana State	Mission Director,HSHDA, Panchkula, Haryana	100.00
3	"Publicity and Awareness Building Plan to Support Central Sector Schemes VCAS and EGCGFS under implementation by SFAC "5th Quarter (April,2016 to June,2016)	Small Farmers' Agri-Business Consortium New Delhi 16	37.38
4	Third Party Monitoring and Evaluation of 152 Villages in Gadchiroli District under Jalayukta Shivar Abhiyan.	Member Secretary,Jalayukta Shivar Abhiyan Samittee and District Superintending Agricultural Officer, Gadchiroli District.	32.57
5	100% Physical Verification (PV) of PMEGP Units in Tripura State for the Year 2012-13 and 2013-14 Agartala	State Directoe,Khadi and Village Industries Commission (KVIC), Assam Agartala Road,Agartala- 799004	33.00
6	Monitoring & Evaluation of Projects funded by NMPB under its Schemes for the Year 2013-14,2014-15,2015-16 & 2016-17	National Medicinal Plants Board, Govt of India,Ministry of AYUSH ,New Delhi - 110023	100.00
7	Third Party Inspection of Ongoing Works in Firozabad,Farrukhabad,Badaun and Azamgarh Region (Mandi Parishd.	Director, Mandi Parishad, Kisan Mandi Bhawan, Vibhuti Khand, Gomti Nagar,Lucknow - 226 010	13.82
8	Capicity Building and Training of UPSRLM	Uttar Pradesh State Rural Livelihood Mission, Lucknow	88.59
9	Pilot Census of Major and Minor Irrigation (MMI) Projects.	Central Water Commission	59.16
10	Social Impact Assessment for the Proposed Road Project in Deoghar District of Jharkhand.	The Deputy Commissioner,Deoghar Coletorate District Land Acquisition Branch, Deoghar-814112, Jharkhand	4.60
11	Impact Evaluation of Cage Culture under 2nd Round in 3 Districts viz.Saraikele,Koderma and Bokaro @ R.2.17 lakh per district	Director of Fisheries,Government of Jharkhand, Ranchi - 834002 (Jharkhand)	7.49

12	Project Management Agency (PMA) for "Publicity and Awareness Building Plan to support Central Sector Schemes VCAS and EGCGFT under Implementation by SFAC" 6th Quarter (July,2016 to Sept.2016)	Small Farmers' Agri-Business Consortium New Delhi 16	74.75
13	Project Management Agency (PMA) to support implementation of National Agriculture Market (NAM) by SFAC.	Small Farmers' Agri-Business Consortium New Delhi 16	51.75
14	Social Impact Assessment for the Proposed Power Project of M/s Adani Power Ltd., in Godda District of Jharkhand	Deputy Commissioner, Godda Collectorate, Godda, Jharkhand.	13.80
15	Evaluation Planning and Preparation Support for the Tejaswini Project on Socio-economic empowerment of adolescent girl and young women in Jharkhand	Government of Jharkhand, Dept of Women, Child Development & Social Security, (Jharkhand Women Development Society, Ranchi -834004	32.40
16	Social Impact Assessment for the Proposed Construction Project of Brode Gauge Railway Line in Godda District of Jharkhand	Deputy Commissioner, Godda, Jharkhand	21.75
17	Pilot of two Major and Medium Irrigation Projects Sethiathope Anicug and Manglam	Central Water Commission, Govt of India	1.37
18	Social Impact Assessment study for the proposed power project M/s Adani power Ltd., in Godda District of Jharkhand Adl. Village	Deputy Commissioner, Godda District Land Acquisition Deptt. Commissionerate, Godda	1.10
19	Preparation of Detailed Project Report of Agro Forestry Project in Coochbeher District of West Bengal	Progressive Farmers Pvt.Ltd., Dinhata, Coochbehar, West Bengal	2.10
20	TSMIP- 3rd Party Random Verification and Evaluation of MI Systems installed in the Telangana State	Commissioner of Horticulture ,Govt of Telangana	0.88
21	Work Phase Evaluation of IWMP in Madhya Pradesh	Rajiv Gandhi Watershed Mission, Bhopal M.P.	53.12
22	Physical Monitoring of MPLADS Works in Punjab.Phase III	The Economic Advisor, Economic & Statistical Organisation, MPLADS Saction, Govt of Punjab, Chandigarh- 110 001	8.36
23	Social Impact Assessment for Road Project in Bokaro District of Jharkhand	The Deputy Commissioner, Bokaro Colectorate District Land Acquisition Branch, Bokaro - 827004, Jharkhand	35.65
24	"UNDP - GNFC Study on Assessing the Impact of Neem Seed Collection Livelihood Intervention on Socio-Economic Status of Rural Women in Gujarat."	Programme Officer, UNDP India Office New Delhi- 110003	10.66

25	Approved Work Plan for Publicity Support for Central Sector Scheme of SFAC (VCAS & EGCGF) 7th Quarter for the period from October,2016 to December, 2016	Small Farmers' Agri-Business Consortium New Delhi 16	74.75
26	Social Impact Assessment for Road Project in Geoghar Bypass Ring Road,Deoghar	Deputy Commissioner, Deoghar	17.50
27	Social Impact Assessment for Road Project in Satsang Mirakhibad,Deoghar	Deputy Commissioner,Deoghar	16.75
28	Social Impact Assessment for Road Project in Nonihot Bagdhada,Deoghar	Deputy Commissioner,Deoghar	5.00
29	Social Impact Assessment for Road Project in Deoghar Madhupur,Deoghar	Deputy Commissioner,Deoghar	18.50
30	Technical Consultant for Implementation of MAS-NBT Project.	Mundukhola Baksagarh SKUS Ltd,Panchpara,Balagarh Hooghly	2.00
31	Assignment of work for Conducting of 100% Physical Verification and Concurrent Evaluation of PMEGP Units financed during the Year 2015-16	Khadi and Village Industries Commission (KVIC) Ahmedabad, Gujarat	10.03
32	Preparation of C-DAP, SAIDP & SAP for Year 2016-17 (12th Five Year Plan) and Year 2017-22 (13th Five year plan)	Chief Secretary, Dept of Agriculture, Govt of Uttar Pradesh, Lucknow	215.35
33	Skill Development Bihar Project	Govt of Bihar	445.68
34	Social Impact Assessment for proposed RCC Bridge in Dumka District, Jharkhand	Deputy Commissioner,Dhumka	13.00
35	Preparation of DPR for establishing Flower Market	The President, Sri Anjaneya Poola Rythu Varthaka Sansam,AP	4.00
36	Third Party Monitoring & Evaluation of Jalayukta Shivar Abhiyan, Gondia District	Member Secretary,Jalayukta Shivar Abhiyan Samittee and District Superintending Agricultural Officer, Gondia District.	81.67
37	Proposed capacity building programme for elected members Govt of Jharkhand in 2 districts Godda and Shaibganj	Government of Jharkhand	47.63
38	Social Impact Assessment for Road Project in Bahadurpur, Bokaro	Deputy Commissioner,Bokaro	18.91
39	Approved Work Plan for Publicity Support for Central Sector Scheme of SFAC (EGCGF) - 8th Quarter (January-March 2017)	Small Farmers' Agri-Business Consortium New Delhi 16	15.50
40	Impact Evaluation of Centrally Sponsored Scheme (CSS) of Rainfed Area Development component of National Mission of	Ministry of Agriculture and Farmers Welfare, GOI	42.00

	Sustainable Agriculture (NMSA)		
41	NABARD KfW Soil Project - Climate proofing of Completed Watersheds - Belgaon Watershed Project, Bhavanipatna Block, Kalahandi, Odisha	NABARD	49.57
42	NABARD KfW Soil Project - Climate proofing of Completed Watersheds - Laxmipur Watershed Project, Bhavanipatna Block, Kalahandi, Odisha	NABARD	49.44
43	Third Party Monitoring & Evaluation of Jalayukta Shivar Abhiyan, Bhandara District	Member Secretary, Jalayukta Shivar Abhiyan Samittee and District Superintending Agricultural Officer, Bhandara District.	7.37
44	Third Party Inspection in Mandi Parishad	State Agricultural production Market Council, Uttar Pradesh	12.65
45	SIA for Road construction- Madhupur	Deogarh Collectorate, Land Acquisition Dept, Deogarh	4.00
46	Adoption and Certification under RKVY for 2016-17 Kanker Dist - 500 Ha	The Assistant Director District Horticulture Office - Kanker - Chattisgarh	50.00
47	Selected Candidates for Placement Linked Skill Development Training under BADP for the financial Year 2015-16 for Khowai district	The Block Development Officer, Khowai-Tulshikhar-Padmabil, Khowai district Government of tripura	11.98
48	Skill Development Training Programme under BADP (CB) for the financial year-2015-16 for Dhalai District	The Block Development Officer, Chawmanu, Dumburnagar, Durgachowmuhani, Ganga Nagar and Raishybari RD Block Government of tripura	11.98
49	Concurrent Monitoring of 5 Partner NGO's under special plan assistance - Rehabilitation in different districts of Uttarakhand	Nodal Officer State Project Management Unit, Uttarakhand Women and Child Development society, Dehradun	2.64
50	Physical Verification of PMEGP Units for the year 2013-14 and 2014-15 in Punjab and UT Chandigarh	Dy Director State office Khadi and Village Industries Commission Govt of India	16.67
51	Fisheries - Undertaking Baseline Survey for Development of Fisheries in the state - Government of Telangana	Commissioner of Fisheries, Matsya Bhawan, Masab Tank, Hyderabad, Govt of telangana	32.36
52	Preparation/Submission of detailed Project Report for ICDP Programme in the Kohima and Peren districts of Nagaland	Registrar of Cooperative societies Government of Nagaland	9.00
53	Third Party Monitoring & Evaluation of Jalayukta Shivar Abhiyan, in 212 Villages of Wardha District	Member Secretary, Jalayukta Shivar Abhiyan Samittee and District Superintending Agricultural Officer, Wardha District.	94.00

54	Third Party Monitoring and evaluation of the plantation raised by three forest division during 2009-10 to 2015-16	chief conservator forest, Department of Forests and Wildlife, Vikas Bhawan New Delhi	9.70
55	Preparation of DPR for setting up of 5 cold chain units under AMCs in Andhra Pradesh	-	10.00
56	Social Impact Assessment for Widening and Strengthening of Ranchi-Muri, Road Project in 27 villages of District Ranchi, Jharkhand	The Deputy Commissioner , Ranchi Collectorate, Ranchi	23.86
	TOTAL		2228.59

Major Assignments

I. MONITORING, EVALUATION, LEARNING & DOCUMENTATION (MELD) OF INTERGRATED WATERSHED MANAGEMENT PROGRAMME (IWMP) – A WATERSHED COMPONENT OF PRADHAN MANTRI KRISHI SINCHAI YOJNA (PMKSY)

Integrated Watershed Management Programme (IWMP) – A Watershed Component of Pradhan Mantri Krishi Sinchai Yojna (PMKSY), is a flagship programme of Government of India (GoI) launched with the objective of restoring the ecological balance by harnessing, conserving and developing degraded natural resources such as soil, vegetative cover and water. For successful implementation of IWMP, State Level Nodal Agencies (SLNA) have been set up in the states. As per IWMP guidelines, the works under the project are to be carried out in three phases, i.e. preparatory, work and consolidated phases over a time span of 5-7 years.

Process oriented operation system is dynamic in terms of inputs, resources, aspirations, attributes, interventions and actions. Development programme is one such dynamic process involving public investment addressing most pressing needs of community and requires in time observations and corrections. An effective MELD system is imperative for tracking the near real time progress and performance of the project, streamlining the processes and interventions, documenting experiences for shared learning, recommending possible mid-course corrections and assessing impacts of interventions.



The SLNAs have selected Monitoring, Evaluation, Learning & Documentation (MELD) Agencies in their respective states. AFC has been associated as MELD agencies in the states of Maharashtra, West Bengal, Madhya Pradesh, Assam, Odisha, Tripura and Sikkim for a period of 2-5 years in different states. AFC has established MELD set-up in each of the allotted states, i.e. State/Division office and District/ Block offices with necessary manpower deployment as well as adequate infrastructure for carrying different set of MELD activities on continuous basis within the frame of provisions, as made in MOUs with respective SLNAs.

The State wise details regarding coverage under MELD are given below:

- i) **Maharashtra:** 99 Projects of Batch I to IV in 6 districts of Nagpur Agriculture Division
- ii) **West Bengal:** 119 projects of Batch III and IV in 10 districts
- iii) **Madhya Pradesh:** 144 projects of Batch I to IV in 22 districts of 4 zones
- iv) **Assam:** 68 projects of Batch I to IV in 7 districts
- v) **Odisha:** IWMP activities executed Batch I and batch II projects in Southern and Central Divisions
- vi) **Tripura:** 45 projects of Batch III to VI in eight districts of Tripura State
- vii) **Sikkim:** MELD for IWMP activities executed during the years Batch I, Batch II, Batch III and Batch IV projects

The deliverables provided by AFC to SLNAs from time to time, as per TOR, are helpful to SLNAs for initiating appropriate corrective measures in the implementation process at project cluster level, seeking release of funds for different phases of project implementation from GOI, knowing the status of different interventions etc.

II. PRE-FEASIBILITY STUDY FOR ESTABLISHMENT OF AGRI-PARK AT SURADA, GANJAM, ODISHA

M/s Balasore Alloys Limited is a corporate house which has its primary business mandate of mining and minerals. The company has planned to diversify its business profile through agri-business. To launch its business activities, establishment of an agro-park in a project mode was conceived. Subsequently, the company approached AFC to prepare the pre-feasibility report.



Under the study, AFC has conducted socio-economic survey in the project area, meetings and in-depth discussion with local people's representatives, current policies of the government and market trend of the targeted agri-products were studied. The study also found out the amenities to be provided to the local agricultural community as a low cost sustainable model for development of agriculture and agro-based services. In addition, two more major aspects of the study were : (i) gaining self-sufficiency in energy production; and (ii) the phase-wise fund infusement from the corporate body to make this a star jewel within Odisha and in India.

While the project was initially envisaged only for agriculture extension services along with Godown and Cold Storage for the local area. Subsequently, other high potential activities were identified and added to the scope of the project, to ensure year-round operations and

improved financial viability of the proposed Hub. The activity mix of the proposed Hub included setting up of Tissue Culture Unit, Training Institute and Centre of Excellence for agriculture, Food Processing Industries, Dairy, Godown and Cold Storage, and Nursery & related training services.

The project area for the agro-industrial park would cover 200 acres, and is located next to Surada township in Ganjam District of Odisha. The expected investment would be around Rs.129 Crores with an expectation that the hub will increase the income of the local people and would provide benefits to nearly 20,000 farmer families with its facilities and extension approaches.

The above feasibility study report has helped M/s Balasore Alloys Limited to take a corporate decision on proposed investment and also present it before the State and Central Governments in its effort to streamline vital project resources.

III. Assessing the Impact of Neem Seed Collection Livelihood Intervention on Socio-Economic status of Rural Women in Gujarat funded by UNDP

Government of India has mandated 100% Neem coating of Urea from 2014-2015 as it reduces the application of urea by 10% and also prevent crops from several diseases and has additional externality of reducing pilferage. Gujarat Narmada Valley Fertilizers & Chemicals Limited (GNFC) has taken lead to implement this initiative and decided 100% Neem coating of Urea from January 2015 onwards and initiated a first of its kind 'Neem Project'. GNFC has embarked upon the Neem Project as a backward integration project to manufacture its own requirement of 'Neem Oil' but with the main objective of women empowerment and uplifting of poor rural population by generating income for farmers, women, poor and landless labourers.

GNFC has requested UNDP India Office at New Delhi to commission a study to assess the impact of the project and progress made towards women's empowerment and betterment of the work. UNDP assigned this study to AFC with the objectives of knowing the changes brought out by the project interventions in livelihoods situation and the decision-making role of women, and better understand the factors driving those changes, the level of community and other stakeholder participation and ownership of the project results. The study was carried out in 4 districts viz. Gandhinagar, Bharuch, Patan and Banaskantha of Gujarat state covering a sample of 2000 HHs.



This project has a huge potentiality to strengthen the livelihood of families who are involved in neem seed collection activity through generation of additional income. As a resource income generation activity, it is best suited for the rural women to have a supplementary income during the period when no agricultural work is taking place at field level and women get workless in this lean period. The number of women involved in this activity is increasing day by day, hence has a great potential in scaling up of this work across the state. Consequent to success of this initiative, state government is undertaking more initiatives to upscale similar efforts.

The findings of the study were distributed among participants of SKOCH Awards 2017 held at Delhi and GNFC has bagged four National and International awards. The report has been printed by UNDP India Office, Delhi for wider circulation.

IV. MONITORING & EVALUATION OF PROJECTS SANCTIONED BY NATIONAL MEDICINAL PLANTS BOARD (NMPB), MINISTRY OF AYUSH, GOI

NMPB has entrusted AFC for undertaking monitoring & evaluation of its schemes (Centrally sponsored and Central Sector Schemes) being implemented in 8 North Eastern States of the Country. Main role of AFC has to undertake performance assessment of the projects funded by NMPB under its schemes being implemented by respective State Mission on Medicinal Plants, States Forest Departments / Other Government & Non-Government Institutions on the behalf of National Medicinal Plants Board (NMPB).

Keeping in view the objectives, AFC had undertaken M&E during the months of October 2016 onwards. During M&E, AFC team of experts have interacted with various stakeholders involved in cultivation of approved medicinal plants species/PIs of the nurseries established for the production of required quantity of quality planting materials, principal investigators (PIs) representing 08 North Eastern States of the country viz. Arunachal Pradesh, Assam, Manipur, Mizoram, Meghalaya, Nagaland, Sikkim and Tripura.



Monitoring and evaluation exercise has been undertaken to measure the outcome and impact of the programme/NMPB schemes. In addition, it has also been attempted to study the delivery mechanism across the implementing States. Based on the outcome of the on-

going monitoring & evaluation exercise, NMPB desires to have necessary mid-course corrections in the schemes being implemented in these North Eastern States.

V. **COMMERCIAL MIXED PLANTATION IN DINHATA-1 BLOCK, COOCH BEHAR DISTRICT OF WEST BENGAL**

Genetic Farm Forestry & Biotech Development Pvt. Ltd. has been established to undertake commercial wood plantation. Initially, the company envisaged to do tree plantations on 80



acres of land. The plantation areas are located in Dinhata-1 block of Cooch Behar district of West Bengal. The project duration would be 15 years with multiple rotations of crops, depending on their productive nature. Plantation operations would require establishment of proper scientific system for fertilization management, nutrient management, pesticides management, bio-pesticides management, and soil, water and plant Physiology management.

In view of above, the plantation company approached AFC to prepare a plantation plan and a bankable Detailed Project Report (DPR). The *modus operandi* of the firm would be to acquire low productive or non-productive patches of land from local farmers on a lease for 15 years in return of profit sharing.

AFC has undertaken the task of preparing a bankable DPR. AFC did consult the leading



PSU banks in preparing the DPR and consultation was provided on the choices of land patches (viz., large patches of land nearing 5 acres), irrigation facility, proper drainage facility etc.; amount of land to be under different types of plantations, choices of tree species, etc. Visits to proposed sites were undertaken by the AFC team. Socio-economic and financial analysis were also carried out. DPR has proposed to plant total seven tree species namely Agar wood, Malabar Neem, Eucalyptus, Teak, Sandalwood, Pomegranate and *Acacia*

Mangium.

The project is expected to be a precursor for bankable commercial plantation in this region with a sustainable profit sharing model along with the local farmers.

VI. **PUBLICITY SUPPORT FOR CENTRAL SECTOR SCHEMES 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	EGCGF Scheme
<p>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 alongwith 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.</p>	<p>It is an amalgamation of two schemes namely Equity Grant Fund (EGF) and Credit Guarantee Fund (CGF). SFAC support the equity base of FPOs through grant upto Rs. 10 lakh and provide cover to lending institutions advancing loans to FPOs by minimizing their lending risk in respects of loan not exceeding Rs. 100 lakh.</p>

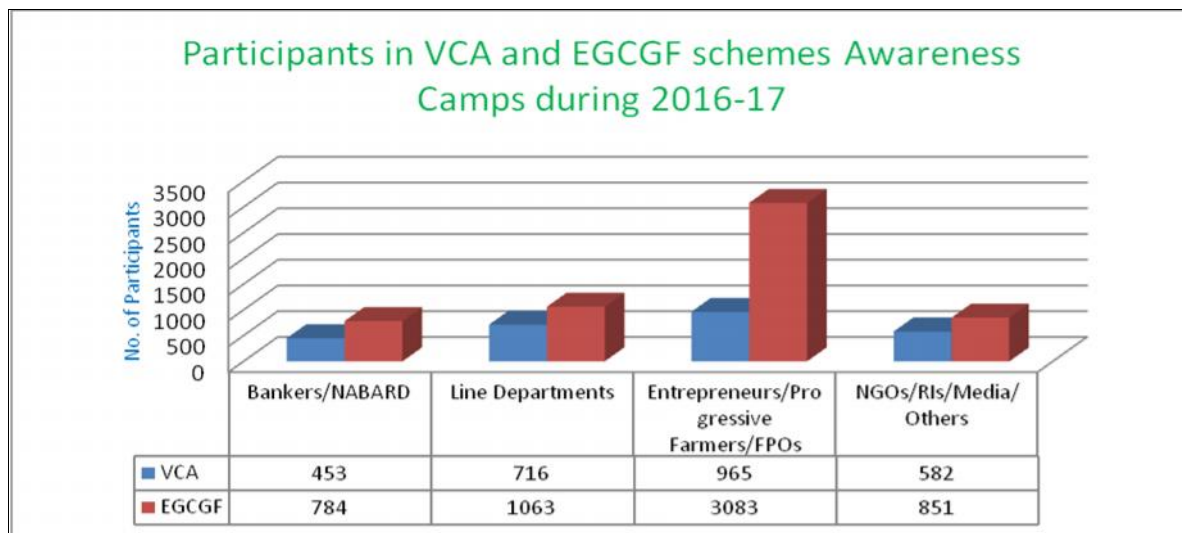
SFAC has engaged AFC as a Project Management Agency (PMA) to provide a package of



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 for VCA scheme AFC has conducted total 44 state and 619 district level camps whereas during 2016-17 six state and 50 district level camps were organized. Similarly, for EGCGF scheme since beginning in October, 2014, AFC has conducted total 24 state and 223 district level camps whereas during 2016-

17, 12 state level and 100 district level camps were organized. Since beginning of the camps, total numbers of participants have been 39,899 in the VCA scheme camps and 11,394 in the EGCGF scheme camps. During 2016-17 total participants in the VCA camps were 2716, while in the EGCGF camps the number of participants was 5781. Break-up of the participants in the awareness camps organised by AFC during 2016-17 is given below:



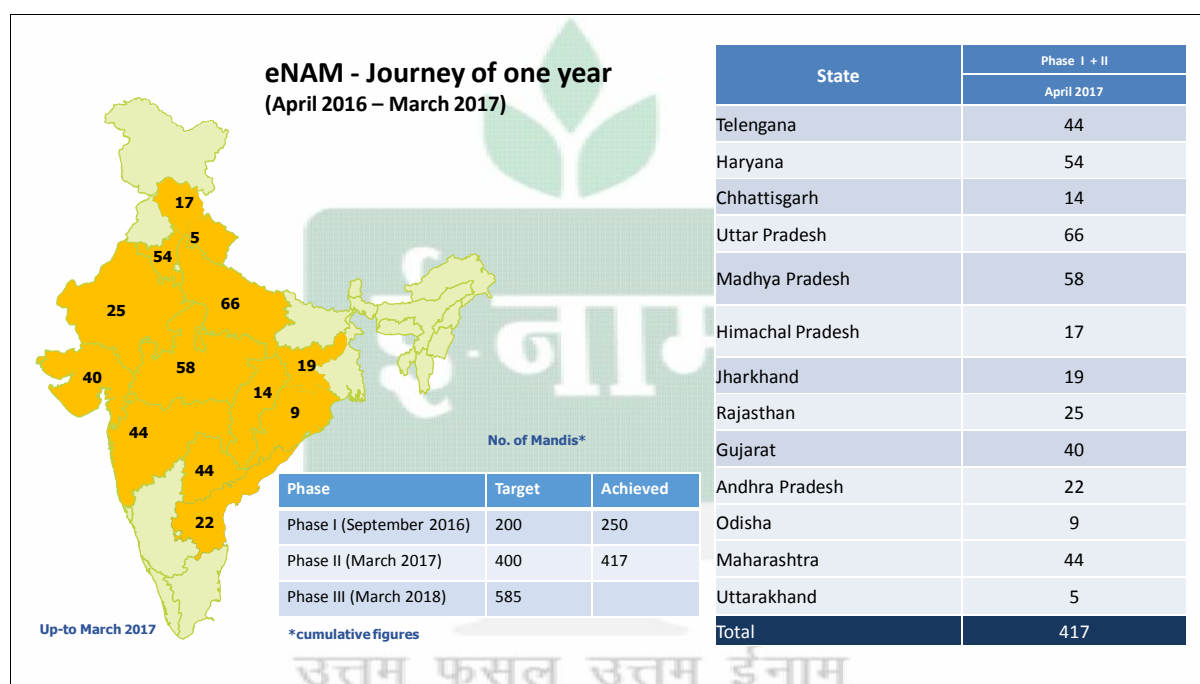
This project could help SFAC is enhancing coverage of VCA and EGCGF schemes in different locations of the country. The project applications from different locations have increased significantly. Since beginning of the awareness camps in July, 2012 to till March, 2017 total number of projects sanctioned was 1002 (costing Rs.3658.68 Crore) whereas 167 projects (costing Rs.477.43 Crore) were sanctioned during 2016-17. Similarly, under EGCGF scheme, total 127 projects have been sanctioned under EGF Scheme (costing Rs.699.86 Crore) and 5 projects (amounting Rs.246.50 Crore) have been provided guarantee cover under CGF Scheme.

VII. PROJECT MANAGEMENT AGENCY FOR NATIONAL AGRICULTURE MARKET (NAM)

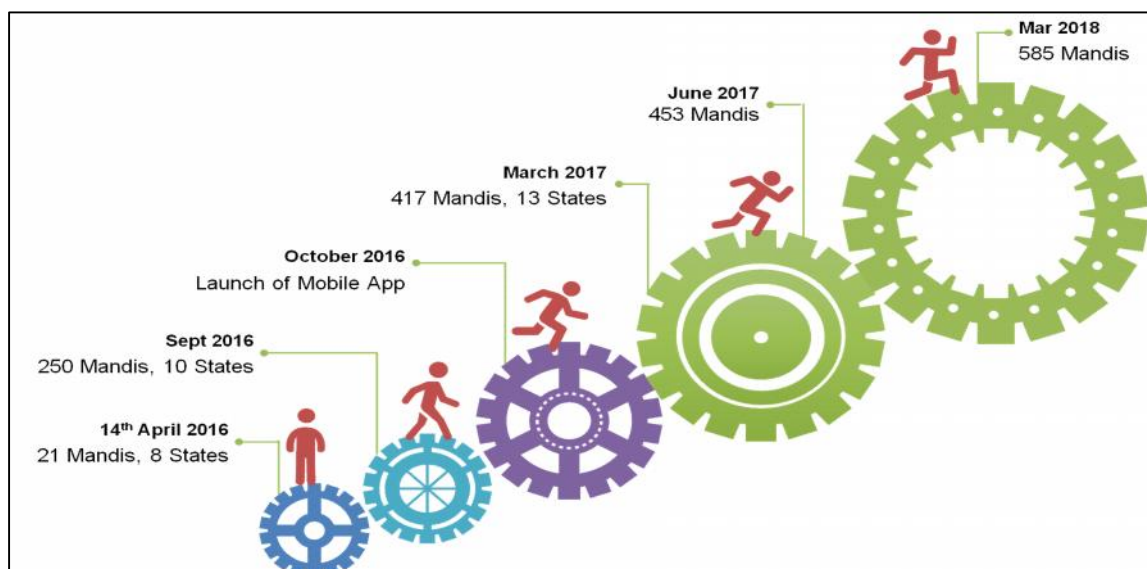
AFC has been entrusted with the responsibility to act as a Project Management Agency (PMA) by Small Farmers Agribusiness Consortium (SFAC) for implementation of NAM w.e.f. 1st July, 2015. The NAM Portal has been launched by Hon'ble Prime Minister of India. NAM is envisaged as a pan-India electronic trading portal which seeks 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 & prices, buy & sell trade offers within mandi, outside mandi (Inter-State trade), provision to respond to trade offers, among other services.



Till 31st March 2017, Ministry of Agriculture, Cooperation & Farmers' Welfare, GOI has accorded in principle approval to the proposals of 13 States for integration of 437 mandis out of which 417 mandis have been integrated by 31st March 2017. State wise details of approved and integrated mandis is as under:



NAM Implementation Progress



VIII. PILOT CENSUS FOR MAJOR AND MEDIUM IRRIGATION PROJECTS OF CENTRAL WATER COMMISSION (CWC)

The growing gap between Irrigation Potential Created (IPC) and that utilized (IPU) is becoming a matter of great concern. Though there exists a gap between IPC and IPU, which need to be bridged, but often gap gets over estimated since the same command area is counted as potential created under surface water major/ medium project and again under supplementary minor project (surface lift/ groundwater project). To assess the actual

scenario of irrigation in the country, it was felt necessary by Central Water Commission (CWC) to undertake a pilot census of completed major and medium irrigation (MMI) projects for standardizing the methodology for the main census of MMI projects by taking one project (major or medium) from each of different regions namely North, South, East, West, North-West, South-East, South-West and Central. The Pilot Census is to be covered in two phases described as under:

Phase-I: Collection of data pertaining to inventory detail of 8 selected projects from the project authorities

Phase-II: Collection of data through outsourcing up to outlet level (i.e. data on utilization part) of 8 projects covered in the Phase-I

The data pertaining to Phase-I have been collected by CWC.

AFC has been engaged by CWC for carrying out the Phase-II of the Pilot Census for collecting census data up to outlet level in the prescribed schedule in respect of following 7 projects (Out of 8 projects) and verifying the data collected by CWC in Phase-I in regard to completeness.

S. No.	Project	Category	State
1	Upper Ganga Canal	Major	Uttar Pradesh
2	Sethiathope Anicut System	Major	Tamilnadu
3	Mangalam	Medium	Kerala
4	Midnapur Canal	Major	West Bengal
5	Fulzar-I	Medium	Gujarat
6	Pairi	Major	Chhattisgarh
7	Sukla	Major	Assam

The study components included developing command area map including canals, preparing Canal Network Diagram up to outlet level, identifying the gaps between Irrigation Potential Created (IPC) and Irrigation Potential Utilized (IPU) and suggest remedial measures to bridge the gap between IPC and IPU.

*.kml files have been generated and command area maps prepared on the basis of survey for developing **Canal Network**

AFC has carried out a comprehensive and critical review of the existing irrigation scenario in the field and visited all the outlets provided in the assigned MMI projects. Canal Network has been generated for all the projects by geo-referencing all the outlets of the projects. *.kml files have been generated and the command area maps have been created on the basis of survey. Affected outlets have been identified, interactions with the stakeholders and farmers have been carried out and gaps between IPC and IPU have been worked out for all the projects. Suitable methodology has been developed to carry out main census survey of MMI projects in the country.

CWC has considered the methodology developed by AFC to carry out main census in MMI projects in the country. The data and information generated in the study helped the CWC in decision making and taking remedial measures to fill the gap between IPC and IPU and ultimately helped in betterment of MMI projects in the selected project locations.

IX. IMPACT STUDY ON CAGE FISH FARMING PROGRAM IN JHARKHAND

Considering the potentials of reservoirs for promoting cage fish farming, the Department of Fisheries (DOF), Govt. of Jharkhand focused on a new intervention of integrating aquaculture within the existing reservoir systems in order to improve water productivity and overall resource productivity, enhance fish production share and maximize profits to the fisher community who are mainly displaced and unemployed fishermen with low land holdings belonging to ST, SC and other backward communities living in the catchment and dependent on this resource for their livelihood. The DOF embarked upon a new programme in 2011-12 for promoting cage fish farming in selected reservoirs of the state. It was expanded to over 25 reservoirs spread across the state covering 17 districts.

The DOF engaged the services of AFC to carry out Impact Evaluation of the ongoing program on cage fish farming. The study included assessing the present status and economic and social gains secured by the fishermen in order to take further steps for enhancing the activity with clear understanding of driving forces of its uptake and issues that discourage initiatives, new interventions that are required to address the prevailing complexities embedded in these processes and systems, lessons learned from the new aquaculture initiatives in reservoirs, new opportunities and anticipated challenges in the future expansion and desire to grow in this segment of the sector.

The evaluation study has found out that Cage fish farming in the state has emerged as a



new segment of aquaculture activity in the reservoirs and contributed to their development. The estimated fish production due to cage fish farming has been 11,220 tons of Rs. 89.76 crore (in terms of value). It could generate full time employment at different levels of production. Cumulative incremental employment generated since inception of cage farming activity is estimated at 3.16 lakh man days and additional employment generated to retail itinerant sellers of fish was estimated at 0.26 lakh man-days. The study has also quantified the overall socio – economic benefits, impact on ancillary and tertiary sector business activity, fisher's skill, attitude and outlook, emergence of leadership, anticipated Risks and Challenges, etc. On the basis of feedback of the stakeholders and opinion/observations of the officers/experts, study report gave number of suggestions related to production, innovative cage fish farming, training & capacity building, marketing, institutional support system, monitoring of cage farming & related activities,

certification for cage aquaculture products, risk mitigation, pro-policies, and strategies for promotion of cage culture.

Based on the study findings, the DOF initiated adopting cage fish farming as a regular component for its projects/schemes for the development of fisheries in the state of Jharkhand.

X. PREPARATION OF DETAILED PROJECT REPORT (DPR), TECHNICAL SUPERVISION AGENCY AND FOR PILOT PROJECT FOR ESTABLISHMENT OF MODIFIED ATMOSPHERE STORE USING NITROGEN BLANKETING TECHNIQUE (MAS-NBT), HOOGHLY DISTRICT, WEST BENGAL - AN INCUBATION PROJECT SOLELY FINANCED BY DEPT. OF INDUSTRIES, COMMERCE AND ENTERPRISES: MSME CELL, GOVT. OF WEST BENGAL

Nitrogen Blanketing Technique (NBT) could be tried for storing a wide range of horticultural produces which could not be stored for effective market stretching in conventional cold stores. The main advantage of NBT is reduction in postharvest decay of horticultural commodities through reduction in product respiration and microbial growth. The concept has received attention of the Department of Industries, Commerce & Enterprises, Govt. of West Bengal and led to its decision to test the concept at field through a pilot project to be financed fully by the state government.

To this endeavour, Govt. of West Bengal has engaged AFC to prepare a Detailed Project Report (DPR) for the pilot project. Onion was identified as the target commodity owing to the fact that in the project vicinity, it grows very well in Rabi season but due to sharp increase in atmospheric humidity just after harvest, storage is a big problem compelling farmers to go for distress sale.



AFC has prepared the DPR and it was approved by the technical committee of the client and subsequently approved by the Govt. of West Bengal. Consequent upon preparation of DPR, the state govt. engaged AFC as technical supervision agency for implementation of the pilot project. As a technical supervision agency, AFC was engaged to support government in procurement of contractors in undertaking the project on turnkey basis, negotiations, technical and financial supervision of works of the contractors, awareness generation amongst local farming communities, and reporting to the government about the progress of

work. The project could complete its commissioning during 2016-17. Its trial operation was ongoing till the end of 2016-17.

Vital storage parameters are being maintained in constancy indicating no sign of product respiration microbial growth (indicated by increase in storage temperature). However product behaviour under the specific storage system needs to be studied for standardization. Hence the task of AFC is not yet complete and shall continue till completion of the trial run and subsequent decision on refinement of technology (if any).

XI. IMPACT EVALUATION OF RAINFED AREA DEVELOPMENT (RAD) COMPONENT OF NATIONAL MISSION ON SUSTAINABLE AGRICULTURE (NMSA)

The Department of Agriculture, Cooperation & Farmers Welfare, Ministry of Agriculture & Farmers Welfare, Govt. of India is implementing the Centrally Sponsored Scheme of Rainfed Area Development (RAD) in the country as a component of National Mission for Sustainable Agriculture (NMSA) to mainstream rainfed agriculture as a sustainable and climate resilient agriculture practice. The scheme has been implemented in all the states of the country (Excepting Punjab and Goa) during XIIth Plan and as per approval of CCEA, the period of implementation ended on 31st March, 2017. Being an important climate resilient initiative with opportunity for enhancing livelihood & food security and useful tool for enhancing farm income, the scheme requires continuation. Therefore, it was proposed to conduct the Impact Evaluation Study of the scheme for assessing performance and effectiveness as climate resilient system to see its relevance in continuation beyond XIIth Plan and improvements, if any in the extended period, i.e. for the remaining period of 14th Finance Commission.

Based on working experience in this sector and earlier association of related programme of this Department, AFC has been identified as the Evaluating Agency to carry out the study on a single source selection basis as per the GFR Rule 176 with the approval of the Competent Authority.



The study was conducted covering 1500 farmers through FGD and 512 farmers through individual interview belonging to 104 clusters spread over in 54 districts of 12 states representing different regions of the country. Besides, different stakeholders (116 Nos) at state, district and block level were also contacted to seek their views on different aspects of implementation.

The report of AFC provided important feedback to the client on the ground realities of the scheme. Based on the findings, conclusions and suggestions given in the report, the Department forwarded its recommendations to the Govt. of India for continuation of RAD beyond XIIth Plan with certain improvements/ refinements.

XII. 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), 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.

AFC has been engaged by the state governments to carry out SIA studies for a variety of projects in Maharashtra and Jharkhand states. In Maharashtra, SIA has been carried out for Metro project in Nagpur as per guidelines of Maharashtra Government and International funding agencies like kfW of Germany and afd of France.

Similarly in Jharkhand state, following SIA studies have been/being carried out. The SIA has



been carried out as per requirement of State Government rules 2015 for the purpose of Land Acquisition.

1	Consulting Services for conducting Social Impact Assessment (SIA) Study and Preparation of Social Management Implementation Plan, Rehabilitation & Resettlement Policy for Nagpur Metro Rail Project.
2	Social Impact Assessment for the Proposed Road Project in Madhupur-Laharjori, Deoghar
3	Social Impact Assessment for the Proposed Power Project of M/s Adani Power Ltd., in Godda District of Jharkhand
4	Social Impact Assessment study for the proposed power project M/s Adani power Ltd., in Godda District of Jharkhand Addl. Village
5	Social Impact Assessment for Road Project in Bokaro District of Jharkhand
6	Social Impact Assessment for Road Project in Deoghar Bypase Ring Road, Deoghar
7	Social Impact Assessment for Road Project in Satsang Mirakhibad, Deoghar
8	Social Impact Assessment for Road Project in Nonihot Bagdhada, Deoghar
9	Social Impact Assessment for Road Project in Deoghar Madhupur, Deoghsar
10	Social Impact Assessment for proposed RCC Bridge in Dumka District, Jharkhand
11	Social Impact Assessment for Dumka – Rampur Haat Road – high capacity RCC Bridge
12	Social Impact Assessment for Ranibahal – Maheshkhala Road –f high capacity RCC Bridge
13	Social Impact Assessment for Land acquisition for rural water supply pipeline in Kukurtopa Mouja
14	Social Impact Assessment of Patawadi-Msanjhor road widening Dumka
15	Approah Road for Madhupur Subjail, Deoghar
17	Ext of Devghar Byepass Road,, Deoghar
18	Conducting SIA Studies for Construction of Road from Badarpur to Bengal Border in Bokaro District, Jharkhand

19	Social Impact Assessment for Widening and Strengthening of Ranchi-Muri Road Project in 27 villages of district Ranchi
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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.

XIII. SKILL DEVELOPMENT

AFC has participated in implementing the government supported programmes on skill development in various parts of the country. The government has taken initiatives through various schemes and programmes to provide formal vocational education to the informal workforce in the country helping in creating and empowering the workforce with necessary upgraded skills, knowledge and qualifications to gain access to decent employment and ensure India's competitiveness in the dynamic global market. The main aim is to increase productivity and employability of work force (wage and self employed) both in the organized and unorganized sectors.

Key activities related to skill development of youth taken up by the company during the year include:

a) Kushal Yuva Program (KYP) under Bihar Skill Development Mission (BSDM)

The Bihar Skill Development Mission (BSDM) has launched a unique skill training programme by the name of "Kushal Yuva Program" which would enhance the Soft Skills of youth of 15-25 age group who have passed class 10th or class 12th, have dropped out of formal education and are looking for jobs. Soft skills training would comprise of Life Skills, Communications Skills (English & Hindi) and Basic Computer Literacy, which in turn would enhance their employability, and act as a value addition to the various domain specific training endeavors currently being implemented in Bihar. Salient features of KYP program are as given below:

- e-Learning mode for training delivery
- Sequential mode of learning is provided for prohibiting any skipping of sessions.
- Central monitoring of step by step progress of each candidate through the web portal.
- Inbuilt / Integrated online Assessment & Certification process.



AFC has been awarded four Block Skill Development Centers (BSDCs) for five years, one each in districts Muzaffarpur and West Champaran and two in district Sitamarhi. AFC has set up the high-end IT infrastructure at these BSDCs to impart training to the youth of Bihar. AFC has proposed to train approximately 5,000 students in five years and more than 500 students have already completed training at these centers.



The response to KYP has been overwhelming from the aspirants in the age group of 15 – 25 years. The training could help these youths to become eligible to avail self-help allowance after successful completion of the KYP training.

b) Aajeevika Skills (Deen Dayal Upadhyaya Grameen Kaushalya Yojana - DDU-GKY)

The DDU-GKY project was awarded by Ministry of Rural Development (MORD), Govt. of India, New Delhi for upgrading the skills & livelihood for 1,845 candidates of Haryana state covering Bhiwani, Gurugram, Faridabad, Panchkula and Jhajhar districts. Trades includes Medical, Nursing, Electrical, Security and Business and Commerce. The target has been revised to 1275, as per CNN, without changing the total budgetary provision. The project period has also been extended up to September, 2018 and one district (Panchkula) has been excluded.

As on March 31, 2017, 284 candidates (128 in security guard and 156 in business and commerce) have been trained in different batches at Palla (Faridabad), Sohna (Gurugram) and Bhiwani training centres. The assessment and placement of the trained candidates are under progress

c) Border Area Development Programme (BADP)

The project is awarded by Ministry of Home Affairs through Government of Tripura to train and place students through Placement Linked Skill Development Training (PLSDT) in Khowai and Dhalai districts of the State. Trades covered included private security service, sales and marketing, BPOs/soft skills development, apparel training and hotel/reception. Under the project, the candidates are being trained, as per allotment, and are being placed in different organisations within and outside the State.

XIV. IMPLEMENTATION OF ORGANIC FARMING PROJECT – ADOPTION AND CERTIFICATION

AFC has been engaged, as a Promoting Agency, for the work of adoption and certification of organic farming by the governments of Odisha, Haryana and Chhattisgarh states, through State Departments of Horticulture.

The major objective is to develop Organic Horticulture produce in the allotted states through Organic adoption and get the farm land Certified by APEDA accredited certifying agencies. The minimum period of conversion into organic farming is three years. The assistance for adoption is paid only for three years to the Promoting Agency. If the Promoting Agency fails to get organic certificate from an accredited Agency after three years and requires more time, then no further financial assistance is provided under this component for that period and the agency has to complete the activities from its own resources. The methodology and standards adopted include (i) Training and capacity building of farmers; (ii)



(ii) Insect, pest and disease management through use of Bio-fertilizers/pesticides, green manuring and Integrated Nutrient Management; (iii) Certification as per NPOP Guidelines and standards of Scope Certification – two internal inspections and one external inspection by Certification Body each year.

The details of area allotted in each State and stage of progress achieved is provided in the table below:-

Sl. No.	Phase	Area	Status as on March 2016
I	ODISHA STATE :		
1.	Phase-I	1750 Ha	Project activities completed. C-4 organic Status achieved for the entire area. Organic Growers' linkage arranged with M/s. Armon International Pvt. Ltd. The main crops included mango, cashew and lime.
2.	Phase-2	2000	Project activities completed. C-4 organic Status achieved for the entire area. Organic Growers' linkage arranged with M/s. Armon International Pvt. Ltd.
		500	C-4 achieved during and the area is market linked with M/S. Pro Poor Development Forum, Aurangabad, Maharashtra.
		500	C-2 received during 2016-17 and external inspection for C-3 will be conducted during September, 2017.

	Phase-3	2150	C-2 received during 2016-17 and external inspection for C-3 will be conducted during September, 2017.
II.	CHHATTISGARH STATE:		
1.	Phase-1	1500	Three Year Project activities completed. C -3 issued (Vegetables and Spices) and project handed over to M/S Pure Diet for further continuation
	Phase 2	900	C-3 obtained for Bemetara while C-1 obtained for Baloda Bazar and Garyaband. Audit for C-2 for these districts due in September, 2017.
	Phase-3	1100	C-3 obtained for all the 4 districts and market linkage being arranged with an independent agency shortly.
	Phase-4	1250	C-1 obtained for all the three districts and C-2 audit due in September, 2017.
	Phase-5	1000	C-1 Certification received for both the districts. C-2 audit due in September/October, 2017
	Phase-6	250	C-1 Certification received. 2 nd activities underway. C-2 audit due in September/October, 2017.
III	HARYANA STATE		
	Phase-1	1000	C-1 Certification received for all the five districts. 2 nd year activities underway and audit for C-2 audit done and Scope Certification awaited.
	Phase-2	200	Certification obtained, 2 nd year activities underway and audit for C-2 audit done and Scope Certification awaited.
	Phase-3	500	Certification obtained for both the districts, 2 nd year activities underway and audit for C-2 to be taken up in October, 2017.

For Odisha State, marketing tie-up has been arranged with M/s. Armon International Pvt. Ltd. while for Organic Growers of Chhattisgarh, marketing arrangements have been firmed up with M/S Pure Diets India Ltd., (a New Delhi based export house as well as domestic organic food company) for the marketing of farmers' organic produce. Procurement of organic produce having C-3 status has already been started by M/s. Armon and M/s. Pure Diets in both the States.

XV. Physical Verification of Units assisted under Prime Minister's Employment Generation Programme (PMEGP) in Bihar, Meghalaya, Tripura, Punjab and Chandigarh (UT)

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) 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:

- **Bihar - 6315 Units** assisted during the years 2010-11 to 2012-13. Physical Verification work is currently underway;
- **Meghalaya - 1511 Units** assisted during 2007-08 to 2011-12. The work has been completed and reports submitted to the State Government;
- Meghalaya – **920 Units** sanctioned during the years 2013-14 and 2014-15. The Physical Verification work is currently underway;
- **Tripura – 2904 Units** assisted during 2008-09, 2009-10, 2010-11 & 2011-12). The work completed and reports submitted to the State Director, KVIC, Agartala.
- **Tripura – 2956 Units** assisted during the years 2012-13 and 2013-14. The Physical Verification work is currently underway;
- **Punjab and Union Territory of Chandigarh – 2223 Units** sanctioned during the years 2013-14 and 2014-15 in the State of Punjab and UT of Chandigarh. The work is currently underway.

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 take decision whether to release Margin Money subsidy in the account of the beneficiary or not.

XVI. MONITORING & EVALUATION OF PLANTATIONS RAISED IN THE STATE OF DELHI (NATIONAL CAPITAL TERRITORY OF DELHI)

The forests of Delhi are being managed by different departments, agencies and organizations. The forests under the control of Forest Department are being managed by three Deputy Conservators of Forests (North, South and West Forest Divisions) under the overall technical and financial control of Principal Chief Conservator of Forests (PCCF), Delhi. To enhance the quality of forest and tree cover as well as to increase the area under forest and tree cover, the Delhi Forest Department is raising plantations on forest areas and *gram sabha* lands, etc.



The PCCF Delhi has entrusted AFC for undertaking monitoring & evaluation (M&E) of the plantations raised by the Delhi Forest Department during the last 7 years (2009-10 to 2015-16).

The findings and suggestions of the study have been found useful by the client for future corrections.

XVII. SIDBI'S POOREST STATES INCLUSIVE GROWTH (PSIG) - FINSCOPE SURVEY

The Poorest States Inclusive Growth Project (PSIG) is one of the first private sector projects supported by the **UKAid** from the Department for International Development (**DFID**) and is being implemented by **SIDBI**. The programme expects to improve access for poor men and women to a variety of financial services in four low income PSIG states namely Bihar, Odisha, Madhya Pradesh and Uttar Pradesh. It is working to contribute to an appropriate policy environment, including a range of studies of different aspects of financial inclusion in the four PSIG states.

In order to fulfil its objectives, **FinMark Trust** (based in Johannesburg, South Africa) developed the FinScope Survey. The FinScope study had been commissioned to AFC India Ltd. by SIDBI to provide robust data on access and the barriers to access, as a basis for more informed policy making and strategy.

The FinScope Consumer Survey PSIG India 2015 was carried out by AFC India Ltd. with a representative sample of 16,000 households distributed in 188 districts of 4 PSIG States, 530 villages and 270 wards and each village/ward having 20 households being covered with systematic random sampling.

Households and respondents were covered following systematic random sampling and Kish Grid as per the FinScope methodology which required representative probability sample drawn systematically using probability proportional to size sampling (PPS) method. A multi-stage sampling methodology was applied which entailed selection of villages/wards using census 2011 or population estimates using PPS followed by the selection of households as well as the selection of one adult in the selected household using a Kish Grid. Using the Kish Grid ensured that respondents were randomly selected and therefore avoiding bias selection.

AFC provided input in the design of questionnaire, carried out piloting of questionnaires and enumerators training under the supervision of FinMark Trust and SIDBI.

Based on AFC's weighted data, a report was prepared and published by FMT with conclusions and opportunities.

XVII. IMPLEMENTATION OF APICULTURE PROJECT

Integrated Basin Development & Livelihood Promotion Programme (IBDLP) is the flagship programme of the Government of Meghalaya. The programme envisages interventions around the themes of Enterprise/Livelihoods promotion, Natural Resources Management, Strengthening of existing and Creation of new Institutions, Knowledge Management and Better Governance. The programme includes nine missions in identified sectors. The core objective of each of these missions is to facilitate the promotion of sustainable livelihoods for the people of the state leveraging on the opportunities and strengths of the State's natural resources. The Apiculture Mission is one of the nine Missions. The Meghalaya Basin

Development Authority (MBDA) provides leadership and support to various missions and facilitates a platform for convergence and coordinated action.

As per the scope of work and services to be provided under this assignment AFC has prepared the Mission document for Apiculture under phase – I of the project. During this year it implemented the activities proposed under this mission as Phase-II of this assignment with a core team comprising of 6 specialists supported by 12-15 field staff recruited from within the State. A project office was established in the State Capital to coordinate and supervise the implementation work of the project.



AFC has developed training programmes for master bee trainers, traditional beekeepers, youths, official/MBDA functionaries and other stakeholders. AFC has imparted training to



Master Beekeepers/traditional beekeepers in 49 batches of trainees totaling 2191. Besides, inspection of modern bee boxes manufactured by different carpentry firms/shops was also done. In addition, follow up of Apiary was also done and suggestions offered by the team. A video on the process of manufacturing modern bee hives was also documented. The beekeepers were also surveyed to ascertain their status due to apiculture activities.

For publicity and awareness building Z-Cards, Resource Manual for Beekeepers of Meghalaya were developed, printed in English, Garo & Khasi languages and distributed to various stakeholders.

XVIII. Third Party Physical Verification of ongoing construction work under mandi parisad state of Uttar Pradesh

A. On going construction work in districts Firozabad, Farrukhabad, Badaun and Azamgarh.

SI. No.	Name Nirman Khand	Name of Districts	Description of Work			Total
			No. of work at Mandi site	Janeshwar Mishra on going , No	Link Road No.	
1	Badaun	Badaun	4	43	-	47
2	Firozabad	Firozabad	4	109	-	113
3	Farrukhabad	Farrukhabad	3	71	-	74
4	Azamgarh	Azamgarh	2	112	5	119
Total			13	335	5	353

B. Third Party Verification of construction work under Bundelkhand Package

SI. No	Name of Nirman Khand	Districts	Rural Establishment centre, No
1	Banda	Banda	19
		Mahoba	10
		Chitrakut	15
Total			44
2	Jaloun	Hamirpur	23
		Jaloun	19
Total			42
3	Jhansi	Jhansi	24
		Lalitpur	23
Total			47
Grand Total			133

XIX. Capacity Building Training of elected ward members in the 9 Blocks of Districts Godda and 5 Blocks in District Sahibganj in Jharkhand From 12 January to 30 March 2017

The GOI and state government project on Capacity Building for Local Governance has been



formulated with the objective of strengthening of institutions, mechanism and process to enhance capacities of elected representatives and functionaries for human development oriented, inclusive planning, implementation and

improved accountability in local governance. The project is operational in the state of Jharkhand in partnership with Department of Panchayati Raj and NREP (Special Division),

Objective

Improve the capabilities of the elected representatives and officials of PRIs to perform their functions better.

1. The project has been primarily designed to provide support for implementation of National Capacity Building Framework (NCBF) by dovetailing funds from different schemes/ programmes like BRGF, RGSY etc.
2. The project seeks to develop the capacities of all governance actors especially the PRI members and functionaries at the district level and below to determine the local development priorities and ensure efficient and equitable delivery of public services through a participatory governance process.
3. It also aims to address the right to information as a fundamental mechanism for government accountability to the citizen, particularly to disadvantaged.

This project focuses on capacity development of elected representatives, particularly women

XX. Consultancy services for “State Rural Livelihoods Mission (SRLM) for recruitment of thematic professionals”

Government of India has approved the restructuring of SGSY as National Rural Livelihoods Mission (NRLM), to be implemented in a mission mode across the country. In Uttar Pradesh UPSRLM constituted for this activity. Uttar Pradesh State Rural Livelihood Mission (UPSRLM) is a society proposed by Rural Development Department to promote livelihood for the disadvantage section of the rural community in the state.



UPSRLM has constituted state mission management units at state level, district level & block level to manage, assist, and monitor the SHGs activities and also marketing of their produce.

Initially UPSRLM started this program in 22 blocks of 22 districts. They have to cover the whole state within six years therefore they extending this program gradually in remaining districts. In order to manage the program thematic experts of different levels are required therefore they are in need of **recruitment & selection** agency which may provide quality human resource as per their need with in time.

XXI. 12th and 13th five years Comprehensive District Agriculture Plan under RKVY for 35 Districts of the State

Objective

Following purposes/Objectives have been taken into consideration for preparation of District Agriculture Plan.

- 1- To generate a common development perspective of the District that reflected the aspirations of the common rural people and other diverse stake holders.
- 2- To work out an inspiring goal for overall development of the area.
- 3- To envisage and incorporate roles of women and disadvantaged group in the main stream development.
- 4- To picturize optimal utilization of the available resources for achieving higher level of livelihood, special for the under *privileges*.
- 5- To foresee needs and level of human and infrastructure development as it emerges from collective wisdom for achieving goals.



6-



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.

- 7- To act as a goal post towards which the entire planning process be oriented.
- 8- To help people of the area in developing more realistic, objective oriented and executable long term and annual plans.

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.

i) **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. As on March 31, 2017, AFC foundation has to pay Rs.68.70 lakhs to the company.

ii) **Distance Education**. The Foundation is continuing to run four short term courses in English: (1) Diploma in Microfinance (2) Diploma in Foreign Trade Management. (3) Diploma in Clean Development Mechanism (CDM); (4) Diploma in Banking and Finance. Besides, a certificate course in Panchayati Raj Governance in Hindi is being operated from our Lucknow office.

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.



कार्यालय प्रधान निदेशक वाणिज्यिक लेखा परीक्षा
एवं पदेन सदस्य लेखा परीक्षा बोर्ड-IV, नई दिल्ली.
Office of the Principal Director of Commercial
Audit & Ex-officio Member Audit Board-IV, New Delhi.

Confidential

No. 590-PDCA/HS/MAB-IV/A/cs/AFCL/Standalone /17-18/3472

Dated:- 19.09.2017

To

The Managing Director,
AFC India Limited,
Dhanraj Mahal, 1st Floor,
C.S.M. Marg,
Mumbai - 400001:

Sub: Comments of the Comptroller & Auditor General of India under 143(6)(b) of the Companies Act, 2013 on the accounts of AFC India Limited, for the year ended 31st March 2017.

Sir,

I am to enclose herewith the comments of the Comptroller and Auditor General of India under 143(6)(b) OF THE COMPANIES ACT, 2013 on the accounts of **AFC India Limited**, for the year ended 31st March 2017.

The receipt of the letter may kindly be acknowledged.

Yours faithfully,

Encl: As above

(L.Siddhartha Singh)

Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board-IV

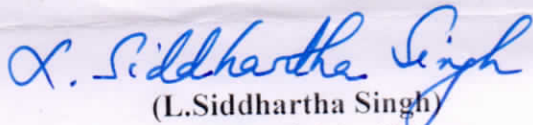
**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL
STATEMENTS OF AFC INDIA LIMITED FOR THE YEAR ENDED 31 MARCH 2017**

The preparation of ~~consolidated~~ financial statements of **AFC India Limited** for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor/ auditors appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is/are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **26th July 2017**.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) of the Act of the financial statements of **AFC India Limited** for the year ended 31 March 2017. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

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

**Place: New Delhi
Date: 19.09.2017**


**(L. Siddhartha Singh)
Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board-IV**



कार्यालय प्रधान निदेशक वाणिज्यिक लेखा परीक्षा
एवं पदेन सदस्य लेखा परीक्षा बोर्ड-IV, नई दिल्ली.
Office of the Principal Director of Commercial
Audit & Ex-officio Member Audit Board-IV, New Delhi.

Confidential

No. 589-PDCA/HS/MAB-IV/A/cs/AFCL/Consolidated/17-18/ 3470

Dated:- 19.09.2017

To

The Managing Director,
AFC India Limited,
Dhanraj Mahal, 1st Floor,
C.S.M. Marg,
Mumbai - 400001.

Sub: Comments of the Comptroller & Auditor General of India under 143(6)(b) of the Companies Act, 2013 on the consolidated accounts of AFC India Limited, for the year ended 31st March 2017.

Sir,

I am to enclose herewith the comments of the Comptroller and Auditor General of India under 143(6)(b) OF THE COMPANIES ACT, 2013 on the consolidated accounts of AFC India Limited, for the year ended 31st March 2017.

The receipt of the letter may kindly be acknowledged.

Yours faithfully,

L. Siddhartha Singh
(L. Siddhartha Singh)

Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board-IV

Encl: As above

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF AFC INDIA LIMITED THE YEAR ENDED 31 MARCH 2017


The preparation of consolidated financial statements of **AFC India Limited** for the year ended 31 March 2017 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act is/are responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **26th July 2017**.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143(6)(a) read with section 129(4) of the Act of the consolidated financial statements of AFC India Limited for the year ended 31 March 2017. Further, section 139 (5) and 143 (6) (b) of the Act are not applicable to AFCL Finance Services Private Limited being private entity for appointment of their Statutory Auditor nor for conduct of supplementary audit. Accordingly, C&AG has neither appointed the Statutory Auditors nor conducted the supplementary audit of this companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report.

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

Place: New Delhi
Date: 19.09.2017


(L. Siddhartha Singh)
Principal Director of Commercial Audit &
Ex-Officio Member, Audit Board-IV



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, 2017**, 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

Basis for Qualified Opinion:

- 1. Attention is invited to Note No. 2 (g) (B) (I) (ii) regarding 'Employee Benefits' forming part of the Financial Statements ('Notes') regarding method of accounting of gratuity to employees, which is accounted for on the basis of actuarial valuation made by LIC of India with whom the Company has set up a fund for Gratuity and premium determined by LIC of India is accounted***



as Gratuity. During the Financial Year 2016-2017, the expenses to be recognized on account of Gratuity (Current Service Cost – Rs. 5,01,762/- + LCSA Premium – Rs. 34,090/- + Actuarial Loss – Rs. 6,21,465/- – Expected Return on Plan Assets – Rs. 5,62,844/-) as per actuarial valuation was Rs. 5.94 Lacs. As against this, the company has paid Rs. 1 Lac as Gratuity Premium and the same has been debited to Profit and Loss Account as Gratuity Expense for the year. Thus, there is a short provision of Rs. 4.94 Lacs in respect of provision of gratuity expense for the year.

Further, as per the Balance Confirmation Certificate received from LIC of India as on 31-03-2017, the company has Balance of Rs. 53.29 Lacs (Previous Year Rs. 103.56 Lacs) in Gratuity Fund with LIC. Further, total accrued gratuity liability of the company as on 31-03-2017 was Rs. 142.90 Lacs (Previous Year Rs.176.54 Lacs). Thus, the company has not considered 'Net Obligation on account of Gratuity' (Non-Current Liability) of Rs. 89.61 Lacs (Previous Year Rs.72.98 Lacs) which has not been provided and paid by the company. In effect, Non Current Liabilities (Net Obligations on account of Gratuity Liability) is understated and 'Reserves and Surplus' is overstated to the extent of Rs.89.61 Lacs (Previous Year Rs. 72.98 Lacs).

In our opinion, treatment given by the company is not in accordance with the provisions of Accounting Standard – 15 (Employee Benefits) further the has not given the required disclosure under Accounting Standard – 15 (Employee Benefits). Furthermore, the said treatment is in contradiction with the accounting policy followed by the Company.

2. We further report that, had the observations made in paragraph 1 above of our report for the year ended March 31, 2017 been considered,
 - a. The working results for the year ended March 31, 2017 would have been a loss of Rs.63.03 lacs as against the reported profit of Rs. 26.58 lacs.
 - b. The Non-Current Liabilities (Net Obligations on account of Gratuity Liability) as at March 31, 2017 would have been Rs 89.61 Lacs (as at March 31, 2016 debit of Rs. 72.98 lacs) as against the reported figure of Rs Nil (as at March 31, 2016 Rs Nil).
 - c. The earnings (loss) per share for the year ended March 31, 2017 would have been Rs. (420/-) per Share as against the reported earnings (profit) per share of Rs. 177/- per Share.



Qualified Opinion:

In our opinion and to the best of our knowledge and according to the information and explanations given to us, *except for the effects of the matters described in paragraphs 1 and 2 of the Basis for Qualified Opinion paragraph*, 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, 2017,
- 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 **except AS-15 as regards accounting for retirement benefits in the Financial Statement of employers**
- e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, 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, **except for the effects of the matters described in paragraphs 1 and 2 of the Basis for Qualified Opinion paragraph**, 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 .
- h) The Company have provided requisite disclosure in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November ,2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company - Refer Note(16) .

For Ramanand & Associates
Chartered Accountants
Firm Registration No. : 1177761W


CA Ramanand Gupta
Managing Partner
M. No. 103975
Place: Mumbai
Date: 26th July, 2017



"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, 2017:

- 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 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, amounting to Rs 72,43,705/-(P.Y.Rs 72,43,705)
- 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, 2016 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. : 117715W


CA Ramanand Gupta

Managing Partner

M. No. 103975

Place: Mumbai

Date: 26th July, 2017




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, 2017



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, 2017

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, 2017 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, 2017, *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. : 117761W


CA Ramanand Gupta

Managing Partner

M. No. 103975

Place: Mumbai

Date: 26th July, 2017



BALANCE SHEET AS AT 31st March 2017

(Amt. in Rs.)

Particulars	Note	As at 31st March,2017	As at 31st March,2016
I. EQUITY AND LIABILITIES			
(1)Shareholders' Fund			
(a) Share Capital	3	150,000,000	150,000,000
(b) Reserves & Surplus	4	115,691,580	113,033,076
(2) Non current Liabilities			
(a) Long term provisions	5	8,092,517	9,872,209
(3) Current Liabilities			
(a) Short term borrowings	6	-	10,970,533
(b) Trade Payables	7	437,261,616	383,700,376
(c) Other current liabilities	8	1,154,082	1,573,953
(d) Short term provisions	9	111,674,262	148,595,939
TOTAL		823,874,057	817,746,086
II. Assets			
(1) Non current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	3,678,823	4,432,033
(ii) Intangible Assets	10	35,923	41,582
(b) Non Current Investments	11	202,118,156	219,156,750
(c) Deferred Tax Assets (Net)	12	4,002,489	3,506,345
(d) Long-term loans & advances	13	26,025,276	34,419,236
(2) Current Assets			
(a) Other current assets	14	520,065,643	474,352,538
(b) Trade Receivables	15	39,049,811	49,177,683
(c) Cash and Cash Equivalents	16	18,643,178	23,195,205
(d) Short-term loans & advances	17	10,254,758	9,464,714
TOTAL		823,874,057	817,746,086

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

Dr C D Mayee
Dr C D Mayee
Chairman

A. K. Garg
A. K. Garg
Managing Director

(Ramanand Gupta)
(Ramanand Gupta)
Partner
Membership No:103975



Mamta Sahal
Mamta Sahal
Chief Financial Officer

Nidhi Shah
Nidhi Shah
Asst Company Secret

Place : Mumbai
Date : 30/06/2017



Statement of Profit And Loss for the year ended 31st March 2017

(Amount.In Rupees)

Particulars	Note	31st March 2017 Rupees	31st March 2016 Rupees
INCOME			
Revenue from Operations	18	130,294,670	173,992,923
Other Income	19	15,832,116	23,382,307
Total Revenue		146,126,786	197,375,230
EXPENDITURE			
Project Expenses	20	95,164,946	132,419,554
Employees Benefits Expense	21	35,918,935	43,491,023
Finance Costs	22	947,326	1,109,326
Depreciation and Amotisation Expense	10	917,396	1,070,830
Other Expenses	23	10,025,886	14,057,105
Total Expenses		142,974,489	192,147,838
Profit Before Tax & Extraordinary Items		3,152,297	5,227,392
Extraordinary Items		-	248,010
Profit before Tax		3,152,297	4,979,382
Tax Expense :			
Current Tax Expense		989,937	1,510,000
Tax Expense for earlier years		-	-
Deferred Tax - Income/(Expense)		496,144	(181,552)
Profit for the year		2,658,504	3,287,830

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

Basic and Diluted (in Rupees) 24 177 219

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

Dr C D Mayee
Chairman

A. K. Garg
Managing Director

(Ramanand Gupta)

Partner
Membership No:103975

Mamta Sahal
Chief Financial Officer

Nidhi Shah
Asst Company Secretary

Place : Mumbai
Date : 30/06/2017



Notes forming part of Financial Statements for the Year Ended 31st March, 2017.

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" *is 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:

- i. 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.
- ii. For the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life.

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.

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.

i. EVENTS OCCURRING AFTER BALANCE SHEET DATE:

No significant events which could affect the financial position as on 31.03.2017 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 original maturities of twelve months or less from the date of purchase, to be cash equivalents.

n. PROVISION FOR BAD AND DOUBTFUL DEBTS:

The policy being revised by the company vide Board Resolution dated 17th March, 2017 for providing for doubtful debts and writing off bad debts is as follows:

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



As per the above change in the accounting policy for the Provision for Doubtful Debts the following is the impact of on the Profit & Loss Account

Particulars	Sundry Debtors	New Policy		Old Policy	
		%	Amount	%	Amount
Less than 6 Month	6195668	-	-	-	-
6 month to 1 Year	1136165	-	-	-	-
Between 1 - 2 Year	456099	10	45609.9	10	45609.9
Between 2 - 3 Year	20291396	15	3043709	20	4058279
Between 3 - 5 Year	9256364	20	1851273	30	2776909
Between 5 - 7 Year	1883685	30	565105.5	100	1883685
More than 7 Years	-	100	-	100	-
Total			5505698		8764483

As per the above table if the company would have continued with the existing policy the company's profit would have been reduced by **Rs. 32,58,786/-** (Rs. 8764483/- minus Rs. 55,05,698/-)

Hence the Net Loss of the Company would have been **Rs. 6,00,282/-** (Net Profit as per new policy Rs. 26,58,504/- minus Profit Reduced due to change in accounting policy Rs. 32,58,786/-)



3. SHARE CAPITAL

Particulars	As at 31st March,2017 Rupees	As at 31st March,2016 Rupees
Authorised Share Capital 100,000 equity shares of Rs. 10,000/- each	1,000,000,000	1,000,000,000
Issued,Subscribed and Paid up 15,000 equity shares of Rs 10,000/- each fully paid up	150,000,000	150,000,000
Total	150,000,000	150,000,000

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

Name of Shareholders	No. of Shares As At 31/03/2017	No. of Shares As At 31/03/2016
NABARD	1000	1000
Export Import Bank of India	750	750
Central Bank of India	1608	1608
Bank of Baroda	1603	1603
Bank of India	1261	1261
Punjab National Bank	1089	1089
UCO Bank	803	803
Standard Chartered Bank	970	970

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

Particulars	As at 31st March,2017 No. of shares	As at 31st March,2016 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,2017 Rupees	As at 31st March,2016 Rupees
Profit And Loss Account		
As per last Balance Sheet	113,033,076	109,786,903
Add : Profit for the year	2,658,504	3,287,830
	115,691,580	113,074,733
Less :Retained earning	-	(41,657)
Total	115,691,580	113,033,076

5. Long term provisions

Particulars	As at 31st March,2017 Rupees	As at 31st March,2016 Rupees
Provision for Employees Leave Encashment	8,092,517	9,872,209
Total	8,092,517	9,872,209



6. Short Term Borrowing

Particulars	As at 31st March,2017 Rupees	As at 31st March,2016 Rupees
SECURED OVERDRAFT From Central Bank of India	-	10,970,533
Total	-	10,970,533

7. TRADE PAYABLES

Particulars	As at 31st March,2017 Rupees	As at 31st March,2016 Rupees
Micro, Small and Medium Enterprises Creditors For Project Expenses	-	-
Advances from Customers	8,259,247 429,002,369	5,318,337 378,382,039
TOTAL	437,261,616	383,700,376

8. OTHER CURRENT LIABILITIES

Particulars	As at 31st March,2017 Rupees	As at 31st March,2016 Rupees
Others (outstanding liability)	1,154,082	1,573,953
TOTAL	1,154,082	1,573,953

9. SHORT TERM PROVISIONS

Particulars	As at 31st March,2017 Rupees	As at 31st March,2016 Rupees
Provision for Project Expenses	102,688,985	140,902,747
Provision for Employee Benefits For Employees' Leave Encashment	3,419,627	2,747,290
Provision for Other Expenses	5,565,650	4,945,902
TOTAL	111,674,262	148,595,939

9.1 The Retirement benefit scheme of the company is funded by Life Insurance corporation(LIC) of India. As per the actuarial valuation certificate received from LIC, provision of Net Liability of Rs. 89,61,190/- is to be made for Gratuity as per present value of past service benefit. However, no provision has been made during the year for gratuity.



10. FIXED ASSETS

(In Rupees

Fixed Assets	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01.04.2016	Additions during the year	Deductions / Adjustments	As at 31.03.2017	As at 01.04.2016	For the Year	Deductions / Adjustments	Upto 31.03.2017	As at 31.03.2017	As at 31.03.2016
(A) TANGIBLE										
Building	246,597	0	0	246,597	208,260	1,399		209,659	36,940	38,339
Furniture & Fixtures	11,777,994	0	62,277	11,715,717	8,895,805	453,330	59,318	9,289,817	2,425,900	2,882,189
Office Equipment	7,066,566	141,110	3,400	7,204,276	6,647,711	161,673	2,105	6,807,279	396,996	418,854
Air Conditioners	1,324,690	0	82,000	1,242,690	1,015,566	57,313	73,171	999,708	242,981	309,123
Vehicles	1,378,688	0	0	1,378,688	914,103	67,013	0	981,116	397,572	464,585
Computers	11,135,861	30,500	0	11,166,361	10,816,918	171,009	0	10,987,927	178,434	318,943
Total (A)	32,930,396	171,610	147,677	32,954,329	28,498,363	911,737	134,594	29,275,506	3,678,823	4,432,033
(B) INTANGIBLE										
Software	1,480,481	0	0	1,480,481	1,438,899	5,659	0	1,444,558	35,923	41,582
Total (B)	1,480,481	0	0	1,480,481	1,438,899	5,659	0	1,444,558	35,923	41,582
Total (A+B)	34,410,877	171,610	147,677	34,434,810	29,937,262	917,396	134,594	30,720,064	3,714,746	4,473,615

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.

10.3 The effect of change in useful life of asset as per the Companies Act, 2013 has been given as mentioned in Note 2 (e).



11. NON-CURRENT INVESTMENTS

Particulars	As at 31st March,2017 Rupees	As at 31st March,2016 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	6,750
200 Equity shares of Rs. 10/- each fully paid up of Coal India Ltd.	63,639	-
1000 Equity shares of Rs. 10/- each fully paid up of IDFC India Ltd.	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	500,000	500,000
Investment in Other Companies		
30,000 (30,000) Equity Shares of Rs. 10/- each fully paid up of Global Procurement Consultants Ltd	300,000	300,000
iii) Bonds, Unquoted		
Investment in Other Companies		
Investment in ICICI Prudential Balance ADG	-	300,000
Investment in ICICI Prudential Focused Bluechip Equity Fund	-	-
Investment in MIRAE Asset	-	100,000
Investment in SBI Bluechip Fund	-	200,000
Investment in TATA Balanced Fund	-	200,000
Investment L& T India Prudential Fund	-	200,000
Fixed Deposit with Bank	201,150,000	217,350,000
Total	202,118,156	219,156,750

Long term investment are stated at cost		
Aggregate amount of quoted investments	168,156	6,750
Market value of quoted investments	171,371.00	34,637.50
Aggregate amount of unquoted investments	201,950,000	219,150,000

11.1 Fixed Deposits figure includes Fixed Deposits pledged with bank for facilities granted to the Company, cost aggregating to Rs.4,25,00,000/- (P.Y. Rs. 6,40,50,000/-)



12.Deferred Tax Assets

Particulars	As at 31st March,2017 Rupees	As at 31st March,2016 Rupees
Deferred Tax Assets	3,506,345	3,687,897
Add: Addition / (Deletion) for the year	496144	(181552)
Total	4,002,489	3,506,345

12.1 The component of Deferred Tax balances as on 31st March,2017 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,2017 Rupees	As at 31st March , 2016 Rupees
Expenses allowable on payment basis	3,557,252	3,899,425
Depreciation	445,236	(393,080)
Total	4,002,489	3,506,345

	As at 31st March,2017	As at 31st March , 2016
Net Deferred Tax Assets	4,002,489	3,506,345



13. LONG-TERM LOANS & ADVANCES

Particulars	As at 31st March,2017 Rupees	As at 31st March,2016 Rupees
(Unsecured Considered Good)		
Advance Tax (2004-05) (Net of Provision)	456,530	456,530
Advance Tax (2006-07) (Net of Provision)	477,462	477,462
Advance Tax (2008-09) (Net of Provision)	2,049,118	2,049,118
Advance Tax (2010-11) (Net of Provision)	1,823,788	1,823,786
Advance Tax (2011-12) (Net of Provision)	889,738	889,738
Advance Tax (2013-14) (Net of Provision)	851,508	851,508
Advance Tax (2014-15) (Net of Provision)	2,299,001	2,617,251
Advance Tax (2015-16) (Net of Provision)	5,126,078	10,750,768
Advance Tax (2016-17) (Net of Provision)	1,321,717	8,690,587
Advance Tax (2017-18) (Net of Provision)	6,059,473	-
Others		
- Deposits	4,528,213	5,634,339
Festival Advance	142,650	178,150
Total	26,025,276	34,419,236

14. Other Current Assets

Particulars	As at 31st March,2017 Rupees	As at 31st March,2016 Rupees
Jobs in Progress	515,778,000	464,173,000
Accrued interest on investment	4,287,643	10,179,538
Total	520,065,643	474,352,538

15. TRADE RECEIVABLES

Particulars	As at 31st March,2017 Rupees	As at 31st March,2016 Rupees
(Unsecured)		
Outstanding for a period exceeding six months		
Considered Good	33,023,709	32,212,687
Considered Doubtful	5,505,698	2,852,694
	38,529,407	35,065,381
Less: Provision for Doubtful Debts	5,505,698	2,852,694
	33,023,709	32,212,687
Others, considered good	6,026,102	16,964,996
Total	39,049,811	49,177,683



16. CASH & CASH EQUIVALENTS

Particulars	As at 31st March,2017 Rupees	As at 31st March,2016 Rupees
Cash on Hand	38,640	227
Balances with Banks		
In Current Account	7,790,555	23,194,978
In Overdraft Account	8,023,441	-
Investment in Mutual Fund	2,490,542	-
Short term deposit with bank	300,000	-
Total	18,643,178	23,195,205

Disclosure on Specified Bank Notes(SBNs):

During the year,the company has deposited specified bank notes, as defined in the MCA notification G.S.R. 308(E) dated march 31,2017.

For the purpose of this note,the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of india,in the ministry of Finance,Department of Economic Affairs number S.O.3407(E),dated the November 8,2016.

	SBNs	Other denomination
Closing Cash on hand as on 8.11.2016	10000	13931
(+) Permitted receipts	0	60000
(-)Permitted payments	0	55016
(-)Amount deposited in Banks	10000	0
Closing cash in hand as on 30.12.2016	0	18915

17. SHORT-TERM LOANS & ADVANCES

Particulars	As at 31st March,2017 Rupees	As at 31st March,2016 Rupees
(Unsecured Considered Good) Others #	10,254,758	9,464,714
Total	10,254,758	9,464,714

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

Particulars	As at 31st March,2017 Rupees	As at 31st March,2016 Rupees
AFC Foundation	6,870,405	6,870,405
AFCL Finance Services Pvt. Ltd.	373,300	373,300
Total	7,243,705	7,243,705



AFC INDIA LTD.

18. REVENUE FROM OPERATIONS

Particulars	31st March 2017 Rupees	31st March 2016 Rupees
Consultancy Income	130,294,670	173,992,923
Total	130,294,670	173,992,923

18.1 CONSULTANCY INCOME

Particulars	31st March 2017 Rupees	31st March 2016 Rupees
Projects completed during the year	78,689,670	156,499,923
Add : Value of Closing Jobs in Progress	515778000	464,173,000
Less : Value of Opening Jobs in Progress	464,173,000	446,680,000
Total	130,294,670	173,992,923

19. OTHER INCOME

Particulars	31st March 2017 Rupees	31st March 2016 Rupees
Interest Income	14,993,261	23,273,120
Other non operating income	31,981	17,397
Profit on redemption of Bonds	322,170	43,000
Dividend Income	35,800	30,300
Profit on sale of Fixed Asset	29,486	15,503
Excess Provision written Back	419,418	2,987
Total	15,832,116	23,382,307



20. PROJECT EXPENSE

Particulars	31st March 2017	31st March 2016
	Rupees	Rupees
Project Expenses	78,005,786	85,304,679
Consultancy Charges	14,857,056	37,048,561
Other Expenses	2,302,104	10,066,314
Total	95,164,946	132,419,554

21. EMPLOYEE BENEFITS EXPENSE

Particulars	31st March 2017	31st March 2016
	Rupees	Rupees
Salaries, Allowances, Bonus	28,939,111	34,305,179
Contribution to Provident and other funds	3,161,119	3,530,866
Staff Welfare Expenses	3,818,705	5,654,978
Total	35,918,935	43,491,023

21.1 Managerial Remuneration paid under Section 198 of the Companies Act, 1956 to the Managing Director of the Company is as under :

Particulars	Current year(Amount in Rs)	Previous Year(Rs)
Remuneration A/c	2,220,000	2,220,000
Contribution to PF	266,400	266,400
Perquisites as per Income Tax Rules	536,531	544,109
Total	3,022,931	3,030,509

22. FINANCE COSTS

Particulars	31st March 2017	31st March 2016
	Rupees	Rupees
Interest On Overdraft	682,164	626,727
Bank Charges	265,162	482,599
Total	947,326	1,109,326



23. OTHER EXPENSES

Particulars	31st March 2017	31st March 2016
	Rupees	Rupees
Travelling Expenses	878,799	663,961
Communication Charges	594,425	637,439
Legal & Professional Fees,	469,020	529,119
Electricity Charges	812,072	1,025,719
Insurance Charges	67,614	80,820
Rent, Rates and Taxes	2,038,335	2,447,697
Repairs and Maintenance	1,693,602	968,717
Vehicle Hiring Expenses	433,775	261,043
Printing and Stationery	489,242	871,775
Miscellaneous Expenses	1,579,612	2,603,818
Bad debts	-	2,852,694
Payment to Auditors:	-	-
Statutory Audit	30,000	30,000
Tax Audit	20,000	20,000
Provision for doubtful debts	919,390	1,064,303
TOTAL	10,025,886	14,057,105

24. EARNINGS PER SHARE (EPS)

	2016-17	2015-16
(i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	2,658,504	3,287,830
(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.)	177	219
(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	34699	(17084)



26. Related Party Disclosures

Transactions with related parties for the year ended 31st March 2017

Particulars	AFCL Finance Services Pvt. Ltd	AFC Foundation
Loan repaid by AFCL Finance Services Pvt Ltd	-	-
Interest from AFC Foundation	-	201,056

Balances with related parties as at March 31, 2016

Particulars	AFCL Finance Services Pvt. Ltd	AFC Foundation
AFCL Finance Services Pvt. Ltd	373,300	
AFC Foundation		6,870,405

27. Contingent Liabilities :

- a) Bank Guarantees issued to obtain various project works on behalf of the Company outstanding as on 31.03.2017 aggregate to Rs.236.88 lakhs (Previous Year Rs. 351.73 Lakhs).
- b) Company received an income tax demand amounting to Rs. 27,05,446/- in connection with A.Y. 2004-2005 and company filed appeal against that order with CIT (Appeals), however, the appeal was dismissed by the CIT (Appeals). Now, the case is filed with ITAT (Income Tax Appellate Tribunal). The case was heard on 07/06/2017 in ITAT "A" bench mumbai before Shri Mahavir Singh, JM and Shri N.K. Pradhan, AM, and the decision was in favour of the company.

As per our Report of even date

For Ramanand & Associates

Chartered Accountants


(Ramanand Gupta)


Partner


Membership No:103975

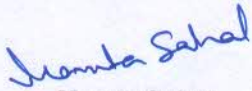
Place : Mumbai

Date :30/06/2017




Dr.C D Mayee
Chairman


A K Garg
Managing Director


Mamta Sahal

Chief Financial Officer


Nidhi Shah

Asst Company Secretary



CASH FLOW STATEMENT AS ON 31st MARCH, 2017

<u>(A) Cash Flow From Operating Activities:-</u>	<u>(Amount in Rs)</u>
Project Receipts	18,360,105
Sundry Receipts	20,099,834
Refund of EMD and other Deposits	7,942,024
Project expenses	(41,904,964)
Payments to and on behalf of staff	(28,034,669)
Payment of Taxes	(2,624,410)
Administrative expenses	(4,460,172)
<u>Net Cash Flow from Operating Activities(A)</u>	<u>(30,622,252)</u>

<u>(B) Cash Flow From Investing Activities:-</u>	
Sale of Fixed Assets	42,569
Maturity of Fixed deposits and Bonds	119,312,407
Interest on Investments	18,785,061
Profit on redemption of Bond	272,895
Interest from AFC Foundation	102,176
Dividend	35,800
<i>Interest on Income Tax Refund</i>	1,609,624
Purchase of Fixed Assets	(25,000)
Investment in Fixed deposits with bank	(101,250,000)
Investment in Mutual Funds	(3,625,000)
<u>Net Cash Flow from Investing Activities(B)</u>	<u>35,260,532</u>

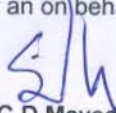
<u>(C) Cash Flow From Financing Activities(C)</u>	
Bank Charges	(264,372)
Interest on Bank OD	(745,944)
<u>Net Cash Flow from Financing Activities(C)</u>	<u>(1,010,316)</u>
<u>Net Cash & Cash Equivalents(A-B-C)</u>	<u>3,627,964</u>
Cash at the Beginning	<u>12,224,672</u>
<u>Cash at the end</u>	<u>15,852,636</u>

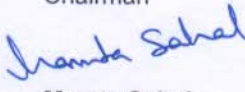
As per our Report of even date
For Ramanand & Associates
Chartered Accountants

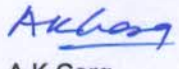

(Ramanand Gupta)
Partner
M. No : 103975

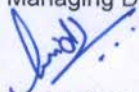


For an on behalf of the Board


Dr. C D Mayee
Chairman


Mamta Sahal
Chief Financial Officer


A K Garg
Managing Director


Nidhi Shah
Asst Company Secretary

Place : Mumbai
Date : 30/06/2017





RAMANAND & ASSOCIATES

— CHARTERED ACCOUNTANTS —

Head Office:
6/C, Gr. Floor, Ostwal Park Bldg. No. 4,
Near Jesal Park Jain Temple,
Bhayandar (East), Dist. Thane 401 105.
Mob.: 9322231113 / 9322006131
Tel.: 022 28171199 / 28171198
Email: rg@caramanandassociates.com
Website: www.caramanandassociates.com

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, 2017 and its subsidiary which comprise the consolidated Balance Sheet as at 31st March, 2017, 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

Basis for Qualified Opinion:

- 1. Attention is invited to Note No. 2 (g) (B) (I) (ii) regarding 'Employee Benefits' forming part of the Financial Statements ('Notes') of the Holding Company regarding method of accounting of gratuity to employees, which is accounted for on the basis of actuarial valuation made by LIC of India with whom the Holding Company has set up a fund for Gratuity and premium determined by LIC of India is accounted as Gratuity. During the Financial Year 2016-2017, the expenses to be***



recognized on account of Gratuity (Current Service Cost – Rs. 5,01,762/- + LCSA Premium – Rs. 34,090/- + Actuarial Loss – Rs. 6,21,465/- – Expected Return on Plan Assets – Rs. 5,62,844/-) as per actuarial valuation was Rs. 5.94 Lacs. As against this, the Holding company has paid Rs. 1 Lac as Gratuity Premium and the same has been debited to Profit and Loss Account as Gratuity Expense for the year. Thus, there is a short provision of Rs. 4.94 Lacs in respect of provision of gratuity expense for the year.

Further, as per the Balance Confirmation Certificate received from LIC of India as on 31-03-2017, the Holding company has Balance of Rs. 53.29 Lacs (Previous Year Rs. 103.56 Lacs) in Gratuity Fund with LIC. Further, total accrued gratuity liability of the Holding company as on 31-03-2017 was Rs. 142.90 Lacs (Previous Year Rs.176.54 Lacs). Thus, the Holding company has not considered 'Net Obligation on account of Gratuity' (Non-Current Liability) of Rs. 89.61 Lacs (Previous Year Rs.72.98 Lacs) which has not been provided and paid by the Holding company. In effect, Non Current Liabilities (Net Obligations on account of Gratuity Liability) is understated and and 'Reserves and Surplus' is overstated to the extent of Rs.89.61 Lacs (Previous Year Rs. 72.98 Lacs).

In our opinion, treatment given by the Holding company is not in accordance with the provisions of Accounting Standard – 15 (Employee Benefits) further the has not given the required disclosure under Accounting Standard – 15 (Employee Benefits). Furthermore, the said treatment is in contradiction with the accounting policy followed by the Holding Company.

2. We further report that, had the observations made in paragraph 1 above of our report for the year ended March 31, 2017 been considered,
 - a. The working results for the year ended March 31, 2017 would have been a loss of Rs.63.03 lacs as against the reported profit of Rs. 26.58 lacs.
 - b. The Non-Current Liabilities (Net Obligations on account of Gratuity Liability) as at March 31, 2017 would have been Rs 89.61 Lacs (as at March 31, 2016 debit of Rs. 72.98 lacs) as against the reported figure of Rs Nil (as at March 31, 2016 Rs Nil).
 - c. The earnings (loss) per share for the year ended March 31, 2017 would have been Rs. (420/-) per Share as against the reported earnings (profit) per share of Rs. 177/- per Share.



Qualified Opinion:

In our opinion and to the best of our knowledge and according to the information and explanations given to us, *except for the effects of the matters described in paragraphs 1 and 2 of the Basis for Qualified Opinion paragraph*, 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, 2017,

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. 6,37,919/- as at 31 March 2017, total revenues of Rs. 34,699/- 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. **except AS-15 as regards accounting for retirement benefits in the Financial Statement of employers**
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2017 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 2017 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, ***except for the effects of the matters described in paragraphs 1 and 2 of the Basis for Qualified Opinion paragraph***, 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
- h) The Holding Company have provided requisite disclosure in its consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November ,2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company - Refer Note(16) .

For Ramanand & Associates
Chartered Accountants
Firm Registration No. : 117276W



CA Ramanand Gupta
Managing Partner
M. No. 103975
Place: Mumbai
Date: 26th July, 2017



Annexure - A to the Auditors' Report

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 2017, we have audited the internal financial controls over financial reporting of Infosys Limited ("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 2017, *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. : 117976W



CA Ramanand Gupta

Managing Partner

M. No. 103975

Place: Mumbai

Date: 26th July, 2017



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, 2017



CONSOLIDATED BALANCE SHEET AS AT 31st March 2017

Particulars	Note	31st March 2017	31st March 2016
I. EQUITY AND LIABILITIES			
(1) Shareholders' Fund			
(a) Share Capital	3	150,000,000	150,000,000
(b) Reserves & Surplus	4	115,620,498	112,979,078
(2) Non current Liabilities			
(a) Long term provisions	5	8,092,517	9,872,209
(3) Current Liabilities			
(a) Short Term Borrowings	6	-	10,970,533
(b) Trade Payables	7	437,634,916	384,073,676
(c) Other current liabilities	8	1,154,082	1,573,953
(d) Short term provisions	9	111,674,262	148,595,939
TOTAL		824,176,275	818,065,388
II. Assets			
(1) Non current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	3,678,823	4,432,033
(ii) Intangible Assets	10	35,923	41,582
(b) Non Current Investments	11	202,188,156	218,776,750
(c) Deferred Tax Assets (Net)	12	4,002,489	3,506,345
(d) Long-term loans & advances	13	26,028,385	34,425,322
(2) Current Assets			
(a) Other current assets	14	520,067,222	474,352,538
(b) Trade Receivables	15	39,049,811	49,177,683
(c) Cash and Cash Equivalents	16	18,706,409	23,675,121
(d) Short-term loans & advances	17	10,419,058	9,678,014
TOTAL		824,176,275	818,065,388

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 : 30/06/2017



Dr C D Mayee

Chairman

Mamta Sahal

Chief Financial Officer

A K Garg

Managing Director

Nidhi Shah

Asst Company Secretary



Consolidated Statement of Profit And Loss for the year ended 31st March 2017

Particulars	Note	31st March 2017	31st March 2016
INCOME			
Revenue from Operations	18	130,294,670	173,992,923
Other Income	19	15,866,815	23,423,827
Total Revenue		146,161,485	197,416,750
EXPENDITURE			
Project Expenses	20	95,164,946	132,419,554
Employees Benefits Expense	21	35,918,935	43,491,023
Finance Costs	22	948,109	1,110,137
Depreciation and Amotisation Expense	10	917,396	1,070,830
Other Expenses	23	10,076,886	14,106,105
Total Expenses		143,026,272	192,197,649
Profit Before Extraordinary Items		3,135,213	5,219,102
Extraordinary Items	24	-	248,010
Profit before Tax		3,135,213	4,971,092
Tax Expense :			
Current Tax Expense		989,937	1,510,000
Tax Expense for earlier years		-	-
Deferred Tax		496,144	181,552
Profit for the year		2,641,420	3,279,540

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

Basic & Diluted (in Rupees)	24	176	219
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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



SJV
Dr C D Mayee
Chairman

Mamta Sahal
Mamta Sahal

Chief Financial Officer

AK Garg
A K Garg
Managing Director

Nidhi Shah
Nidhi Shah
Asst Company
Secretary



Notes forming part of Consolidated Financial Statements for the Year Ended 31st March, 2017.

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:

- i) 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.
- ii) For the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life.

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.

- 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.



i. EVENTS OCCURRING AFTER BALANCE SHEET DATE:

No significant events which could affect the financial position as on 31.03.2017 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 original maturities of twelve months or less from the date of purchase, to be cash equivalents.



n. PROVISION FOR BAD AND DOUBTFUL DEBTS:

The policy being revised by the company vide Board Resolution dated 17th March, 2017 for providing for doubtful debts and writing off bad debts is as follows:

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



As per the above change in the accounting policy for the Provision for Doubtful Debts the following is the impact of on the Profit & Loss Account

Particulars	Sundry Debtors	New Policy		Old Policy	
		%	Amount	%	Amount
Less than 6 Month	6195668	-	-	-	-
6 month to 1 Year	1136165	-	-	-	-
Between 1 - 2 Year	456099	10	45609.9	10	45609.9
Between 2 - 3 Year	20291396	15	3043709	20	4058279
Between 3 - 5 Year	9256364	20	1851273	30	2776909
Between 5 - 7 Year	1883685	30	565105.5	100	1883685
More than 7 Years	-	100	-	100	-
Total			5505698		8764483

As per the above table if the company would have continued with the existing policy the company's profit would have been reduced by **Rs. 32,58,786/-** (Rs. 8764483/- minus Rs. 55,05,698/-)

Hence the Net Loss of the Company would have been **Rs. 6,00,282/-** (Net Profit as per new policy Rs. 26,58,504/- minus Profit Reduced due to change in accounting policy Rs. 32,58,786/-)



3. SHARE CAPITAL

Particulars	31st March 2017	31st March 2016
Authorised Share Capital 100,000 equity shares of Rs.10,000/- each	1,000,000,000	1,000,000,000
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	150,000,000 -	150,000,000
Total	150,000,000	150,000,000

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

Name of Shareholders	No. of Shares As At 31/03/2017	% of shareholding
NABARD	1000	6.66
Export Import Bank of India	750	5.00
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
UCO Bank	803	5.35
Standard Chartered Bank	970	6.47

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

Particulars	As at 31st March, 2017 No. of shares	As at 31st March, 2016 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, 2017	31st March 2016
Profit And Loss Account(on consolidation) As per last Balance Sheet	112,979,078	109,741,196
Add : Profit/loss for the year	2,641,420	3,279,539
Total	115,620,498	113,020,735
Less: Shortfall of Depreciation due to change in useful life of Asset	-	(41,657)
Total	115,620,498	112,979,078

5. Long term provisions

Particulars	As at 31st March, 2017	31st March 2016
Provision for Employees Leave Encashment	8,092,517	9,872,209
TOTAL	8,092,517	9,872,209



6. Short term Borrowings

Particulars	As at 31st March, 2017	31st March 2016
From Central Bank of India	-	10,970,533
From State Bank of Patiala	-	-
Total	-	10,970,533

7. TRADE PAYABLES

Particulars	As at 31st March, 2017	31st March 2016
Micro, Small and Medium Enterprises @		
Creditors For Project Expenses	8,632,547	5,691,637
Advances from Customers	429,002,369	378,382,039
TOTAL	437,634,916	384,073,676

@ The holding 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	As at 31st March, 2017	31st March 2016
Others	1,154,082	1,573,953
TOTAL	1,154,082	1,573,953

9. SHORT TERM PROVISIONS

Particulars	As at 31st March, 2017	31st March 2016
Provision for Project Expenses	102,688,985	140,902,747
Provision for Employee Benefits		
For Employees' Leave Encashment	3,419,627	2,747,290
For Employees Gratuity		
Provision for Other Expenses	5,565,650	4,945,902
TOTAL	111,674,262	148,595,939

9.1 The Retirement benefit scheme of the company is funded by Life Insurance corporation(LIC) of India. As per the actuarial valuation certificate received from LIC, provision of Net Liability Rs. 89,61,190/- is to be made for Gratuity as per present value of past service benefit. However, no provision has been made during the year for gratuity.



10. FIXED ASSETS

(In Rupees

Fixed Assets	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION				NET BLOCK	
	As at 01.04.2016	Additions during the year	Deductions / Adjustments	As at 31.03.2017	As at 01.04.2016	For the Year	Deductions / Adjustments	Upto 31.03.2017	As at 31.03.2017	As at 31.03.2016
(A) TANGIBLE										
Building	246,597	0	0	246,597	208,260	1,399	0	209,659	36,940	38,339
Furniture & Fixtures	11,777,994	0	62,277	11,715,717	8,895,805	453,330	59,318	9,289,817	2,425,900	2,882,189
Office Equipment	7,066,566	141,110	3,400	7,204,276	6,647,711	161,673	2,105	6,807,279	396,996	418,854
Air Conditioners	1,324,690	0	82,000	1,242,690	1,015,566	57,313	73,171	999,708	242,981	309,123
Vehicles	1,378,688	0	0	1,378,688	914,103	67,013	0	981,116	397,572	464,585
Computers	11,135,861	30,500	0	11,166,361	10,816,918	171,009	0	10,987,927	178,434	318,943
Total (A)	32,930,396	171,610	147,677	32,954,329	28,498,363	911,737	134,594	29,275,506	3,678,823	4,432,033
(B) INTANGIBLE										
Software	1,480,481	0	0	1,480,481	1,438,899	5,659	0	1,444,558	35,923	41,582
Total (B)	1,480,481	0	0	1,480,481	1,438,899	5,659	0	1,444,558	35,923	41,582
Total (A+B)	34,410,877	171,610	147,677	34,434,810	29,937,262	917,396	134,594	30,720,064	3,714,746	4,473,615

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.

10.3 The effect of change in useful life of asset as per the Companies Act, 2013 has been given as mentioned in Note 2 (e).



11. NON-CURRENT INVESTMENTS

Particulars	31st March 2017	31st March 2016
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	6,750
200 Equity shares of Rs. 10/- each fully paid up of Coal India Ltd.	63,639	
1000 Equity shares of Rs. 10/- each fully paid up of IDFC India Ltd.	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	300,000	300,000
iii) Bonds, Unquoted		
Investment in Other Companies		
Investment in ICICI Prudential Balance ADG	0	300,000
Investment in MIRAE Asset	0	100,000
Investment in SBI Bluechip Fund	0	200,000
Investment in TATA Balanced Fund	0	200,000
Investment L& T India Prudencial Fund	0	200,000
Investment in Mutual Fund AFC Financial Services	170,000	120,000
Fixed Deposits with Banks:		
Maturity More than 12 Months	201,550,000	217,350,000
Total	202,188,156	218,776,750

Long term investment are stated at cost

Aggregate amount of quoted investments

168,156

Market value of quoted investments

171,371.00

Aggregate amount of unquoted investments

201,950,000

11.1 Fixed Deposits figure includes Fixed Deposits pledged with bank for facilities granted to the Company, cost aggregating to Rs.4,25,00,000/- (P.Y. Rs. 6,40,50,000/-)



12.Deferred Tax Assets

Particulars	31st March 2017	31st March 2016
Deferred Tax Assets	3,506,345	3,687,897
Add: Addition/ (Deletion) for the year	496,144	(181552)
Total	4,002,489	3,506,345

12.1 The component of Deffered Tax balances as on 31st March,2017 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 2017	31st March 2016
Brought forward losses	-	3,899,425
Expenses allowable on payment basis	3,557,252	(393,080)
Depreciation	445,236	-
Total	4,002,489	3,506,345

	31st March 2017	31st March 2016
Net Deferred Tax Assets	4,002,489	3,506,345



13. LONG-TERM LOANS & ADVANCES

Particulars	31st March 2017	31st March 2016
(Unsecured Considered Good)		
Advance Tax (2004-05) (net of provision)	456,530	456,530
Advance Tax (2006-07) (net of provision)	477,462	477,462
Advance Tax (2008-09) (net of provision)	2,049,118	2,049,118
Advance Tax (2010-11) (net of provision)	1,823,788	1,823,785
Advance Tax (2011-12) (net of provision)	889,738	889,738
Advance Tax (2012-13) (net of provision)	-	851,508
Advance Tax (2013-14) (net of provision)	851,508	
Advance Tax (2014-15) (net of provision)	2,299,001	2,617,251
Advance Tax (2015-16) (net of provision)	5,129,187	10,756,854
Advance Tax (2016-17) (Net of Provision)	1,321,717	8,690,587
Advance Tax (2017-18) (Net of Provision)	6,059,473	
Others		
- Deposits	4,528,213	5,634,339
Festival Advance	142,650	178,150
Total	26,028,385	34,425,323

14. Other Current Assets

Particulars	31st March 2017	31st March 2016
Jobs in Progress	515,778,000	464,173,000
Accrued interest on investment	4,289,222	10,179,538
Total	520,067,222	474,352,538

15. TRADE RECEIVABLES

Particulars	31st March 2017	31st March 2016
(Unsecured)		
Outstanding for a period exceeding six months		
Considered Good	33,023,709	32,212,687
Considered Doubtful	5,505,698	2,852,694
	38,529,407	35,065,381
Less: Provision for Doubtful Debts	5,505,698	2,852,694
	33,023,709	32,212,687
Others, considered good	6,026,102	
		16,964,996
Total	39,049,811	49,177,683



16. CASH & CASH EQUIVALENTS

Particulars	31st March 2017	31st March 2016
Cash on Hand	38,640	227
Balances with Banks	-	
In Current Account	7,853,786	23,674,894
In Overdraft Account	8,023,441	-
Investment in Mutual Fund	2,490,542	-
Short term deposit with bank	300,000	-
Total	18,706,409	23,675,121

Disclosure on Specified Bank Notes(SBNs):

During the year, the holding company has deposited specified bank notes, as defined in the MCA notification G.S.R. 308(E) dated march 31,2017.

For the purpose of this note, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O.3407(E), dated the November 8,2016.

	SBNs	Other denomination
Closing Cash on hand as on 8.11.2016	10000	13931
(+) Permitted receipts	0	60000
(-) Permitted payments	0	55016
(-) Amount deposited in Banks	10000	0
Closing cash in hand as on 30.12.2016	0	18915

17. SHORT-TERM LOANS & ADVANCES

Particulars	31st March 2017	31st March 2016
(Unsecured Considered Good)		
Others #	10,419,058	9,678,014
Total	10,419,058	9,678,014

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

Particulars	31st March 2017	31st March 2016
AFC Foundation	6,870,405	6,870,405
AFCL Finance Services Pvt. Ltd.	373,300	373,300
Total	7,243,705	7,243,705



AFC INDIA LIMITED

18. REVENUE FROM OPERATIONS

Particulars	31st March 2017	31st March 2016
Consultancy Income	130,294,670	173,992,923
Total	130,294,670	173,992,923

18.1 CONSULTANCY INCOME

Particulars	31st March 2017	31st March 2016
Projects completed during the year	78689670	156,499,923
Add : Value of Closing Jobs in Progress	515778000	464,173,000
Less : Value of Opening Jobs in Progress	464173000	446,680,000
Total	130,294,670	173,992,923

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

19. OTHER INCOME

Particulars	31st March 2017	31st March 2016
Interest Income	15,027,960	23,314,640
Dividend Income	35,800	30,300
Other non operating income	31,981	17,397
Profit on sale of Fixed Asset	29,486	15,503
Recovery of Bad Debts	-	2,987
Excess Provision written Back	419,418	-
Profit on Redemption of Bond	322,170	43,000
Total	15,866,815	23,423,827



20. PROJECT EXPENSE

Particulars	31st March 2017	31st March 2016
Project Expenses	78,005,786	85,304,679
Consultancy Charges	14,857,056	37,048,561
Other Expenses	2,302,104	10,066,314
Total	95,164,946	132,419,554

21. EMPLOYEE BENEFITS EXPENSE

Particulars	31st March 2017	31st March 2016
Salaries, Allowances, Bonus	28,939,111	34,305,179
Contribution to Provident and other funds	3,161,119	3,530,866
Staff Welfare Expenses	3,818,705	5,654,978
Total	35,918,935	43,491,023

21.1 Managerial Remuneration paid under Section 198 of the Companies Act, 1956 to the Managing Director of the Company is as under :

Particulars	Curren Year	Previous Year
Remuneration A/c	2,220,000	2220000
Contribution to PF	266,400	266400
Perquisites as per Income Tax Rules	536,531	544,109
Total	3,022,931	3,030,509

22. FINANCE COSTS

Particulars	31st March 2017	31st March 2016
Interest On Overdraft	682,164	626,727
Bank Charges	265,945	483,410
Total	948,109	1,110,137



23. OTHER EXPENSES

Particulars	31st March 2017	31st March 2016
Travelling Expenses	878,799	663,961
Communication Charges	594,425	637,439
Legal & Professional Fees	471,020	529,119
Electricity Charges	812,072	1,025,719
Insurance Charges	67,614	80,820
Rent, Rates and Taxes	2,038,335	2,447,697
Repairs and Maintenance	1,693,602	968,717
Vehicle Hiring Expenses	433,775	261,043
Printing and Stationery	489,242	871,775
Miscellaneous Expenses	1,579,612	2,603,818
Bad debts	-	2,852,694
Payment to Auditors:		
Statutory Audit	30,000	30,000
Tax Audit	20,000	20,000
Provision for doubtful debts	919,390	1,064,303
Pre incorporation Exp.	49,000	49,000
TOTAL	10,076,886	14,106,105

24. EARNINGS PER SHARE (EPS)

	2016-17	2015-16
(i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	2,641,420	3,279,540
(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.)	176	219
(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	34699	(17084)



26. Related Party Disclosures

Transactions with related parties for the year ended 31st March 2017

Particulars	AFCL Finance Services Pvt. Ltd	AFC Foundation
Loan repaid by AFCL Finance Services Pvt Ltd	-	-
Interest from AFC Foundation	-	201,056

Balances with related parties as at March 31, 2016

Particulars	AFCL Finance Services Pvt. Ltd	AFC Foundation
AFCL Finance Services Pvt. Ltd	373,300	-
AFC Foundation	-	6,870,405

27. Contingent Liabilities :

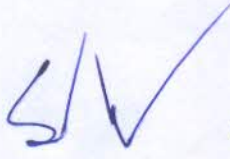
- a) Bank Guarantees issued to obtain various project works on behalf of the Company outstanding as on 31.03.2017 aggregate to Rs.236.88 lakhs (Previous Year Rs. 351.73 Lakhs).
- b) Company received an income tax demand amounting to Rs. 27,05,446/- in connection with A.Y. 2004-2005 and company filed appeal against that order with CIT (Appeals), however, the appeal was dismissed by the CIT (Appeals). Now, the case is filed with ITAT (Income Tax Appellate Tribunal). The case was heard on 07/06/2017 in ITAT "A" bench mumbai before Shri Mahavir Singh, JM and Shri N.K. Pradhan, AM, and the decision was in favour of the company.

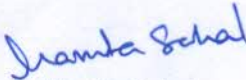
As per our Report of even date

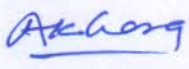
For Ramanand & Associates
Chartered Accountants


(Ramanand Gupta)
Partner
Membership No: 103975
Place : Mumbai
Date :30/06/2017




Dr.C D Mayee
Chairman


Mamta Sahal
Chief Financial Officer


A K Garg
Managing Director


Nidhi Shah
Asst Company Secretary



CONSOLIDATED CASH FLOW STATEMENT AS ON 31st MARCH, 2017

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

Project Receipts	18,360,105
Sundry Receipts	20,107,496
Refund of EMD and other Deposits	7,942,024
Project expenses	(41,904,964)
Payments to and on behalf of staff	(28,034,669)
Payment of Taxes	(2,624,410)
Administrative expenses	(4,462,172)

Net Cash Flow from Operating Activities(A) (30,616,590)

(B) Cash Flow From Investing Activities:-

Sale of Fixed Assets	42,569
Maturity of Fixed deposits and Bonds	119,312,407
Interest on Investments	18,813,208
Profit on redemption of Bond	272,895
Interest from AFC Foundation	102,176
Dividend	35,800
Interest on Income Tax Refund	1,609,912
Purchase of Fixed Assets	(25,000)
Investment in Fixed deposits with bank	(101,250,000)
Investment in Mutual Funds	(3,675,000)

Net Cash Flow from Investing Activities(B) 35,238,967

(C) Cash Flow From Financing Activities(C)

Bank Charges	(265,155)
Interest on Bank OD	(745,944)

Net Cash Flow from Financing Activities(C) (1,011,099)

Net Cash & Cash Equivalents(A-B-C) 3,611,278

Cash at the Beginning 12,304,588

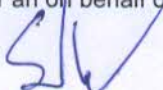
Cash at the end 15,915,866

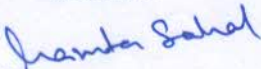
As per our Report of even date
For Ramanand & Associates
Chartered Accountants

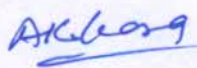

(Ramanand Gupta)
Partner
M. No : 103975



For an on behalf of the Board


Dr. C D Mayee
Chairman


Mamta Sahal
Chief Financial Officer


A K Garg
Managing Director


Nidhi Shah
Asst Company Secretary

Place : Mumbai
Date : 30/06/2017





AFC INDIA LIMITED

Formerly Agricultural Finance Corporation Ltd.

CIN No. U65990MH1968GOI013983

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