AFC INDIA LIMITED

CIN : U65990MH1968GOI013983

Balance Sheet as at March 31, 2021

(Amount in Rupees)

Particulars	Note No.	As at 31/03/2021	As at 31/03/2020
I EQUITY & LIABILITIES			
1 Shareholder's Funds			
(a) Equity Share Capital	3	15,00,00,000	15,00,00,000
(b) Reserves and Surplus	4	11,17,58,957	11,06,15,041
		26,17,58,957	26,06,15,041
2 LIABILITIES			
(i) NON-CURRENT LIABILITIES			
(a) Long Term Provisions	5	91,82,549	84,40,260
TOTAL NON-CURRENT LIABILITIES		91,82,549	84,40,260
(ii) CURRENT LIABILITIES			
(a) Short Term Borrowings	6	-	-
(b) Trade Payables	7	2,21,84,787	2,02,13,084
(c) Other Current Liabilities	8	49,92,09,914	43,46,66,542
(d) Short Term Provisions	9	9,78,53,157	8,72,52,734
TOTAL CURRENT LIABILITIES		61,92,47,858	54,21,32,360
TOTAL LIABILITIES		62,84,30,407	55,05,72,620
TOTAL EQUITY AND LIABILITIES		89,01,89,364	81,11,87,661
I ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant and Equipments and Intangible Assets			
(i) Property, Plant and Equipments	10	30,07,156	25,04,202
(ii) Intangible Assets	11	14,769	14,862
(b) Non Current Investments	12	16,12,714	3,74,91,472
(c) Defererd Tax Assets (Net)	13	57,27,634	51,47,096
(d) Long Term Loans and Advances	14	5,61,39,494	4,51,03,741
TOTAL NON-CURRENT ASSETS		6,65,01,767	9,02,61,373
2 CURRENT ASSETS			
(a) Other Current Assets	15	56,77,42,200	53,02,00,746
(b) Trade Receivables	16	2,81,21,031	3,02,60,751
(c) Cash and Cash Equivalents	17	22,62,96,748	15,69,21,969
(d) Short Term Loans and Advances	18	15,27,618	35,42,822
TOTAL CURRENT ASSETS		82,36,87,597	72,09,26,288
TOTAL ASSETS		89,01,89,364	81,11,87,661

Significant accounting policies and notes to accounts 1 to 36

As per our report of even date attached
For Ashok Bairagra & Associates
Chartered Accountants
Firm Reg. No.: 118677W

Ashok Bairagra
Partner
M. No. 030039
UDIN :

Place: Mumbai
Date: 17-08-2021

UDIN: 21030039AAAABJ1056

ASHOK BAIRAGRA & ASSOCIATES Chartered Accountants M. NO. 030039

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

Dr. C D Mayee
Chairman

Mr. B. Ganeshan
Managing Director

Mrs. Mamta Sahal
Chief Financial Officer

Ms. Nidhi Shah
Company Secretary

AFC INDIA LIMITED MUMBAI

AFC INDIA LIMITED

CIN : U65990MH1968GOI013983

Statement of Profit and Loss for the year ended March 31, 2021

(Amount in Rupees)

Particulars	Note No.	For the year ended 31-Mar-21	For the year ended 31-Mar-20
Income:			
Revenue from Operations	19	24,20,74,605	21,11,28,239
Other Income	20	1,63,52,504	1,60,60,387
Total Income		**25,84,27,109**	**22,71,88,626**
Expenses:			
Project Expenses	21	18,87,65,485	15,62,92,592
Employee Benefit Expenses	22	5,03,81,617	4,35,67,305
Finance Costs	23	6,25,264	8,71,635
Depreciation and Amortization	24	9,67,663	8,83,408
Other Expenses	25	1,60,98,339	2,22,60,004
Total Expenses		**25,68,38,368**	**22,38,74,944**
Profit Before Exceptional Items & prior period expenses and Tax		**15,88,741**	**33,13,683**
Exceptional Items	26	-	(9,03,122)
Prior Period Income / (Expenses) Net	27	(1,72,544)	-
Profit Before Tax		**14,16,196**	**24,10,561**
Less : Tax Expense			
Current Tax		6,66,565	4,83,048
Income Tax of Earlier year		1,86,253	-
Deferred Tax		(5,80,538)	(1,15,867)
Profit/(Loss) for the year		**11,43,916**	**20,43,380**
Earnings per equity share for profit/ (Loss)	28		
Basic		76	136
Diluted		76	136
Significant accounting policies and notes to accounts	1 to 36		

As per our report of even date attached
For Ashok Bairagra & Associates
Chartered Accountants
Firm Reg. No.: 118677W

Ashok Bairagra
Partner
M. No. 030039
UDIN :

ASHOK BAIRAGRA & ASSOCIATES M. NO. 030039 Chartered Accountants

Place: Mumbai
Date: 17-08-2021

UDIN NO: 21030039AAAABJ1056

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

Dr. C D Mayee
Chairman

Mr. B. Ganeshan
Managing Director

Mrs. Mamta Sahal
Chief Financial Officer

Ms. Nidhi Shah
Company Secretary

AFC INDIA LIMITED MUMBAI

AFC INDIA LIMITED
Statement of cash flows for the year ended March 31, 2021

	March 31, 2021	March 31, 2020
Cash flow from Operating Activities		
Profit before Exceptional Items and Income tax	15,88,741	33,13,683
Adjustments to reconcile net profit to net cash provided by operating activities :		
Depreciation and amortisation expense	9,67,663	8,83,408
Impairment Loss on Investments/ Revalue of Investment	(1,10,839)	87,559
Interest income	(1,35,33,526)	(1,36,14,288)
Interest expenses	6,25,264	8,71,635
Dividend income	(47,500)	(47,400)
Profit on Sale of Assets	-	(1,07,584)
Operating Profit Before Working Capital Changes	**(1,05,10,197)**	**(86,12,988)**
Change in operating assets and liabilities		
Increase/(decrease) in Long Term Provisions	7,42,289	(9,93,206)
Increase/(decrease) in Trade Payables	19,71,703	61,97,702
Increase/(decrease) in Other Current Liabilities	6,45,43,372	1,91,67,185
Increase/(decrease) in Short Term Provisions	1,06,00,423	(5,31,857)
(Increase)/decrease in Long Term Loans and Advances	(55,60,988)	(27,59,535)
(Increase)/decrease in Other Current Assets	(3,93,26,179)	(3,85,29,000)
(Increase)/decrease in Trade Receivables	21,39,720	1,05,01,736
(Increase)/decrease in Short Term Loans and Advances	20,15,204	21,96,337
Cash generated from operations	**2,66,15,347**	**(1,33,63,626)**
Cash Flow from Exceptional Items	-	(9,03,122)
Cash Flow from Prior period expenses	(1,72,544)	-
Income tax paid	(63,27,583)	4,84,657
Net cash inflow / (outflow) operating activities	**2,01,15,219**	**(1,37,82,091)**
Cash flow from investing activities		
Sale / Disposal of Property, Plant and Equipments	-	3,45,711
Purchase of Property, Plant and Equipments	(14,70,524)	(15,10,001)
Investment in Fixed Deposits	(9,76,90,000)	(13,80,49,209)
Maturity in Fixed Deposit	9,42,21,000	12,46,00,000
Investment in Shares	-	-
Sale of Shares	-	5,00,000
Interest on Fixed Deposits	1,53,18,251	1,40,86,272
Dividend Income	47,500	47,400
Net cash inflow / (outflow) investing activities	**1,04,26,227**	**20,173**
Cash flow from financing activities		
Repayment of borrowings	-	-
Interest paid	(6,25,264)	(8,71,635)
Net cash inflow (outflow) from financing activities	**(6,25,264)**	**(8,71,635)**
Net increase / (decrease) in cash and cash equivalents	2,99,16,182	(1,46,33,553)
Cash and cash equivalents at the beginning of the year	1,10,96,385	2,57,29,937
Cash and cash equivalents at the end of the year	**4,10,12,567**	**1,10,96,385**
Breakup of Cash and Cash Equivalent		
Cash and Cash Equivalents		
Cash in Hand	39,128	48,305
Balances with Banks in Current Accounts	83,10,672	55,28,346
Balances with Banks in Overdraft Accounts	3,26,62,766	32,19,734
Others :	-	-
Investment in Mutual Funds	-	23,00,000
Total	4,10,12,567	1,10,96,385
Total Cash and Cash Equivalent	4,10,12,567	1,10,96,385

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

As per our report of even date attached
For Ashok Bairagra & Associates
Chartered Accountants
Firm Reg. No.: 118677W

Ashok Bairagra
Partner
M. No. 030039
UDIN :

Place: Mumbai
Date : 17-08-2021

ASHOK BAIRAGRA & ASSOCIATES M. NO. 030039 Chartered Accountants

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

Dr. C D Mayee
Chairman

Mr. B. Ganeshan
Managing Director

Mrs. Mamta Sahal
Chief Financial Officer

Ms. Nidhi Shah
Company Secretary

AFC INDIA LIMITED MUMBAI

UDIN No. 21030039AAAABJ1056

AFC INDIA LIMITED
CIN: U65990MH1968GOI013983
NOTES TO FINANCIAL STATEMENTS

1 OVERVIEW

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

2 SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company.

b. Use of Estimates

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

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

c. Fixed Asset

Tangible Asset:

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

Intangible Asset:

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

d. Depreciation

The company provides depreciation on written down value basis over the useful life of the assets as specified in Part "C" of schedule II of the Companies Act, 2013.

e. Investments

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long-term investments and are carried at cost. However, provision for diminution in value of investments is made to recognize a decline, other than temporary, in the value of the investments. Investments other than long-term investments being current investments are valued at cost or fair value whichever is lower, determined on an individual basis.

Investments, which are readily realizable and intended to be held for not more than one year from balance sheet date, are classified as current investments. All other investments are classified as non-current investments.

ASHOK BAIRAGRA & ASSOCIATES M. NO. 030039 Chartered Accountants

AFC INDIA LIMITED MUMBAI

f. Revenue recognition

The company generally follows the mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.

Consultancy fees are recognised as per proportionate completion method (PCM) as prescribed in AS-9 "Revenue Recognition" based on the Project Completion Certificate as certified by the management. Incomplete assignments at the Balance sheet date are shown as "Jobs in Progress".

g. Employee Benefits

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

Post-employment benefits:

i. For all employees, provident fund monthly contributions are made to Trust administrated by the company. The interest rate payable by the Trust to the beneficiaries is notified by the Government. The Company has an obligation to make good of the shortfall, if any, between the returns on investments of the Trust and the notified rates. Company's contributions towards the provident fund scheme are recognised during the year in which the related services are rendered.

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

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

h. Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Capitalization of borrowing cost is suspended during the extended period in which active development is interrupted.

i. Prior Period Item

Any material (other than those arising out of over/ under estimation in earlier years) arising as a result of error or omission in preparation of earlier years financial statements are separately disclosed.

j. Taxation

Current Tax:

Provision for current tax is made after taking in to consideration benefits admissible under the provisions of the Income tax Act, 1961.

Advance taxes and provision for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision and where the company is able and intends to settle the asset and liability on net basis.

Deferred Tax:

Deferred tax resulting from "Timing Difference" between Block and Taxable profit is accounted for using the tax rates & laws that have been enacted or substantively enacted on the balance sheet date. The Deferred tax assets is recognized and carried forward only to the extent that there is virtual certainty supported by convincing evidence that the asset will be realized in future.

Net outstanding balance in Deferred tax account is recognized as Deferred tax liabilities / asset.

The Deferred tax account is used solely for reversing timing difference as and when crystalized

ASHOK BAIRAGRA & ASSOCIATES M. NO. 030039 Chartered Accountants

AFC INDIA LIMITED MUMBAI

k. **Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognized when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provision are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

l. **Earnings Per Share**

Earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to the equity shareholders of the Company by weighted average number of equity shares determined by assuming conversion on exercise of conversion rights for all potential dilutive equity shares.

m. **Cash and Cash Equivalent**

The company considers all highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having maturities of twelve months or less.

n. **Provision for Bad and Doubtful Debts**

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

Period of outstanding debt	Amount of debt transferred as doubtful debt
Six Months - One Year	Nil
One Year- Two Years	10% of the total outstanding amount
Two Years – Three Years	15% of the total outstanding amount
Three Years – Five Years	20% of the total outstanding amount
Five Years – Seven Years	30% of the total outstanding amount
More than Seven Years	Written off as Bad Debts

o. **Events occurring after balance sheet date**

No significant events which could affect the financial position as on 31.03.2021 to a material extent have been reported by the company, after the balance sheet date till the signing of report.

As per our report of even date attached	For & on behalf of the Board of Directors	
For Ashok Bairagra & Associates	**AFC India Limited**	
Chartered Accountants		
Firm Reg. No.: 118677W		
Ashok Bairagra	**Dr. C D Mayee**	**Mr. B. Ganeshan**
Partner	**Chairman**	**Managing Director**
M. No. 030039		
UDIN :		
Place: Mumbai	**Mrs. Mamta Sahal**	**Ms. Nidhi Shah**
Date: 17-08-2021	**Chief Financial Officer**	**Company Secretary**

ASHOK BAIRAGRA & ASSOCIATES M. NO. 030039 Chartered Accountants

AFC INDIA LIMITED MUMBAI

AFC INDIA LIMITED

Notes forming part of the financial statements

Note 3 : Share Capital

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	(Amount in Rs.)	Number of shares	(Amount in Rs.)
Authorised Share Capital				
Equity shares of Rs. 10,000/- each	1,00,000	1,00,00,00,000	1,00,000	1,00,00,00,000
Issued Subscribed and fully paid up				
Equity shares of Rs. 10,000/- each	15,000	15,00,00,000	15,000	15,00,00,000
Total	**15,000**	**15,00,00,000**	**15,000**	**15,00,00,000**

3.1 Terms / rights attached to equity shares:

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

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

Particulars	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares	(Amount in Rs.)	Number of shares	(Amount in Rs.)
At the beginning of the year	15,000	15,00,00,000	15,000	15,00,00,000
Add: Issued During the Year	-	-	-	-
Closing Balance	**15,000**	**15,00,00,000**	**15,000**	**15,00,00,000**

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

Name of shareholder	As at 31 March, 2021		As at 31 March, 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Bank of Baroda	2,250	15.00%	1,603	10.69%
Central Bank of India	1,608	10.72%	1,608	10.72%
Bank of India	1,261	8.41%	1,261	8.41%
Punjab National Bank	1,769	11.79%	1,089	7.26%
NABARD	1,000	6.67%	1,000	6.67%
Standard Chartered Bank	970	6.47%	970	6.47%
State Bank of India	950	6.33%	950	6.33%
UCO Bank	803	5.35%	803	5.35%
Export Import Bank of India	750	5.00%	750	5.00%
CANARA BANK	750	5.00%	500	3.33%
INDIAN BANK	946	6.31%	251	1.67%
UNION BANK OF INDIA	831	5.54%	706	4.71%

ASHOK BAIRAGRA & ASSOCIATES M. NO. 030039 Chartered Accountants

AFC INDIA LIMITED MUMBAI

AFC India Limited

Notes forming part of the financial statements

4 Reserves and Surplus

Particulars	As at March 31, 2021	As at March 31, 2020
Profit and Loss Account		
Opening Balance	11,06,15,041	10,85,71,661
Add : Net Profit for the year	11,43,916	20,43,380
Total	**11,17,58,957**	**11,06,15,041**

5 Long Term Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Leave Encashments	91,82,549	84,40,260
Total	**91,82,549**	**84,40,260**

6 Short Term Borrowings

Particulars	As at March 31, 2021	As at March 31, 2020
Secured Overdraft from Central Bank of India	-	-
Total	-	-

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

AFC INDIA LIMITED MUMBAI

ASHOK BAIRAGRA & ASSOCIATES M. NO. 030039 Chartered Accountants

7 Trade Payable

Particulars	As at March 31, 2021	As at March 31, 2020
Dues to Micro Small and Medium Enterprises	-	-
Creditors for Project Expenses (net of advances)	2,21,84,787	2,02,13,084
Total	**2,21,84,787**	**2,02,13,084**

8 Other Current Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Advance from Customers	49,78,18,064	43,09,44,501
Duties and Taxes	13,91,850	37,22,041
Total	**49,92,09,914**	**43,46,66,542**

9 Short Term Provisions

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Project Expenses	7,99,74,580	6,49,80,772
Provision for Leave Encashments (Short Term)	33,06,711	30,45,372
Provision for Bad Debts	64,81,967	77,85,558
Provision for Gratuity	79,71,198	83,63,560
Provision for Loans to Related Parties	-	22,25,667
Provision for other expenses	1,18,701	8,51,805
Total	**9,78,53,157**	**8,72,52,734**

9.1 The Company has made provision for balance amount of Loan given to 'AFC Foundation' vide Board Resolution Dated 21-12-2017.

ASHOK BAIRAGRA & ASSOCIATES M. NO. 030039 Chartered Accountants

AFC INDIA LIMITED MUMBAI

AFC India Limited

Note 10 : Tangible Assets

Particulars	Buildings	Data Processing Equipments	Furniture & Fixtures	Vehicles	Office Equipments	Total
Cost or Deemed Cost						
At April 1, 2020	2,46,597	1,16,59,801	1,03,39,533	2,94,097	81,33,606	3,06,73,634
Additions during the year	-	8,80,292	3,87,139		2,03,093	14,70,524
Disposals / Adjustments	-	-	-	-	-	0
At March 31, 2021	2,46,597	1,25,40,093	1,07,26,672	2,94,097	83,36,699	3,21,44,158
Depreciation and Impairment						
At April 1, 2020	2,19,218	1,12,91,165	88,11,042	2,73,402	75,74,605	2,81,69,432
Depreciation for the year	1,430	3,58,376	3,62,822	4,793	2,40,150	9,67,570
Impairment	-	-	-	-	-	-
Disposals / Adjustments	-	-	-	-	-	-
At March 31, 2021	2,20,648	1,16,49,541	91,73,864	2,78,195	78,14,755	2,91,37,002
Net Book Value						
At March 31, 2021	25,949	8,90,552	15,52,808	15,902	5,21,944	30,07,156
At March 31, 2020	27,379	3,68,636	15,28,491	20,695	5,59,001	25,04,202

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

ASHOK BAIRAGRA & ASSOCIATES M. NO. 030039 Chartered Accountants

AFC INDIA LIMITED MUMBAI

AFC India Limited

Note 11 : Intangible Assets

Particulars	Intangible Assets
Cost or Deemed Cost	
At April 1, 2020	14,80,480
Additions during the year	-
Disposals / Adjustments	-
At March 31, 2021	14,80,480
Accumulated Amortisation	
At April 1, 2020	14,65,618
Depreciation for the year	93
Impairment	-
Disposals / Adjustments	-
At March 31, 2021	14,65,711
Net Book Value	
At March 31, 2021	14,769
At March 31, 2020	14,862

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

ASHOK BAIRAGRA & ASSOCIATES ★ Chartered Accountants ★ M. NO. 030039

AFC INDIA LIMITED MUMBAI ★

AFC INDIA LIMITED

Note 12 : Non Current Investments

Particulars		As at March 31, 2021	As at March 31, 2020
Investments - Other Than Trade			
(i)	**Equity Instruments - Quoted**		
	200 Equity Shares of Rs. 10- Each fully paid up of Coal India Limited	63,639	28,000
	(Previous Year 200 Equity Shares of Rs. 10/- Each)		
	2,000 Equity Shares of Rs. 10- Each fully paid up of 'IDFC First Bank Limited'	1,17,400	42,200
	(Previous Year 1,000 Equity Shares of Rs. 10/- Each)		
(ii)	**Equity Instruments - Unquoted**		
	Investment in Other Companies		
	30,000 Equity Shares of Rs. 10/- Each fully paid up of GPCL Consulting Services Limited	3,00,000	3,00,000
	(Previous Year 30,000 Equity Shares of Rs. 10/- Each)		
	Fixed Deposits with Banks (Having maturity more than 12 Months)	11,31,675	3,71,21,272
	Total	**16,12,714**	**3,74,91,472**
	Cost of Purchase of Quoted Investments	1,81,039	1,81,039
	Market Value of Quoted Investment as on 31-03-2021	1,37,480	70200
	Aggregate Amount of Unquoted Investments	14,31,675	3,74,21,272

13 Deferred Tax Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Assets		
Opening Balance	51,47,096	50,31,229
Add : Additions / (Deletions) during the year	5,80,538	1,15,867
Total	**57,27,634**	**51,47,096**

13.1 The Component of Deferred Tax Balances as on 31-03-2021 accounted in accordance with Accounting Standard - 22 "Accounting for Taxes on Income" issued by ICAI are as under :

AFC INDIA LIMITED MUMBAI

Particulars	As at March 31, 2021	As at March 31, 2020
Expenses allowed on Payment Basis	51,49,488	45,71,480
Depreciation on Fixed Assets	5,78,146	5,75,616
Net Deferred Tax Asset	**57,27,634**	**51,47,096**

14 Long Term Loans and Advances

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured Considered Good		
Advance Taxes (Net of Provision)	4,00,88,175	3,46,13,410
Deposits	1,59,59,169	1,03,93,681
Festival Advance	92,150	96,650
Total	**5,61,39,494**	**4,51,03,741**

15 Other Current Assets

Particulars	As at March 31, 2021	As at March 31, 2020
Jobs in Progress	55,37,70,000	52,24,27,000
Accrued Interest on Investments	59,89,021	77,73,746
Balance with GST (Net)	79,44,959	-
Service Tax Appeal Deposit	38,220	-
Total	**56,77,42,200**	**53,02,00,746**

ASHOK BAIRAGRA & ASSOCIATES
M. NO. 030039
Chartered Accountants

AFC INDIA LIMITED
MUMBAI

16 Trade Receivables

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured		
Outstanding for a period exceeding six months :		
Trade Receivables - Considered Good	2,58,83,654	2,94,05,258
Trade Receivables - Considered Doubtful	64,81,967	77,85,558
Sub Total	**3,23,65,621**	**3,71,90,816**
Provision for Bad Debts	64,81,967	77,85,558
Net	**2,58,83,654**	**2,94,05,258**
Others, Considered Good	22,37,377	8,55,493
Total	**2,81,21,031**	**3,02,60,751**

17 Cash and Cash Equivalents

Particulars		As at March 31, 2021	As at March 31, 2020
(i)	Cash and Cash Equivalents		
	Cash in Hand	39,128	48,305
	Balances with Banks in Current Accounts	83,10,672	55,28,346
	Balances with Banks in Overdraft Accounts	3,26,62,766	32,19,734
	Others :		
	Investment in Mutual Funds	-	23,00,000
		4,10,12,567	**1,10,96,385**
(ii)	Other Bank Balances		
	Deposit with Bank (Maturity in less than 3 Months)	8,08,74,972	6,94,13,700
	Deposit with Bank (Maturity in less than 12 Months but more than 3 I	10,44,09,209	7,64,11,884
	Total	**22,62,96,748**	**15,69,21,969**

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

ASHOK BAIRAGRA & ASSOCIATES M. NO. 030039 Chartered Accountants

AFC INDIA LIMITED MUMBAI

18 Short Term Loans and Advances

Particulars	As at March 31, 2021	As at March 31, 2020
Loans and Advances to Related Parties	50,473	22,36,667
Prepaid Expenses	54,868	1,36,420
Other Advances	14,22,277	11,69,735
Total	**15,27,618**	**35,42,822**

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

Particulars	As at March 31, 2021	As at March 31, 2020
AFC Foundation	50,473	22,36,667
Total	**50,473**	**22,36,667**

AFC INDIA LIMITED MUMBAI

ASHOK BAIRAGRA & ASSOCIATES M. NO. 030039 Chartered Accountants

AFC INDIA LIMITED

Notes forming part of the financial statements

Note 19 : Revenue from Operations

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Consultancy Income	24,20,74,605	21,11,28,239
Total	24,20,74,605	21,11,28,239

19.1 Consultancy Income

Particulars	As at March 31, 2021	As at March 31, 2020
Projects Completed During the Year	21,07,31,605	17,25,99,239
Add : Value of Closing Jobs in Progress	55,37,70,000	52,24,27,000
Less : Value of Opening Jobs in Progress	52,24,27,000	48,38,98,000
Total	24,20,74,605	21,11,28,239

Note 20 : Other Income

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Interest Income	1,35,33,526	1,36,14,288
Other Non Operating Revenue	3,08,150	12,907
Profit/Loss on Sale of Investments and Mutual Funds	4,39,762	11,08,115
Dividend Income	47,500	47,400
Profit on Sale of Assets	-	1,07,584
Profit on Investments	1,10,839	-
Interest on IT Refund (AY2017-18)	-	7,37,643
Interest on IT Refund (AY2018-19)	-	3,21,380
Provision for Doubtful Debts w/back	13,03,591	1,11,070
Sundry Balance W/back	2,27,156	-
Interest on IT Refund (AY2019-20)	3,81,979	-
Total	1,63,52,504	1,60,60,387

20.1 Non Current investment has been valued at cost as per AS 13 and cost have been restated at original value.The difference which has been debited under head impairment loss on investment in Profit & Loss in earlier year has been credited to Profit on Investment in Other Income.

ASHOK BAIRAGRA & ASSOCIATES ★ Chartered Accountants ★ M. NO. 030039

AFC INDIA LIMITED MUMBAI ★

Note 21 : Project Expenses

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Project Expenses	18,53,87,249	14,55,96,410
Consultancy Charges	31,21,292	1,01,12,887
Other Expenses	2,56,944	5,83,295
Total	18,87,65,485	15,62,92,592

Note 22 : Employee Benefits Expenses

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Salary Allowances and Bonus	4,15,80,461	3,54,08,992
Contribution to Provident Fund and Other Funds	52,15,750	55,14,720
Staff Welfare Expenses	35,85,406	26,43,593
Total	5,03,81,617	4,35,67,305

Note 23 : Finance Costs

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Interest on Overdraft	1,73,589	5,30,229
Bank Charges	4,51,675	3,41,406
Total	6,25,264	8,71,635

Note 24 : Depreciation and Amortisation Costs

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Depreciation on Tangible Assets	9,67,570	8,81,735
Depreciation on Intangible Assets	93	1,673
Total	9,67,663	8,83,408

ASHOK BAIRAGRA & ASSOCIATES
M. NO. 030039
Chartered Accountants

AFC INDIA LIMITED
MUMBAI

Note 25 : Other Expenses

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Communication Expenses	5,79,028	4,56,096
Computer Repairs and Maintenance	2,23,725	3,12,729
Insurance Expenses	3,28,199	2,52,101
Miscellaneous Expenses	1,24,747	3,91,403
Rent Rates and Taxes	38,88,209	26,45,734
Membership and Subscription	38,324	40,673
Travelling and Conveyance	15,14,784	21,90,047
Vehicle Maintenance and Hiring Charges	3,74,876	7,14,751
Office Maintenance	16,08,949	31,07,793
Advertisement Expenses	37,947	83,244
AMC Charges	2,22,312	55,429
Bad Debts Written off	45,72,939	85,68,093
Business Promotion Expenses	2,39,368	3,26,205
Director Sitting Fees	3,40,000	2,80,000
Electricity Charges	5,25,721	6,76,057
Inspection Charges	46,653	45,441
Legal and Professional Fees	4,73,103	10,14,340
Printing and Stationery	6,63,464	5,50,410
Statutory Audit Fees	30,000	30,000
Tax Audit Fees	20,000	20,000
Impairment Loss on Investments	-	87,559
Water Charges	44,181	33,471
Service Tax Paid	-	3,612
Brokerage charges	9,320	1,67,560
Property Tax	-	1,32,715
Interest on GST	-	483
Interest on TDS	19,441	835
Ineligible ITC	8,836	73,223
Shifting Charges	84,425	-
Stamp duty	20,700	-
Annual Custody Fees to NSDL	59,088	-
Total	1,60,98,339	2,22,60,004

ASHOK BAIRAGRA & ASSOCIATES M. NO. 030039 Chartered Accountants

AFC INDIA LIMITED MUMBAI

Note 26 : Exceptional Items

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Investment in Equity Shares of AFCL Finance Service (Loss)	-	1,27,244
Accrued Int on Afc Foundation (W/off)	-	7,75,878
Total	-	9,03,122

26.1 The Company has written off 1/3rd of Loan given to 'AFC Foundation' vide Board Resolution Dated 21-12-2017.

Note 27 : Prior Period Expenses

(Amount in Rs.)

Particulars	As at March 31, 2021	As at March 31, 2020
Prior period Expenses	1,72,544	-
Total	1,72,544	-

27.1 Prior period expenses include expenses NSDL charges paid for the F Y 2017 - 18 to 2019 - 20.

AFC INDIA LIMITED MUMBAI

ASHOK BAIRAGRA & ASSOCIATES M. NO. 030039 Chartered Accountants

AFC INDIA LIMITED

Notes forming part of the Financial Statements

Note 28 : Earnings Per Share

	March 31, 2021	March 31, 2020
Basic Earnings per share	76.26	136.23
Diluted Earnings per share	76.26	136.23
Nominal Value of Shares	10,000	10,000

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

	March 31, 2021	March 31, 2020
i. Profit attributable to equity shareholders (basic & diluted)		
Profit/(loss) for the year, attributable to equity shareholders of the company	11,43,916	20,43,380

No of shares	March 31, 2021	March 31, 2020
ii. Weighted average number of equity shares (basic)	15,000	15,000
Issued equity shares as at the beginning of the year	-	-
Weighted average number of shares as at the end of the year	**15,000**	**15,000**

ASHOK BAIRAGRA & ASSOCIATES
M. NO.
030039
Chartered Accountants

AFC INDIA LIMITED
MUMBAI

AFC INDIA LIMITED

Note 29 **Disclosure of related parties / related party transactions :**

A. **List of related parties :**

i) **Key Management Personnel :**

1 Mr.B Ganeshan Managing Director

ii) **Subsidiaries :**

-

iii) **Other Related parties :**

1 AFC Foundation

B. **Transactions during the year :**

Amount in Rs.

Sr. No.	Nature of transaction	Key Management Personnel	Other Related Parties	Total
1	**Remuneration to Key Management Personnel : -**			
	Salary, Allowances, Perks and Other benefits	34,79,550		34,79,550
		(23,34,097)		(23,34,097)

(Figures in bracket represents previous years' amounts)

C. **Outstanding as at March 31, 2021 :**

Sr. No.	Nature of transaction	As at 31.03.2021 Rs.	As at 31.03.2020 Rs.
1	Loans and Advance to Related Parties :		
	AFC Foundation	50,473	22,36,667
	Total	50,473	22,36,667

JK BAIRAGRA & ASSOCIATES M. NO. 030039 Chartered Accountants

AFC INDIA LIMITED MUMBAI

AFC INDIA LIMITED

Notes forming part of the Financial Statements

Note 30 : Contingent liabilities		**Rs. In Lakhs**
	March 31, 2021	**March 31, 2020**
(a) Contingent liabilities		
The Company had contingent liabilities at 31 March 2021 in respect of:		
i) Claims against the Company not acknowledged as debts	211.84	211.84

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

Note 31 :

1. Acturial Valuation Report of Accounting Compensated Absenses (Privilege Leave) liability as required under AS-15(Revised-2005) from M/s.K.A. Pandit(Actuary) is attached as part of this financial statements.

2. Gratuity Report Under AS-15(Revised-2005) for the year ended 31st March,2021 from Life Insurance corporation of India is attached as part of this financial statements.

Note 32 :

1. The Company has considered the possible effect that may result from the pandemic relating to covid-19 on the carrying amounts of receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as of the date of approval of these financial statements has used internal information and based on the current estimates, the company expects that the carrying amount of the receivables and other current assets will be recovered. The impact of covid-19 on the company's financial statements may differ from that estimated as at the date of approval of these financial statements.

Note 33 :

* The Information regarding Micro enterprises and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors. Interest paid during the year Rs. Nil (Previous year Rs. Nil)

Note 34 :

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006
The Company has not received any information from Micro, small and Medium Enterprises.

Note 35 :

Sundry Debtors, Sundry Creditors, Unsecured Loans and Loans and Advances balances are subject to confirmation and reconciliation.

Note 36 :

Figures for the previous year have been regrouped/ rearranged/ reclassified wherever necessary.

ASHOK BAIRAGRA & ASSOCIATES
M. NO.
030039
Chartered Accountants

AFC INDIA LIMITED
MUMBAI

LIFE INSURANCE CORPORATION OF INDIA

Ref:P&GS/561900/706002486 Date :19/04/2021

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

Dear Sir/Madam,

RE: Group Gratuity Scheme of Your Employees

1	Policy no	:	706002486
	ARD	:	01/04/2021
2	MEMBERSHIP DATA		
	Number Of Members	:	27
	Average age	:	51.67
	Average Monthly Salary	:	72945.92
	Average Past Service	:	18.04
3	VALUATION METHOD	:	Projected Unit Credit Method
4	ACTUARIAL ASSUMPTIONS		
	Mortality Rate	:	LIC(2006-08) ultimate
	Withdrawal Rate	:	1% to 3% depending on age
	Discount rate	:	7% p. a.
	Salary Escalation	:	4%
5	RESULTS OF VALUATION		
	a. PV of Past Service Benefit	:	17709004
	b. Current Service Cost	:	731728
	c. Total Service Gratuity	:	29470384
	d. Accrued Gratuity	:	20500179
	e. LCSA	:	6500834
	f. LC Premium	:	37263
	g. GST @18%	:	6707
	(S Tax + Ec / SB Cess + KK Cess	:	6707.34 + 0 + 0)
6	RECOMMENDED CONTRIBUTION RATE	:	
	a. Fund Value as on Renewal Date	:	10513504
	b. Additional Contribution for existing fund	:	7195500
	c. Current Service Cost	:	731728
7	Total Amount Payable (Rs) (6.b + 6.c + 5.f + 5.g)	:	7971198

8 Benefits Valued

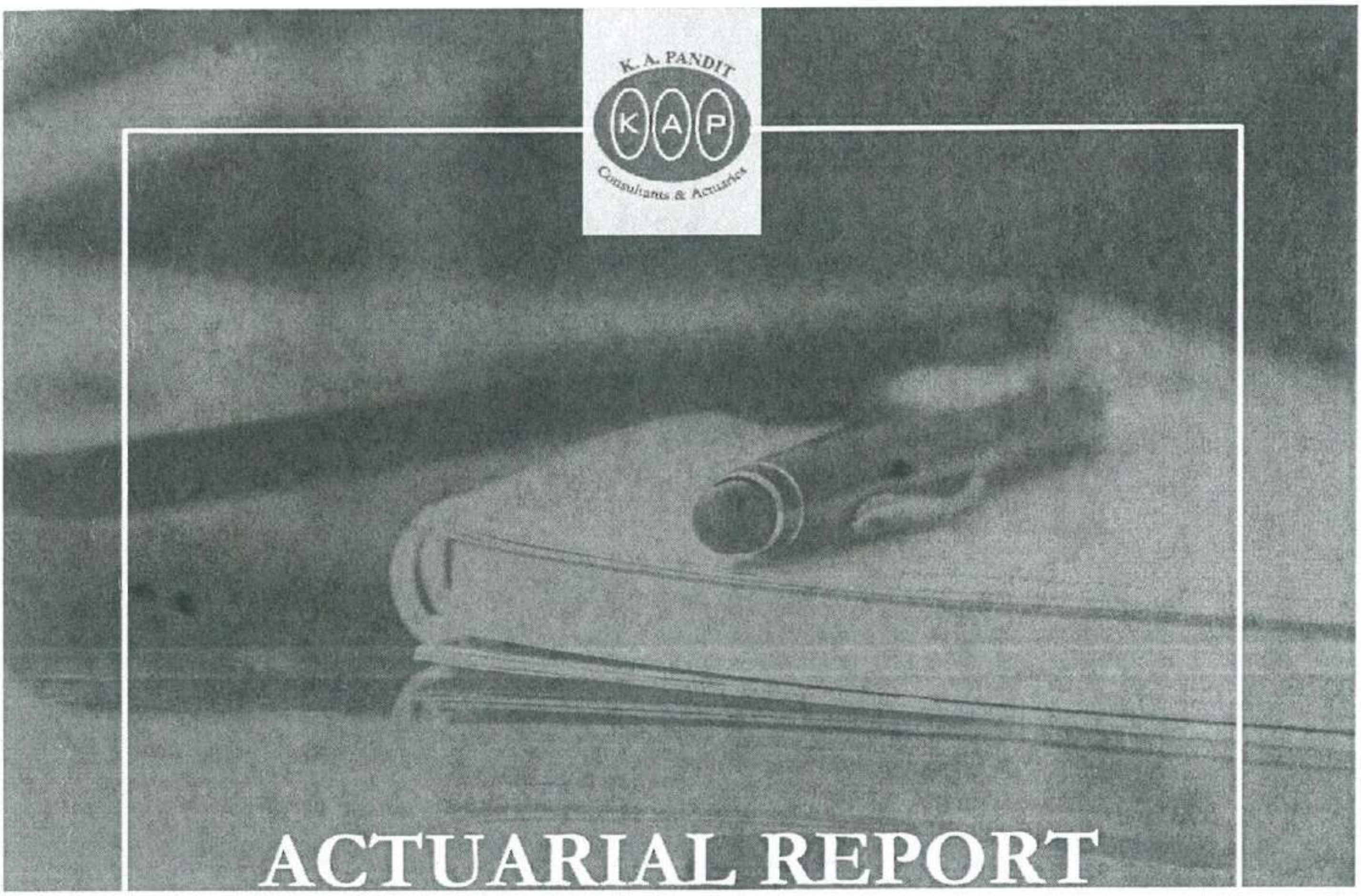
A R D	Category	NRA	Grty Ceiling	Slab	Rate	LCSA Ceiling	RTA TABLE
01/04/2021	1	60	2000000	99	15	500000	X4
01/04/2021	2	60	2000000	99	15	500000	X4

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

Yours Faithfully,

MANAGER(P&GS)

AFC INDIA LIMITED MUMBAI



ACTUARIAL REPORT

AFC India Limited

Valuation of Privilege Leave Liability

As on 31-03-2021

Under

Accounting Standard 15 (Revised 2005)

Report Date: 23-04-2021

AFC INDIA LIMITED MUMBAI

M/S. K. A. PANDIT
CONSULTANTS & ACTUARIES
(ISO 9001 : 2015 CERTIFIED)
(ISO 27001 : 2013 CERTIFIED)

Tel. : (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

Date: 23-04-2021

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

Sir/Madam,

Subject: Actuarial Valuation Report as on 31-03-2021

As per the request received from **AFC India Limited** for conducting an actuarial valuation as on **31-03-2021** towards **Privilege Leave liability (Ref: 171372)**, the valuation report is attached herewith.

With Regards,

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

ACTUARY

AFC INDIA LIMITED MUMBAI

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

CONTENTS

AFC INDIA LIMITED MUMBAI

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

PREAMBLE

1.1 Purpose

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

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

1.2 Scope

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

1.3 Confidentiality

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

AFC INDIA LIMITED MUMBAI

KP

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

1.4 Independence

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

1.5 Date of Valuation

The **Privilege Leave** liability valuation is conducted as on **31-03-2021**. Any material events that are known to have occurred since the effective date of valuation are not considered, unless explicitly mentioned.

AFC INDIA LIMITED MUMBAI

M/S. K. A. PANDIT
CONSULTANTS & ACTUARIES
(ISO 9001 : 2015 CERTIFIED)
(ISO 27001 : 2013 CERTIFIED)

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

SUMMARY OF RESULTS

Data Summary

	31-03-2021	31-03-2020	
Number of Employees	28	31	(-9.68%)
Total Eligible Encashment Salary	INR 2,323,685	INR 2,234,608	(+3.99%)
Total Eligible Availment Salary	INR 2,323,685	INR 2,234,608	(+3.99%)

Valuation Results

	31-03-2021	31-03-2020	
Discontinuance Liability	INR 13,769,609	INR 12,822,291	(+7.39%)
Projected Benefit Obligation	INR 12,489,260	INR 11,485,632	(+8.74%)
Funding Status	Unfunded	Unfunded	
Fund Balance	N.A.	N.A.	
Current Liability	INR 3,306,711	INR 3,045,372	
Non-Current Liability	INR 9,182,549	INR 8,440,260	

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

AFC INDIA LIMITED MUMBAI

Tel.: (91-22) 4292 2251
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

SUMMARY OF MEMBERSHIP DATA

2.1 Data and Validation

- The valuation as on **31-03-2021** is based on the data provided by the Entity, having relevance to the data requirements as on **31-03-2021.**
- We have not audited the accuracy of the data but have checked for consistency and reasonableness including checks for age band, service band, negative salaries, etc.
- Data have been supplied to us electronically which are in turn, stored in a secure dedicated folder within our servers.

2.2 Data Summary and Analysis

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

Table 1: Data Summary:

Date of Valuation	31-03-2021	31-03-2020
Number of Employees	28	31
Total Salary (Encashment)	INR 2,323,685	INR 2,234,608
Average Salary (Encashment)	INR 82,989	INR 72,084
Total Salary (Availment)	INR 2,323,685	INR 2,234,608
Average Salary (Availment)	INR 82,989	INR 72,084
Average Age	52.21 years	52.03 years
Average Past Service	17.57 years	17.00 years
Total Leave Days	5127.00 days	5471.00 days
Average Leave Days	183.11 days	176.48 days

AFC INDIA LIMITED MUMBAI

KP

M/S. K. A. PANDIT
CONSULTANTS & ACTUARIES
(ISO 9001 : 2015 CERTIFIED)
(ISO 27001 : 2013 CERTIFIED)

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

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

Graph 1: Salary-wise count of employees

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

VALUATION ASSUMPTIONS

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

3.1 Demographic Assumptions

Mortality & Disability:

In order to consider the case where termination of the employment of any employee is due to death or permanent disablement, we have used mortality rates as given under **Indian Assured Lives Mortality (2006-08) Ultimate.** The rates are assumed to include permanent disablement.

Extract of Mortality Rates(Indian Assured Lives Mortality (2006-08) Ultimate):

Age	Rate
18	0.000800
25	0.000984
35	0.001282
45	0.002874
55	0.007888
65	0.017009

Retirement Age:

Retirement Age is the age at which persons who hold certain jobs or offices are required by Entity's rule or by law to leave their employment. We have considered the retirement age for all employees as **60 years**, as advised by the Entity. Anyone having age more than the retirement age is assumed to be retiring immediately.

AFC INDIA LIMITED MUMBAI

KP

M/S. K. A. PANDIT
CONSULTANTS & ACTUARIES
(ISO 9001 : 2015 CERTIFIED)
(ISO 27001 : 2013 CERTIFIED)

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

Attrition Rate:

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

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

While in Service Encashment Rate:

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

While in Service Availment Rate:

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

3.2 Financial Assumptions

Discount Rate:

The rate used to discount **other long-term employee benefit** obligations reflects the estimated timing of benefit payments and the currency in which the benefits are to be paid. We have used the Discount Rate as **6.49% p.a.** which relates to the par-yield rate available on Government Securities (G. Sec.) for the tenure of **7.00 years** i.e. the expected term of the obligation. The rate is taken as per the deal rate as on **31-03-2021** as suggested under **Accounting Standard 15 (Revised 2005).** (Ref: G Sec. rates available through www.fimmda.org with prices/yields published by FBIL).

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

AFC INDIA LIMITED MUMBAI

M/S. K. A. PANDIT
CONSULTANTS & ACTUARIES
(ISO 9001 : 2015 CERTIFIED)
(ISO 27001 : 2013 CERTIFIED)

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

Salary Escalation Rate:

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

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

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

3.3 Summary and Comparison of Valuation Assumptions

Table 2: Valuation Assumptions:

Date of Valuation	31-03-2021	31-03-2020
Demographic Assumptions		
Mortality Rate:	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Attrition Rate:	2.00% p.a. for all service groups.	2.00% p.a. for all service groups.
Retirement Age:	60 years	60 years
While in service Availment Rate:	5.00% p.a.	5.00% p.a.
While in service Encashment Rate:	5.00% of the Leave balance (for the next year).	5.00% of the Leave balance (for the next year).
Financial Assumptions		
Salary Escalation Rate:	4.00% p.a.	4.00% p.a.
Discount Rate:	6.49% p.a.(Indicative G.Sec referenced on 31-03-2021)	6.59% p.a.(Indicative G.Sec referenced on 31-03-2020)

AFC INDIA LIMITED MUMBAI

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

3.4 Reasonableness of Assumptions

The escalation assumptions and attrition rate assumption are the expectations of the Entity based on the escalation that the Entity expects to experience in future and the expected attrition rate in the future. A detailed analysis of experience with regards to these assumptions has not been conducted. However, the importance, implication and broad guidelines of these assumptions were shared with the entity and the entity opined on the assumptions to be used, considering the suggestions, the outlook of the Entity and other economic scenarios. Thereby, the assumptions given by Entity have been relied upon and deemed reasonable as per explanation given by the Entity. However, we recommend an experience analysis be carried out periodically for the purpose of validating the assumptions.

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

No separate analysis of the mortality rate for the Entity was deemed necessary to be undertaken, hence we have considered the latest mortality table available. Suitable adjustments and improvements have been applied where necessary. The results may be particularly sensitive to some assumptions, such as the discount rate and escalation. Quantum of these sensitivities have been provided under the Valuation Results section where appropriate.

3.5 Materiality

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

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

PLAN PROVISIONS

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

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

AFC INDIA LIMITED MUMBAI

M/S. K. A. PANDIT
CONSULTANTS & ACTUARIES
(ISO 9001 : 2015 CERTIFIED)
(ISO 27001 : 2013 CERTIFIED)

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

Leave encashment also occurs while serving in the entity.

Leave encashment is calculated by using the formula {Leave days * Daily salary}.
The formula to calculate daily salary is {1/Divisor * Eligible Salary}.

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

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

AFC INDIA LIMITED MUMBAI

M/S. K. A. PANDIT
CONSULTANTS & ACTUARIES
(ISO 9001 : 2015 CERTIFIED)
(ISO 27001 : 2013 CERTIFIED)

K. A. PANDIT
KAP
Consultants & Actuaries

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

RECOGNITION AND MEASUREMENT PRINCIPLES

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

5.1 Method of Valuation

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

5.2 Recognition of Actuarial Gains and Losses

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

5.3 Accounting Standard

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

AFC INDIA LIMITED MUMBAI

M/S. K. A. PANDIT
CONSULTANTS & ACTUARIES
(ISO 9001 : 2015 CERTIFIED)
(ISO 27001 : 2013 CERTIFIED)

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

VALUATION RESULTS

The result of this actuarial valuation is dependent on the assumptions used. The actuarial calculation is intended to provide information for accounting purposes. The valuation of the liability is as on **31-03-2021** and this report is made, to the best of my knowledge in conformity with the Actuarial Practice Standard 27 (APS 27) and the relevant Guidance Notes issued by **Institute of Actuaries of India** to its members to the extent required by the relevant Accounting Standard.

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

Discontinuance Liability (Undiscounted Accrued Benefits):

The liability on discontinuance basis is the amount an Entity has to pay if an Entity discontinues its business on the valuation date. The discontinuance liability ignoring vesting criterion, if any on the valuation date works out to **INR 13,769,609.**

AFC INDIA LIMITED MUMBAI

KP

M/S. K. A. PANDIT
CONSULTANTS & ACTUARIES
(ISO 9001 : 2015 CERTIFIED)
(ISO 27001 : 2013 CERTIFIED)

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

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

Table 3: Valuation Results:

Date of Valuation	31-03-2021	31-03-2020
Projected Benefit Obligation	INR 12,489,260	INR 11,485,632
Funding Status	Unfunded	Unfunded
Fund Balance	N.A.	N.A.
Current Liability	INR 3,306,711	INR 3,045,372
Non-Current Liability	INR 9,182,549	INR 8,440,260

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

Date: 23-04-2021

ACTUARY

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

AFC INDIA LIMITED MUMBAI

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

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

Past Service Interval	Distribution Of PBO
9 and below	7.02%
10 to 19	67.16%
20 to 29	0.00%
30 and above	25.82%

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

Assumptions	Change in PBO
Delta Effect of +1.00% Change in Rate of Discounting	INR -434,553
Delta Effect of -1.00% Change in Rate of Discounting	INR 477,151
Delta Effect of +1.00% Change in Rate of Salary Increase	INR 484,255
Delta Effect of -1.00% Change in Rate of Salary Increase	INR -448,596
Delta Effect of +1.00% Change in Rate of Employee Turnover	INR 62,461
Delta Effect of -1.00% Change in Rate of Employee Turnover	INR -67,198

AFC INDIA LIMITED MUMBAI

M/S. K. A. PANDIT
CONSULTANTS & ACTUARIES
(ISO 9001 : 2015 CERTIFIED)
(ISO 27001 : 2013 CERTIFIED)

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

GLOSSARY OF KEY TERMS

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

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

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

Average Expected Future Service:
The average expected future service is the estimated future working lifetime representing the expected term of the obligation.

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

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

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

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

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

LIFO (Last In First Out) Approach:
This means that the leave availed or encashed is taken first out of the current year's entitlement and then out of any balance brought forward from the previous year.

Past Service Cost:

AFC INDIA LIMITED MUMBAI

KP

M/S. K. A. PANDIT
CONSULTANTS & ACTUARIES
(ISO 9001 : 2015 CERTIFIED)
(ISO 27001 : 2013 CERTIFIED)

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

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

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

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

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

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

Return on Plan Assets (Actual Return):
The return on plan assets reflects changes in the fair value of plan assets held during the period as a result of actual contributions paid into the fund and actual benefits paid out of the fund.

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

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

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

AFC INDIA LIMITED MUMBAI

M/S. K. A. PANDIT
CONSULTANTS & ACTUARIES
(ISO 9001 : 2015 CERTIFIED)
(ISO 27001 : 2013 CERTIFIED)

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

FREQUENTLY ASKED QUESTIONS

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

2. **What is the reference of discount rate?**
   Our reference for Discount rate is the Annualised Par Yields on Government Securities as published by FBIL on http://www.fimmda.org/ and https://www.fbil.org.in/. Our write-up on the same can be found at the following URL:
   https://www.ka-pandit.com/newsletters.html
   The expected term of the obligation is represented by the average expected future service.

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

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

5. **What is the treatment for due but not paid liability?**
   The "due but not paid" liability include amounts which have fallen due prior to valuation date but not paid until that date. If provided by the Entity, this has been included in the Discontinuance Liability and Projected Benefit Obligation. Same has been highlighted in the report under "Valuation Results" para.

AFC INDIA LIMITED MUMBAI

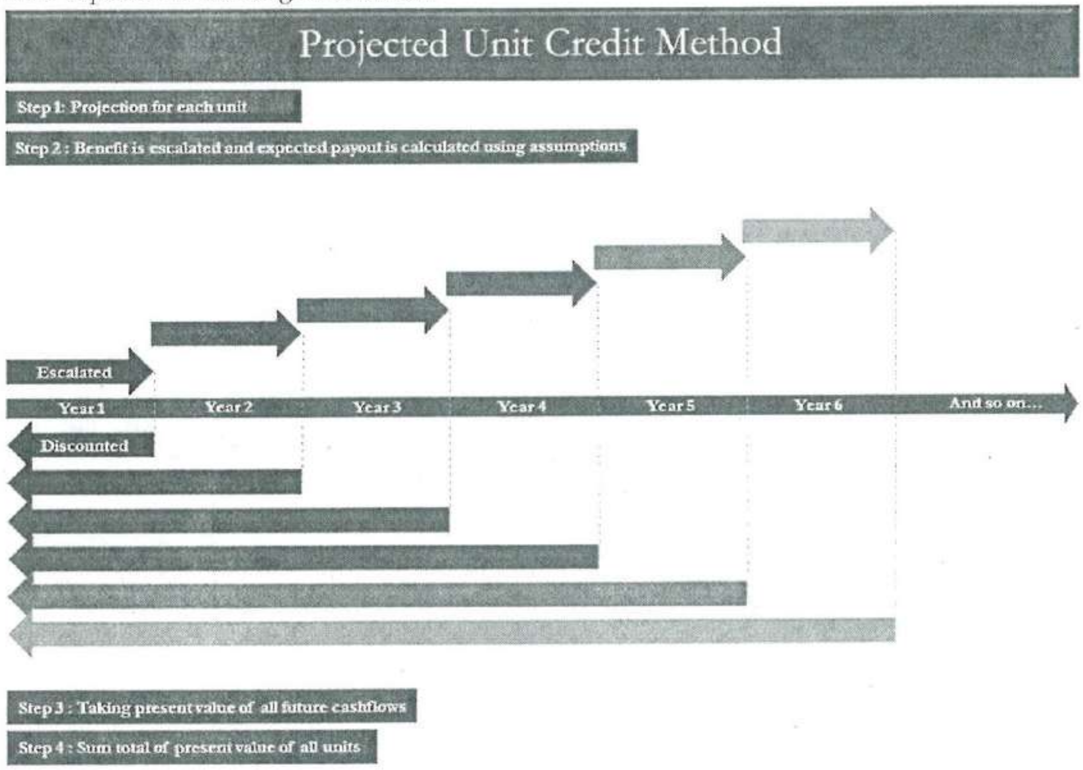
KP

M/S. K. A. PANDIT
CONSULTANTS & ACTUARIES
(ISO 9001 : 2015 CERTIFIED)
(ISO 27001 : 2013 CERTIFIED)

Tel.: (91-22) 4292 2231
Fax: (91-22) 2288 3155
kap@ka-pandit.com
www.ka-pandit.com

6. What is Projected Unit Credit Method?

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



AFC INDIA LIMITED MUMBAI

CONTACT

CHURCHGATE OFFICE (MUMBAI)	2nd Floor, Churchgate House, 32-34 Veer Nariman Road, Fort, Mumbai - 400001. Tel: +91-22-42922250
ANDHERI OFFICE (MUMBAI)	C/201 Remi Bizcourt, Off. Veera Desai Road, Andheri (W), Mumbai – 400058. Tel: +91-22-42922231
AHMEDABAD OFFICE	509, Golden Triangle, Near Sardar Patel Stadium, Navrangpura, Ahmedabad - 380014. Tel: +91-79-26460734

Website: www.ka-pandit.com Email: kap@ka-pandit.com

This document is physically signed on digital media

AFC INDIA LIMITED MUMBAI

Ashok Bairagra & Associates
Chartered Accountants
Ashok Bairagra, B.Com., L.L.B., F.C.A. • Cell : 93222 79327 Ashish V. Jalan, B.Com., F.C.A. • Cell : 98214 67450
Manish S. Bardia B.Com, A.C.A. • Cell : 99671 25862
404 SHUBHAM CENTRE - 2, B-WING, 4TH FLOOR, CARDINAL GRACIOUS ROAD, ANDHERI (E), MUMBAI - 400 099.
TEL.: +91 22 2825 9939 / 2825 9940 • FAX : 2825 9942 • E-mail : ashokbairagra@gmail.com

Independent Auditor's Report

To the Members of M/s. **AFC INDIA LIMITED**

Report on the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of M/s. **AFC INDIA LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit/loss and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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

Accuracy of Revenues and onerous obligations in respect of projects classified under 'Jobs in progress' involving critical estimates. The Company monitors the progress of the Contract on the basis of estimated percentage of completion of the respective contract. This involves critical analysis of projects to determine revenues and liabilities for onerous obligations. This estimate has a high inherent uncertainty as it requires considerations such as progress of contract, efforts incurred till date and efforts required to complete the remaining contract performance obligations.

ASHOK BAIRAGRA & ASSOCIATES
M. NO.
030039
Chartered Accountants

Auditor's Response

Principal Audit Procedures Performed:

Our audit approach was a combination of test of internal controls and substantive procedures which included the following:

a) Selection of sample of contracts classified under 'Jobs in Progress' and tested the effectiveness of internal controls relating to efforts incurred and estimated.
b) Selection of sample of contracts classified under 'Jobs in Progress' and performed a retrospective review of efforts incurred with estimated efforts to identify significant variations and verify whether those variations have been considered in estimating the remaining efforts to complete the contract.
c) Selection of sample of contracts classified under 'Jobs in Progress' and reviewed unbilled revenues to identify possible delays in achieving milestones or stages of performance of contract which require change in estimated efforts to complete the remaining performance obligations. Information other than the Financial Statements and Auditor's Report thereon

External Confirmations

Non-responses of external confirmations request perpetrated pursuant to SA 505 COVID-19 has impacted the procedure of external confirmation request to vendors and customers. Postal facilities were not available in the near-end of the financial year. To combat this, we had sent positive external confirmation requests through electronic modes. However, due to suspension of business activities of many confirming parties, there are fewer confirmations received than anticipated.

In such events, in accordance with SA, auditors have to revise the assessed risk of material misstatement at the assertion level, and modify the planned audit procedures. SA also directs the auditors to perform alternative audit procedures.

Auditor's Response

We revised our assessed risk and have modified our audit procedures to mitigate these risks. We have obtained a reliable assurance pertaining to transactions with confirming parties, in the sense for accurate and complete processing of routine and significant classes of transactions such as revenue, purchases and cash receipts or cash purchases. We selected samples and tested the effectiveness of controls relating to accuracy and completeness of transactions in totality considering the frequency and regularity of transactions. We performed alternative audit procedures like follow-up confirmation requests, verification of subsequent payments and receipts to verify part of the balances appearing in the original confirmation requests.

Information other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors and Management is responsible for the preparation of the other information. The other information comprises the information obtained at the date of this auditor's report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

ASHOK BAIRAGRA & ASSOCIATES
M. NO.
030039
Chartered Accountants

Management's Responsibility for the Standalone Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SA's we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud and error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations or the override of internal control.

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

ASHOK BAIRAGRA & ASSOCIATES
M. NO.
030039
Chartered Accountants

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the Annexure – 1 statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by C&AG of India through supplementary directions dated 19-10-2014 issued under section 143 (5) of the Companies Act 2013, on the basis of the information received from the management, we give our report on the matter specified in the Annexure – 2 attached.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

ASHOK BAIRAGRA & ASSOCIATES
M. NO. 030039
Chartered Accountants

c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) We have also audited the Internal Financial Control over Financial Reporting (IFCoFR) of the Company as on 31st March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and out report as per Annexure – 3 expressed a modified opinion.

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

  i) The Company, as detailed in Note 30 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31st March 2021.

  ii) The Company did not have any Long-term contracts including derivatives contracts for which there were any material foreseeable losses.

  iii) There is no amount required to be transferred, to the Investor Education and Protection Fund by the company during the year ended 31st March 2021.

For ASHOK BAIRAGRA AND ASSOCIATES.
Chartered Accountants
Firm Reg. No.: 118677W

ASHOK BAIRAGRA & ASSOCIATES
M. NO.
030039
Chartered Accountants

Ashok Bairagra
Partner (M.No. 030039)
Date: 17/08/2021
Place: Mumbai
UDIN: 21030039AAAABJ1056

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

The annexure referred to in our Independent Auditor's Report to the member of AFC INDIA LIMITED for the year ended march 31st, March 2021.

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.

c. The title deeds of immovable properties are held in the name of the company.

2)

a. Since the company does not have any inventory the said clause is not applicable.

3) The Company has granted loans, secured or unsecured to companies covered in the Register maintained under section 189 of the Act.

a. The terms and conditions of the grant of such loan are not prejudicial to the company's interest.

b. According to information and explanations provided to us, although the prescribed time schedule for repayment of principal has not been stipulated, the repayments are regular except in case of one of the company. The Company vide Board Resolution Dated 21-12-2017 has written off 1/3 rd of outstanding principal of Rs. 66.77 Lakhs (i.e. Rs. 22.26 Lakhs) during the year.

c. No amount is overdue for more than 90 days.

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.

ASHOK BAIRAGRA & ASSOCIATES
M. NO.
030039
Chartered Accountants

7)

a. According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.

b. According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

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 during the year under review. Hence the said clause is not applicable.

ASHOK BAIRAGRA & ASSOCIATES
M. NO.
030039

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 ASHOK BAIRAGRA & ASSOCIATES
Chartered Accountants
Firm Reg. No. 118677W

ASHOK BAIRAGRA & ASSOCIATES M. NO. 030039 Chartered Accountants

Ashok Bairagra
Partner (M.No. 030039)
Date: 17/08/2021
Place: Mumbai
UDIN: 21030039AAAABJ1056

"Annexure-2" to the Independent Auditors' Report of even date to the members of 'AFC INDIA LIMITED' on the standalone financial statements for the year ended March 31,2021 (Referred to in paragraph 15 under 'Report on other Legal and Regulatory Requirements' section of our report to the Members of even date) Report u/s 143(5) of the Companies Act 2013.

Sl. No.	Directions	Action Taken	Impact on Financial Statement
A. Directions			
1	Whether the Company has system in place to process all the accounting transactions through IT System? If Yes, the implications of processing of accounting transactions outside IT System on the integrity of the accounts along with the financial implications, if any may be stated.	The Company processes its financial transactions through accounting software (Tally). To the best of our knowledge and according to the information and explanations given to us, no accounting transactions are processed outside IT System.	NIL
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact if any may be stated.	According to information and explanations given to us, there are no cases of waiver/write off of debts/loans/interest etc. by any of the lender to the company during the year.	NIL
3	Whether funds received / receivable for specific schemes from Central/State agencies were properly accounted for/ utilized as per its terms and conditions? List the cases of deviation.	According to information and explanation given to us, no funds have been received from Central/State Agencies for specific schemes during the year.	NIL

For ASHOK BAIRAGRA & ASSOCIATES
Chartered Accountants
Firm Reg. No. 118677W

ASHOK BAIRAGRA & ASSOCIATES M. NO. 030039 Chartered Accountants

Ashok Bairagra
Partner (M.No. 030039)
Date: 17/08/2021
Place: Mumbai
UDIN: 21030039AAAABJ1056

ANNEXURE 3 TO THE AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **M/s AFC INDIA LIMITED (the Company) as of 31st March 2021** in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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 the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conduct our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note") and Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute Of Chartered Accountants Of India. Those Standards and 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of 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 assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error.

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

ASHOK BAIRAGRA & ASSOCIATES
M. NO.
030039
Chartered Accountants

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Emphasis of Matter

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

Opinion

In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at **31st March 2021**, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For ASHOK BAIRAGRA & ASSOCIATES
Chartered Accountants
Firm Reg. No. 118677W

ASHOK BAIRAGRA & ASSOCIATES
M. NO.
030039
Chartered Accountants

Ashok Bairagra
Partner (M.No. 030039)
Date: 17/08/2021
Place: Mumbai
UDIN: 21030039AAAABJ1056