



AF ENTERPRISES LTD.

AF ENTERPRISES LTD.

CIN No.: L18100DL1983PLC016354

AN ISO 9001:2015 Certified Co.

Mfrs. of Plastic Moulded Components

Dated: 08.09.2022

To,
The Department of Corporate Affairs
BSE Limited
P J Towers
25th Floor, Dalal Street,
Mumbai - 400001

SCRIP CODE: 538351

SUBJECT: SUBMISSION OF ANNUAL REPORT FOR THE FINANCIAL YEAR 2021-22 IN COMPLIANCE WITH REGULATION 34 OF SEBI (LODR) REGULATIONS, 2015

Dear Sir(s),

This is to inform you that the Thirty Ninth Annual General Meeting ("AGM") of the Company will be held on Friday, 30th September, 2022 at 03.00 PM IST through Video Conferencing / Other Audio-Visual Means in compliance with the relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India (SEBI). Pursuant to Regulation 30 read with Part A of Schedule II] and Regulation 34(1) of the SEBI (LODR) Regulation, 2015, please find enclosed Annual Report along with the Notice of the 39th Annual General Meeting of AF Enterprises Limited (the 'Company') for the financial year 2021-22.

Pursuant to Regulation 44 of Listing Regulations, Company is providing facility for remote e-Voting to its members whose names are recorded in Register of Members or Register of Beneficial Owner maintained by the Depositories as on the cut-off date i.e. Friday, 23rd September, 2022. The remote e-voting shall commence at 9:00 am on Saturday, 24th September, 2022 and shall end at 5:00 P.M. on Friday, 30th September, 2022.

Please take the above information in your records.

Thanking You

Yours Faithfully

FOR A F Enterprises Limited
For AF ENTERPRISES LIMITED


Payal Sachdeva
COMPANY SECRETARY
Company Secretary & Compliance Officer
M.No.: A56706

Regd. Office :
DSM-334, DLF Tower
Shivaji Marg, Najafgarh Road,
Moti Nagar, New Delhi-110015
Tel.: +91 7065219999
Tollfree : 1800120001199
E-mail : admin@ridh.in
Web.: www.afenterprisesltd.in

Factory:
Plot No. 8, Sector-5,
Main Mathura Road, Faridabad
Haryana-121006 INDIA
Tel.: +91 8744998855
Tollfree : 1800120001199
E-mail: info@ridh.in
Web.: www.ridh.in



**AF ENTERPRISES
LIMITED**



**39th
ANNUAL
REPORT
2021-22**

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Please Find our Online Version at
<http://www.afenterprises/annualreport>

INVESTOR INFORMATION

Market Capitalization as on 31 st March 2022	154.89 Crore
CIN	L18100DL1983PLC016354
BSE Code	538351
AGM Date & Time	30.09.2022 at 03:00PM
AGM Venue/Mode	Video Conference/ Other Audio Visual Means



The AFEL ADVANTAGE

LEADING MANUFACTURER OF PLASTIC CRATES COST

AFEL is one of the largest manufacturer of plastic Crates. It has state of the art and fully integrated Manufacturing facilities for production of Plastic Crates and other plastic moulded components

DIVERSIFIED CUSTOMER BASE

We have customer base in Private bodies and Government Departments in Agro, Dairy, 2022 Medical and Home appliances

STRATEGIC LOCATION AND LOWER OPERATING COST

All the manufacturing facilities of AFEL are strategically located at Faridabad Haryana. We get raw material and labour at lower cost which leads to overall operating cost atSingle location at Faridabad, Haryana which provides Economies of scale and benefit in terms of cost Effectiveness to the Company

ROBUST FINANCIAL PRFORMANCE

AFEL has achieved excellent operating and financial performance for FY 2022 led by FY 2021. During FY our Company's total revenue increased by 34.90%

While EBIDTA increased by 131.12% and PAT increased by 6.11 % compared to FY2021.

COVID PROTECTIVE GEARS



ANNUAL REPORT 2021-22

AFEL AT A

GLANCE

Manufacturer of Best Plastic Moulded Components

Incorporated in 1983, AF Enterprises Limited is the Best manufacturer of Plastic Moulded Components in India

VISION

To be well-diversified plastic moulded components

With a leadership position in Plastic Crates

PLASTIC CRATES



FROM THE MD's DESK

Dear Shareholders,

At the outset, I hope you and your family are safe. I am pleased to present your Company's Annual Report for the financial year 2021-22. Your Company has delivered excellent performance in unprecedented times backed by the determination of our people, diversified product portfolio and responsive measures taken at various levels in the wake of uncertainties caused by Covid-19.

That most of our clients continued doing business with us in the face of challenges is a validation of their trust in us and in our ability to deliver in difficult times. We put in our best efforts to meet their expectations by moving swiftly to ensure timely deliveries, despite disruption in supply chain and logistics. Ensuring the safety and welfare of our people has always been our first priority. Safety measures and protocols as per government guidelines were implemented for those having to work on site. We leveraged technology to ensure internal and external communication virtually. We continued with our journey towards strengthening our growth and capabilities. We realigned our strategy and focused on the domestic market playing to our strengths and managed to achieve our business goals. During the first half of the year, we demonstrated robust growth, owing to strong consumer spending and spent up demand ably supported by the stimulus packages and monetary policies of the Government which helped the businesses grow to pre-covid level, thus enabling us to combat the pandemic while navigating the bottlenecks effectively. Towards the end of 2021, the country witnessed the second wave of Covid which we could manage to contain on the back of high rate of vaccination and awareness from the first wave along with other preventive measures. As the year progressed, the second half of the financial year witnessed some volatility with higher crude prices and their cascading effects on other inputs along with inflationary pressures- posing concern for the economy. These concerns were aggravated with Russia- Ukraine's geopolitical conflict.

Despite the global challenges, India is expected to retain its tag as the fastest-growing economy globally in the coming year. And this is what gives us cautious hope for the year ahead.

INDUSTRIAL OVERVIEW

Indian plastic industry has huge potential for growth due to high demand of consumption in whole world. The Plastic moulded components has market potential for every industry as no industry is working without plastic components. It provides impetus to the growth of industries like Agro, Medical, Domestic Appliance, electric appliance.

During the financial year 2021-22, the plastic industry showcased robust growth. Your Company is making the right moves to seize the emerging opportunities in the PAN India markets and I am hopeful that shareholders shall be rewarded with the improved performance of your Company in the coming years. On behalf of the Board, I would like to thank all our customers, suppliers, bankers and the government for their support. I convey my sincere appreciation to Team AFEL for its performance and thank all the shareholders for their trust reposed in us.

OPERATION AND FINANCIAL HIGHLIGHTS

During the year under review, your Company posted a gross revenue of Rs. 48.57 Crore against that of 37.7 Crore in the previous year consolidately. We achieved an all-time high profit after tax of 1.11 Crore as against 1.05 Crore in the previous year, clocking a growth of 6.25 %. Our increasing focus on business diversification and emphasis on enhancing our PAN India business.

OUTLOOK

We continue to march forward in our quest for sustainable growth with a defined purpose, improved strategy and well supported by our values. With our diverse, focused and dedicated pool of human resources, we strive to build a sustainable future for ourselves while creating value for our stakeholders. We aim to be a well-diversified plastics company holding a leadership position in our core business. To achieve this, we are consistently working to diversify our business product range. We intend to expand into various downstream derivatives and specialty medical consumer and thereby meet our vision of generating 30% revenue from the medical consumers product by 2025. In the end, I extend my sincere appreciation to Team AFEL, who have consistently demonstrated their resilience and capacity to rise above any adversity. I would also like to express my appreciation to all stakeholders - for entrusting us with the leadership position and their undeterred support.

OUR MANUFACTURING CAPACITY & **EXPANSION PLANS**

“ AFEL has 35 Injection Moulding Machineriessand 4 Grinding Machines, with a capacity of 100 tonne to 850 tonnes. Our manufacturing facilities are strategically located at Faridabad, Haryana (Delhi-NCR) which is a centre point that renders us logistical advantage.”

AFEL is looking forward for setup of new plants in other states like Odisha, Bhopal & Srinagar for achieving economies of scale



HOME APPLIANCES



GOVERNANCE

ENVIRONMENT

AFEL'S Environment, Health and Safety policy encompasses Its general approach towards controlling environmental impacts of its business operations. We promote comprehensive environmental management systems as a Company while reacting to a varied array of environmental concerns.

SOCIAL

We're concentrating on delivering and creating values for the stakeholders and for that we have positioned ourselves to attract world-class talent. We also emphasis volunteerism as a way to engage in community service and use our expertise. This fosters a volunteer-oriented corporate culture at AFEL and enhances our social standing.

GOVERNANCE

Our values govern our actions and help us to do the right thing, the right way. We are dedicated to the highest standards of corporate culture and professional conduct, and we align our organizational philosophy by embedding the principles of good governance in our business. We nurture and open and transparent culture to strengthen our functioning and achieve business goals within relevant boundaries

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Abhishek Singh
Whole Time Director & Chief Financial Officer

Shri Santosh Kumar Kushawaha
Managing Director

Shri Sahil Arora
Director

Smt. Shagun Ajmani
Director

Shri Tinku Kathuria
Independent Director

Shri Prateek Kumar
Independent Director

COMPANY SECRETARY

Smt. Payal Sachdeva

STATUTORY AUDITORS

M/S V.N.Purohit & Co.

INTERNAL AUDITOR

Manita Rani, Partner
Prefcom Corporate Advisors LLP

SECRETARIAL AUDITOR

M/S Sumit Bajaj & Associates

BANKERS

KOTAK MAHINDRA BANK LTD.
RBL BANK LTD.

REGISTERED OFFICE

DSM-334, DLF Towers, Shivaji Marg,
New Moti Nagar, Delhi-110015
Tel: +91-7428399452
e-mail: info.afenterprises@gmail.com
Website: www.afenterprises@gmail.com
CIN: L18100DL1983PLC016354

FACTORY CUM CORPORATE OFFICE

Plot No. 8, Sector-5, Main Mathura Road,
Faridabad, Haryana-121006

REGISTRAR & TRANSFER AGENT

M/s Skyline Financial Services Pvt. Ltd.
D-153 A, First Floor, Okhla Industrial Area
Phase-1, New Delhi-110020
Tel: 011-40450193-97
011-26812682-83
Website: www.skylinerta.com

COMMITTEE OF BOARD OF DIRECTORS AS ON FINANCIAL YEAR END

AUDIT COMMITTEE

Mr.Tinku Kathuria	Independent Director, Chairman
Mr.AbhishekSingh	Executive Director, Member
Mr. Prateek Kumar	Independent Director, Member

NOMINATION AND REMUNERATION COMMITTEE

Mr.Prateek Kumar	Independent Director, Chairman
Mr.TinkuKathuria	Independent Director, Member
Ms. Shagun Ajmani	Non Executive Director, Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Sahil Arora	Non-Executive Director, Chairman
Mr. Tinku Kathuria	Independent Director, Member
Mr. Santosh Kumar Kushawaha	Executive Director, Member

Date: 2ndSeptember, 2022

Dear Member,

You are cordially invited to attend the 39th Annual General Meeting of the members of AF Enterprises Limited ('the Company') to be held on Friday, 30th September, 2022at 03:00 PM through Video Conferencing / Other Audio Video Means (VC/ OAVM) facility

The notice of the meeting, containing the business to be transacted, is enclosed herewith. As per section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2015, as amended by the Companies (Management and Administration) Amendment Rules, 2016 and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company is pleased to provide its members the facility to cast their vote by electronic means on all resolutions set forth in the Notice. The instructions for e-voting are enclosed.

Thanking You,

For and on behalf of

AF ENTERPRISES LIMITED

SD/-

SANTOSH KUMAR KUSHAWAHA
MANAGING DIRECTOR

A F ENTERPRISES LIMITED

Regd. Office: DSM- 334, DLF Tower, Shivaji Marg, Delhi- 110015;
Corporate office cum Factory: Plot No. 8, Sector-5, Mathura Road,
Faridabad, Haryana-121006
CIN: L18100DL1983PLC016354
Website: www.afenterprisesltd.in
E-mail Id: info.afenterprises@gmail.com Ph: +91-7428399452

NOTICE

NOTICE is hereby given that Thirty Ninth Annual General Meeting (39thAGM) of the members of A F Enterprises Limited (CIN: L18100DL1983PLC016354) will be held on **Friday, September 30th, 2022 at 03:00 PM (IST)** through Video Conferencing / Other Audio Video Means (VC/ OAVM), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt
 - (a) The Audited Standalone Financial Statements of the Company on 31st March, 2022 together with the reports of Board of Directors and Auditors thereon with annexures;
 - (b) The Audited Consolidated Financial Statements of the Company on 31st March, 2022 together with the report of Auditors thereon with annexures;
2. To appoint a Director in place of Mr. Abhishek Singh (DIN: 03603706), an Executive Director, who retires by rotation at this AGM and being eligible, offers herself for re- appointment.

SPECIAL BUSINESS:

3. **Appointment of Mr. Prateek Kumar (DIN: 02923372) as Non- Executive Independent Director of the Company**

To consider and if thought fit, to convey assent or dissent to the following Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, Mr. Prateek Kumar (DIN: 02923372), who was appointed as an Additional Independent Director by the Board on 30.09.2021 categorized as Non-Executive Independent Director pursuant to Section 161 of the Act and as Recommended by the Nomination and Remuneration Committee and whose term of office expires at this Annual General Meeting ('AGM') and in respect of whom the company has received notice in writing from a member along with the deposit of the requisite amount under section 160 of the Companies Act, 2013 proposing his candidature for the office of Director and who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act, be and is hereby appointed as an Independent Non-Executive Director of the Company to hold office for a term of (five years) consecutive years commencing from 30.09.2021, whose period of office will not be liable to determination by retirement of directors by rotation.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

4. Appointment of Mr. Vikram Sharma(DIN: 09683486) as Non-Executive Non-Independent Director of the Company

To consider and if thought fit, to convey assent or dissent to the following Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, Mr. Vikram Sharma (DIN: 09683486), who was appointed as an Additional Director by the Board on 02.09.2022 categorized as Non-Executive Non-Independent Director and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Act, based on the recommendation of Nomination and Remuneration Committee, signifying its intention to propose Mr. Vikram Sharma as a candidate for the office of Director of the Company, be and is hereby appointed as a Non Executive Non Independent Director of the Company, liable to retire by rotation.”

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

5. Appointment of Mr. Amit Thakur (DIN: 09715772) as Non-Executive Non-Independent Director of the Company

To consider and if thought fit, to convey assent or dissent to the following Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, Mr. Amit Thakur (DIN: 09715772), who was appointed as an Additional Director by the Board on 02.09.2022 categorized as Non-Executive Non-Independent Director and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Act, based on the recommendation of Nomination and Remuneration Committee, signifying its intention to propose Mr. Amit Thakur as a candidate for the office of Director of the Company, be and is hereby appointed as a Non Executive Non Independent Director of the Company, liable to retire by rotation.”

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

6. Appointment of Ms. Preeti(DIN: 09662113) as Independent Director of the Company

To consider and if thought fit, to convey assent or dissent to the following Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 149 and 152 read with Schedule IV and

other applicable provisions, if any, of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, Ms. Preeti (DIN: 09662113), who was appointed as an Additional Independent Director by the Board on 02.09.2022 categorized as Non-Executive Independent Director and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Act, based on the recommendation of Nomination and Remuneration Committee, signifying its intention to propose Ms. Preeti as a candidate for the office of Director of the Company, be and is hereby appointed as a Non Executive Independent Director of the Company for a term of five years.”

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

Date: 02.09.2022

Place: New Delhi

For and on behalf of Board of Directors of

For AF Enterprises Limited

Sd/-

Payal Sachdeva

Company Secretary & Compliance Officer

M.No. A56706

NOTES:

1. In view of the continuing Covid-19 pandemic and pursuant to the Circular No. 14/2020 dated 8th April, 2020, Circular No.17/2020 dated 13th April, 2020 by Circular No. 20/2020 dated 5th May, 2020 and Circular No. 02/2022 dated 5th May, 2022 issued by the Ministry of Corporate Affairs (MCA) and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 Dated 12th May, 2020 and SEBI/HO/CFD/CMD2/DIR/P/2022/62 dated 13th May, 2022 issued by the Securities and Exchange Board of India (SEBI), physical attendance of the members at the venue of the Annual General Meeting (AGM) is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, members can attend and participate in the AGM through VC/OAVM.
2. A Member Entitled To Attend And Vote At The Meeting Is Entitled To Appoint A Proxy/ Proxies To Attend And Vote Instead Of Himself/ Herself. Such Proxy/ Proxies Need Not Be A Member Of The Company. Since The Ensuing AGM Is Being Held Through Vc / Oavm, Physical Attendance Of Members Has Been Dispensed With. Accordingly, The Facility For Appointment Of Proxies By The Members Will Not Be Available For The AGM And Hence The Proxy Form And Attendance Slip Are Not Annexed To This Notice.
3. Pursuant to the Circular No. 14/2020 dated 8th April, 2020, issued by the MCA, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
4. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
7. Corporate members intending to authorize its representatives are requested to send a certified scanned copy of the Board Resolution to the Company, authorizing their representative to attend the AGM through VC/OAVM and vote on its behalf at the meeting.
8. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of the reckoning the quorum under Section 103 of the Companies Act, 2013 ("the Act").
10. The Explanatory Statement pursuant to Section 102 of the Act, which sets out details relating to Special Business to be transacted at the AGM, is annexed hereto.
11. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations"), in respect of the Directors seeking re-appointment at the AGM, forms an integral part of the notice.
12. In accordance with the aforesaid Circulars, the Notice of AGM along with Annual Report 2021-22 has been sent only through electronic mode to those members whose email addresses are registered with the Company / Depositories.

Members may note that the Notice of AGM and Annual Report will be available on the website of the Company at www.afenterprisesltd.in and on the website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com respectively and on the website of NSDL at <http://www.evoting.nsdl.com>. A person who is not a Member as on the cut off date should treat this Notice for information purposes only.

13. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
14. Members whose email addresses are not registered can register the same with the Company's Registrar and Share Transfer Agent/their Depository Participants, in respect of shares held in physical/electronic mode, respectively.
15. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI Listing Regulations and the Circulars issued by the Ministry of Corporate Affairs dated 8th April, 2020, 13th April, 2020, 5th May, 2020 and 5th May, 2022 the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an arrangement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the AGM will be provided by NSDL.
16. Members holding securities in demat mode are requested to update their bank details with their depository participants. Members holding securities in physical form should send a request updating their bank details, to the Company's RTA.
17. Members seeking any information with regard to the accounts or any matter to be placed at the AGM may write to the Company on or before 23rd September, 2022.
18. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
19. Appointment Of Proxy: A Member Entitled To Attend And Vote At The Meeting Is Entitled To Appoint A Proxy To Attend And Vote Instead Of Himself/Herself And The Proxy Need Not Be A Member Of The Company. The Proxy Form In Order To Be Effective Must Be Deposited With The Company Not Less Than 48 Hours Before The Time Fixed For Commencement Of The Meeting.
20. Queries at the AGM: Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
21. Members are requested to notify any change in their address/ mandate/ bank details immediately to the share transfer Agent of the Company- M/s Skyline Financial Services Pvt Ltd., D-153/A, Okhla Industrial Area, Phase-I, New Delhi- 110020.
22. **Book Closure: The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 24th September 2022 to Friday, 30th September, 2022 (both days inclusive).**
23. Inspection of Documents: Documents referred to in the Annual General Meeting Notice is open for inspection at the registered office of the Company at all working days except Sundays, between 11 A.M. and 2 P.M. up to the date of Annual General Meeting.
24. Explanatory Statement: Explanatory Statement as required under section 102 (1) of the Companies Act, 2013, relating to the special businesses to be transacted at the meeting is annexed hereto.
25. Voting through electronic means

- a. Pursuant to Sec 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI (LODR), 2015 the company will provide e-voting facility to the members. All business to be transacted at Annual General Meeting can be transacted through the electronic voting system.
- b. The shareholders shall have one vote per equity share held by them. The facility of e-voting would be provided once for every folio/ client id irrespective of the number of joint holders.
- c. The Company has appointed Mr. Sumit Bajaj, Practicing Company Secretary, as the scrutinizer for conducting the e-voting process in the fair and transparent manner.
- d. The scrutinizer will submit his final report to the Chairman within three working days after the conclusion of e-voting period.
- e. The results shall be declared within three days of the AGM of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website and on the website of NSDL.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on 27.09.2022 at 09:00 A.M. and ends on 29.09, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23.09.2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23.09 2022.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at

<https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp>

3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nSDL.com/> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
4. Shareholders/Members can also download NSDL Mobile App “**NSDL Speede**” facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL

1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or www.cdslindia.com and click on New System Myeasi.
2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL**. Click on **NSDL** to cast your vote.
3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>
4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective

	ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cssumitbajaj@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info.afenterprises@gmail.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to info.afenterprises@gmail.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THEAGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at info.afenterprises@gmail.com. The same will be replied by the company suitably.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

EXPLANATORY STATEMENT ANNEXED TO THE NOTICE PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 3: APPOINTMENT OF MR.PRATEEK KUMAR (DIN: 02923372) AS INDEPENDENT DIRECTOR OF THE COMPANY

Mr. Prateek Kumar (DIN: 02923372), on the recommendation of the Nomination & Remuneration Committee was appointed as an additional Director with effect from 30.09.2021 by the Board in accordance with the Articles of Association and Section 161 of the Companies Act, 2013 ("the Act").

As per Section 161 of the Act, Mr. Prateek Kumar holds office upto the date of the this AGM. The Company has received the requisite notice in writing under Section 160 of the Act from Nomination and Remuneration Committee for Appointment of Mr. Prateek Kumar appointed as an Independent Director in the Category of Non-Executive Independent Director at this AGM liable to retire by rotation. Mr. Prateek Kumar has consented to the proposed appointment and declared qualified.

Mr. Prateek Kumar possesses the requisite knowledge, experience and skill for the position of Director. The Board on receipt of the said notice from a member and on the recommendation of Nomination and Remuneration Committee and subject to approval from a members in this AGM, has accorded its consent, to appoint Mr. Prateek Kumar as a Non-Executive Independent Director not liable to retire by rotation. Mr. Prateek Kumar will not be entitled for any remuneration as per the Company policy for non-executive directors except sitting fees for attending Board Meetings.

Except Mr. Prateek Kumar, no other Director, Key Managerial Personnel of the Company and their relatives thereof are interested or concerned financial or otherwise in the proposed resolution. The Board of Directors recommend passing of the resolution set out in Item no. 3 of this Notice.

ITEM NO. 4: APPOINTMENT OF MR. VIKRAM SHARMA AS NON- EXECUTIVE NON-INDEPENDENT DIRECTOR OF THE COMPANY

Mr. Vikram Sharma (DIN: 09683486), on the recommendation of the Nomination & Remuneration Committee was appointed as an additional Director with effect from 02.09.2022 by the Board in accordance with the Articles of Association and Section 161 of the Companies Act, 2013 ("the Act").

As per Section 161 of the Act, Mr. Vikram Sharma holds office upto the date of the this AGM. The Company has received the requisite notice in writing under Section 160 of the Act from Nomination and Remuneration Committee for Appointment of Mr. Vikram Sharma appointed as a Non-Executive Non-Independent Director at this AGM liable to retire by rotation. Mr. Vikram Sharma has consented to the proposed appointment and declared qualified.

Mr. Vikram Sharma possesses the requisite knowledge, experience and skill for the position of Director. The Board on receipt of the said notice from a member and on the recommendation of Nomination and Remuneration Committee and subject to approval from a members in this AGM, has accorded its consent, to appoint Mr. Vikram Sharma as a Non-Executive Non-Independent Director liable to retire by rotation. Mr. Vikram Sharma will not be entitled for any remuneration as per the Company policy for non-executive directors except sitting fees for attending Board Meetings.

Except Mr. Vikram Sharma, no other Director, Key Managerial Personnel of the Company and their relatives thereof are interested or concerned financial or otherwise in the proposed resolution. The Board of Directors recommend passing of the resolution set out in Item no. 4 of this Notice.

ITEM NO. 5: APPOINTMENT OF MR. AMIT THAKUR AS A NON EXECUTIVE AND NON INDEPENDENT DIRECTOR OF THE COMPANY

Mr. Amit Thakur (DIN: 09715772), on the recommendation of the Nomination & Remuneration Committee was appointed as an additional Director with effect from 02.09.2022 by the Board in accordance with the Articles of Association and Section 161 of the Companies Act, 2013 ("the Act").

As per Section 161 of the Act, Mr. Amit Thakur (DIN: 09715772) holds office upto the date of the this AGM. The Company has received the requisite notice in writing under Section 160 of the Act from Nomination and Remuneration Committee for appointment Mr. Amit Thakur appointed as a Non-Executive Non-Independent Director at this AGM liable to retire by rotation. Mr. Amit Thakur has consented to the proposed appointment and declared qualified.

Mr. Amit Thakur possesses the requisite knowledge, experience and skill for the position of Director. The Board on receipt of the said notice from a member and on the recommendation of Nomination and Remuneration Committee and subject to approval from a members in this AGM, has accorded its consent, to appoint Mr. Amit Thakur as a Non-Executive Non-Independent Director liable to retire by rotation. Mr. Amit Thakur will not be entitled for any remuneration as per the Company policy for non-executive directors except sitting fees for attending Board Meetings.

Except Mr. Amit Thakur, no other Director, Key Managerial Personnel of the Company and their relatives thereof are interested or concerned financial or otherwise in the proposed resolution. The Board of Directors recommend passing of the resolution set out in Item no. 5 of this Notice.

ITEM NO. 6: APPOINTMENT OF MS. PREETI AS AN INDEPENDENT DIRECTOR OF THE COMPANY

Ms. Preeti (DIN: 09662113), on the recommendation of the Nomination & Remuneration Committee was appointed as an additional independent Director with effect from 02.09.2022 by the Board in accordance with the Articles of Association and Section 161 of the Companies Act, 2013 ("the Act").

As per Section 161 of the Act, Ms. Preeti (DIN: 09662113) holds office upto the date of this AGM. The Company has received the requisite notice in writing under Section 160 of the Act from Nomination and Remuneration Committee for appointment Ms. Preeti appointed as a Non-Executive Independent Director at this AGM.

Ms. Preeti possesses the requisite knowledge, experience and skill for the position of Director. The Board on receipt of the said notice from a member and on the recommendation of Nomination and Remuneration Committee and subject to approval from a members in this AGM, has accorded its consent, to appoint Ms. Preeti as a Non-Executive Independent Director. Ms. Preeti will not be entitled for any remuneration as per the Company policy for non-executive directors except sitting fees for attending Board Meetings.

Except Ms. Preeti, no other Director, Key Managerial Personnel of the Company and their relatives thereof are interested or concerned financial or otherwise in the proposed resolution. The Board of Directors recommend passing of the resolution set out in Item no. 6 of this Notice.

Date: 02.09.2022
Place: New Delhi

For and on behalf of Board of Directors of
For AF Enterprises Limited

Sd/-

Payal Sachdeva

Company Secretary & Compliance Officer

M.No. A56706

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER PURSUANT TO REGULATION 36(3) SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD-2:

Name	Mr. Abhishek Singh	Mr. Prateek Kumar	Mr. Vikram Sharma	Mr. Amit Thakur	Ms Preeti
Designation	Executive Director	Executive Director	Non Executive Director	Non Executive Director	Independent Director
Date of first appointment	04.09.2015	30.09.2021	02.09.2022	02.09.2022	02.09.2022
Qualification	Post Graduate	Post Graduate	Graduate	Graduate	Post Graduate & Company Secretary
Experience & Profile	Having Rich experience in Banking & Finance and Operational Manager	Having Rich experience in Finance & Taxation	Experience in Public Relations and Business Administration	Having Experience in finance and accounting	Rich in and She has experience in the field of Legal & Compliances
Directorship held in other Companies	Nil	2	1	0	1
Directorship held in Listed entities	1	1	1	1	1
Membership of Committees of the Board the Board (only Listed Entities) in which Chairmanship membership is held (includes only Audit Committee and Stakeholder Relationship Committee)	1	2	1	1	1
No. of Board Meeting attended during the year	12	6	N.A	N.A	N.A
Terms & Conditions of appointment/re-appointment	As per proposed Resolution and Explanatory Statement	As per proposed Resolution and Explanatory Statement	As per proposed Resolution and Explanatory Statement	As per proposed Resolution and Explanatory Statement	As per proposed Resolution and Explanatory Statement
Numbers of shares held in the Company	Nil	Nil	Nil	Nil	Nil
Past Remuneration	3,60,000	Nil	Nil	Nil	Nil
Relationship with other Directors	Nil		Nil	Nil	Nil

BOARD'S REPORT

To
The Members,
A F Enterprises Limited,

On behalf of the Board of Directors of your Company, it gives me pleasure in presenting the Thirty Ninth Annual Report together with the Audited Financial Statements for the year ended 31st March, 2022:

1. FINANCIAL PERFORMANCE

(Audited) Particulars	Consolidated Financial Results		(Amount in Rs'000')	
	2021-22	2020-21	2021-22	2020-21
Revenue From Operations	4,85,753.85	3,77,010.25	2,39,185.90	1,86,936.90
Other Income	24,302.28	1,077.17	24,101.48	1,077.17
Total Revenue	5,10,056.13	3,78,087.42	2,63,287.38	1,88,014.07
Purchase of Stock in Trade	3,24,388.79	2,42,291.73	89,512.05	63,417.27
Change in Inventories of Finished Goods, Stock in Trade and work in Progress	471.35	60,766.81	521.45	60,766.81
Employee Benefit Expense	21,557.87	8,634.81	16,549.29	4,698.74
Finance Cost	1,593.95	802.19	1,352.31	802.19
Depreciation and Amortization Expenses	13,873.91	16,518.40	13,601.22	16,233.93
Other Expenses	27,939.90	27,654.15	22,280.74	24,401.59
Total Expenses	4,93,528.74	3,81,451.67	2,47,520.03	1,95,104.11
Profit/ (Loss) before Tax	16,527.39	16,136.11	15,767.35	12,410.32
Tax Expense	5,360.79	5,612.86	5,407.26	4,663.28
Profit for the Year	11,166.60	10,523.25	10,360.09	7,747.04
Other Comprehensive Income	54.97	22.25	54.97	22.25
Total Comprehensive Income	11,221.57	10,545.50	10,415.06	7,769.29

2. OPERATING & FINANCIAL PERFORMANCE

During the period under consideration, the total Revenue for the year increased from Rs. 37.8 Crore in 2020-21 to Rs 51 Crore in 2021-22 on Consolidated basis and on Standalone basis, total revenue for the year increased from Rs. 18.8 Crore in 2020-21 to Rs 26.32 Crore in 2021-22. The Net Profit for the year increased from 1.05 Crore in 2020-21 to Rs. 1.12 Crore in 2021-22 on Consolidated basis and The Net Profit for the year increased from 77.69 Lakhs in 2020-21 to Rs. 1.04 Crore in 2021-22 on Standalone basis.

3. EXPANSION

During the year under review, the Company successfully operated its corporate office in Odisha and in other states like Madhya Pradesh and Jammu & Kashmir, the work is under progress.

4. CONTRIBUTION TO THE EXCHEQUER

The Company has contributed Rs. 31.87 Lakhs to the exchequer by way of Income tax, customs duty, goods and service tax, etc.

5. SHARE CAPITAL & FINANCE

a) Share Capital

The Authorized Share Capital of the Company as on March 31, 2022 stands at Rs. 24,50,00,000/- divided into 2,45,00,000 equity shares of Rs. 10/- each. The Paid up Equity Share Capital as at March 31, 2022 stood at Rs.12,91,36,360/-divided into 1,29,13,636 equity shares of Rs.10/-each fully paid.

At the beginning of the year the Company's Authorized Share capital stood at 24,50,00,000 divided into 2,45,00,000 equity shares of Rs. 10/- each and the Paid Up Capital stood at Rs. 9,51,36,360 divided into 95,13,636 equity shares of Rs. 10/- each. On 11th September, 2021 Company has allotted 6,00,000 equity shares at a Face Value of Rs. 10/- each and at a premium of Re. 8/- per share on preferential basis (on sweat basis), on 15th October, 2022 Company has converted 10,00,000 Warrants into shares at a Face Value of Rs. 10/- each and at a premium of Re. 8/- per share, on 18th October, 2021 Company has again converted 10,00,000 Warrants into shares at a Face Value of Rs. 10/- each and at a premium of Re. 8/- per share. The table showing details of the issue as follows:

S.No.	Date of Allotment	No. of Shares/Warrants Allotted	Type of Issue	Provision	Total No. of Shares Listed
1	As on 01.04.2021				9513636
2	27.07.2022	40,00,000	Preferential Issue (Issue of Warrants)	Section 42 and 62 of Companies Act, 2013 read with Chapter V of SEBI (ICDR) Regulations, 2015	9513636
3	11.09.2021	6,00,000	Preferential Issue (Issue of Sweat Equity Shares)	Section 54 of Companies Act, 2013 with SEBI (Issue of Sweat Equity Regulations), 2002	10113636
4	15.10.2021	10,00,000	Preferential Issue (Conversion of Warrants into equity shares)	Section 42 and 62 of Companies Act, 2013 read with Chapter V of SEBI (ICDR) Regulations, 2015	11113636
5	18.10.2021	10,00,000	Preferential Issue (Conversion of Warrants into equity shares)	Section 42 and 62 of Companies Act, 2013 read with Chapter V of SEBI (ICDR) Regulations, 2015	12113636

6	26.03.2022	8,00,000	Preferential Issue (Conversion of Warrants into equity shares)	Section 42 and 62 of Companies Act, 2013 read with Chapter V of SEBI (ICDR) Regulations, 2015	12913636
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b) Finance

The Borrowings of the Company comprises of external commercial borrowings, term loan and working capital facilities. The debts (including interest) are being serviced regularly.

c) Deposits

During the year, the Company has not accepted or invited any deposits from the public.

d) Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees or Investments covered under the provisions of Section 186 of the Companies Act, 2013 ("the Act") are given in the notes to the financial statements.

6. TRANSFER TO RESERVES:

During the year under review, the company has not transferred any amount to the General Reserve.

7. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

The Company's Wholly owned Subsidiary is Aunik IT Solutions Private Limited. Your Company do not have any Joint Ventures or any Associate Companies. Pursuant to the provisions of the Rule 8 of Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the Company's subsidiaries, associates and joint venture companies in Form AOC-1 is attached as Annexure-II.

8. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to the provisions of Section 135 of the Companies Act, 2013, every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any financial year shall constitute a Corporate Social Responsibility Committee of the Board and shall formulate a Corporate Social Responsibility Policy. Your Company is not falling under the preview of said section during the year.

9. ANNUAL RETURN

Pursuant to the provisions of Section 92(3) and 134(3)(a) of the Act, the Annual Return of the Company as at 31st March, 2022 is uploaded on the website of the Company at <https://afenterprisesltd.in/announcement/>

10. VIGIL MECHANISM POLICY

The Vigil Mechanism Policy of the Company deals with instances of actual or suspected unethical behavior, fraud, etc. The Audit Committee reviews the functioning of the Policy. The details of the Vigil Mechanism has been elaborated in the Corporate Governance Report and posted on the Company's website <https://afenterprisesltd.in/our-policies/>

11. TRANSFER TO IEPF

In accordance with the provisions of Sections 124, 125 of the Act, read with the IEPF(Accounting, Audit, Transfer and Refund) Rules,2016 (hereinafter referred to as "IEPF Rules")the amount of dividend or any other amount remaining unclaimed or unpaid for a period of seven consecutive years is required to be transferred to the IEPF Authority. The shares in respect of which dividend remained unclaimed or unpaid for seven consecutive years or more, shall also be liable for transfer to the demat account of the IEPF Authority. The shareholders may note that the Company has not declared dividend yet so this clause shall not be applicable to the Company.

12. BOARD OF DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL

Your Company is managed and controlled by a Board comprising an optimum blend of Executives and Non-Executive Professional Directors. As on March 31, 2022; the Board of Directors consists of Six(6) Directors including one (1) Whole Time Director, one (1) Executive Director Two (2) Non-executive Independent Director and Two (2) Non Executive and Non Independent Director including one Woman Director. All the Directors possess the requisite qualifications and experience in general Corporate Management, Finance, banking and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company.

Mr. Abhishek Singh retires by rotation and being eligible offered himself for re-appointment Mr. Tinku Kathuria and Mr. Prateek Kumar are holding the Independent Director position. All Independent Directors of the Company have furnished declarations under Section 149(7) confirming that they meet the criteria of independence laid down in Section 149(6) of the Act and the SEBI Listing Regulations. In the opinion of the Board of Directors of the Company, all Independent Directors possess high integrity, expertise and experience including the proficiency to discharge their respective duties and responsibilities.

During the year under review, Mr. Prateek Kumar was appointed as Non Executive Independent Director w.e.f. 30th September,2021, the Key Managerial Personnel of the Company during the financial year 2021-22 are Mr. Santosh Kumar Kushawaha, Managing Director , Mr. Abhishek Singh, Chief Financial Officer and Ms. Payal Sachdeva Company Secretary. None of the Directors have attained the age of seventy five years.

13.1 Meetings of Board and Committees

In accordance with the regulatory requirements, the Board of Directors has constituted Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee.

The details with respect to the composition, terms of reference, number of meetings held, etc. of the Board and that of the Committees are disclosed in the Report on Corporate Governance ,which forms part of the Annual Report.

13.2 Board Evaluation

The annual evaluation of the performance of the Board of Directors, Committee of the Directors individually has been made as more particularly specified in the Corporate Governance Report.

13.3 Remuneration Policy

The details of the Remuneration Policy forms part of the Corporate Governance Report.The information relating to remuneration as required pursuant to Section 197 of the Act read with Rule 5(1) of the Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

A. Number of permanent employees on the rolls of the Company – 23(Twenty Three)

b. There was no change in the salaries of employees in last financial year.

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

13. PARTICULARS OF EMPLOYEES

The statement containing particulars of employees as required under section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment of Managerial Personnel) Rules, 2014 is given in Annexure-IV and forms part of this Report. In terms of Section 136(1) of the Companies Act, 2013, the Report and the Accounts are being sent to the Members excluding the aforesaid Annexure. Any Member interested in obtaining a copy of the Annexure may write to the Company Secretary at the Registered Office of the Company

14. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departure;
- (b) They had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (c) They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) They had prepared the annual accounts on a going concern basis;
- (e) They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. RELATED PARTY TRANSACTIONS

In compliance with the provisions of the SEBI Listing Regulations and the Act, the transactions with related parties are entered into with the approval of the Audit Committee and the Board of Directors. The omnibus approval of the Audit Committee is obtained for transactions which are repetitive in nature.

The Policy on Related Party Transactions can be accessed at <https://afenterprisesltd.in/our-policies/>

All transactions with related parties were on arm's length basis and in the ordinary course of business and necessary approvals were obtained, wherever required. There were no material related party transactions. The necessary disclosures regarding the transactions are given in the notes to the financial statements.

None of the Directors and the KMP has any pecuniary relationships or transactions *vis-à-vis* the Company other than those disclosed in the financial statements.

16. INTERNAL FINANCIAL CONTROL

The Board has adopted the policies and procedures 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 disclosures.

The Company's Internal Control Systems are commensurate with the nature of its business and the size and complexity of its operations. It comprises audit and compliance by internal audit checks by Ms. Manita Rani, Partner, M/s Prefcom Corporate Advisors LLP, Delhi as Internal Auditors of the Company.

The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the financial transactions and review various business processes. Independence of the Internal Auditors and therefore compliance is ensured by the direct report of internal audit division and Internal Auditors to the Audit Committee of the Board.

17. RISK MANAGEMENT

Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has developed and implement the Risk Management Policy for the Company including identification therein of elements of risk, if any, which is in the opinion of the Board may threaten the existence of the Company. These are discussed at the meeting of the Audit Committee and the Board of Directors of the Company.

At present the Company has not identified any element of risk which may threaten the existence of the Company.

18. AUDITORS

19.1 STATUTORY AUDITORS

M/s V N Purohit & Co., Chartered Accountants, (Registration Number: 304040E) are the Statutory Auditors of the Company

The Members of the Company at the 38th AGM held on 30th September, 2021 had appointed M/s V N Purohit & Co. as Statutory Auditors of the Company to hold office for a period of three years from the conclusion of that AGM till the conclusion of 41st Annual General Meeting.

The Auditors' Report does not contain any qualification, reservation or adverse remark. The Statutory Auditors have not reported any incident of fraud to the Audit Committee pursuant to Section 143(12) of the Act.

19.2 SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, The Board of Directors had appointed M/s Sumit Bajaj & Associates, Company Secretaries to carry out Secretarial Audit, for the financial year ended March 31,2022.

The report of the Secretarial Auditor is given in "Annexure-I". The Secretarial Audit Report does not contain any qualification, reservation of adverse remark.

20. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION& FOREIGN EXCHANGE

(A) Conservation of energy:

- (i) Steps taken or impart on conservation of energy :-Required steps have been taken by the Company
- (ii) Steps taken by the company for utilizing alternate sources of energy:- Required steps have been taken by the Company
- (iii) Capital Investment on energy conservation equipments:-NIL

(B) Technology absorption

- (I) Efforts made towards technology absorption:- As the Company is not using any borrowed technology no such steps are required.
- (II) benefit derived :-NA

(III) In case of imported technology-N.A.

- a) The detail of technology imported
- b) The year of import
- c) Whether the technology been fully absorbed
- d) If not fully absorbed areas where absorption has not been taken place, and the reasons thereof

(IV) Expenses incurred on R & D: NIL

(c) Foreign Exchange Earnings And Outgo

(Amount in Rs. 000)

PARTICULARS	CURRENT YEAR	PREVIOUS YEAR
Foreign Exchange Outgo	--	10432.59
Foreign Exchange Earning	13482.30	--

21. BUSINESS RESPONSIBILITY REPORT

Securities Exchange Board of India (SEBI) vide Circular CIR/CFD/DIL/8/2012 dated August 13, 2012 has mandated the inclusion of BRR as part of the Annual Report for the top 100 listed entities. In view of the requirements specified, the Company is not mandated for the providing the BRR and hence do not form part of this Report.

22. CORPORATE GOVERNANCE

During the year under review, the Company has complied with the requirements of Corporate Governance and a report on the same along with the Auditor's Certificate confirming compliance is attached with and forms part of this report

23. PREVENTION OF SEXUAL HARRASMENT

The Company is an equal opportunity provider and has zero tolerance in any form or manner towards the sexual harassment of women at work place. In accordance with the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013, the Company has formulated a policy on prevention, prohibition and redressal of sexual harassment of women at work place. The Company has constituted Internal Complaints Committee which meets as and when required.

No complaints pertaining to sexual harassment of women employees were received during the year.

24. ISO CERTIFICATION

Your Company continued to be certified under ISO 9001:2015 for quality management systems, ISO 14001:2015 for environment management systems and ISO 45001:2018 for Occupational Health and Safety Management System by UK Certification & Inspection Ltd.

25. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

Following material changes and commitments have occurred between Financial Year 2021-2022 are as under:

- 1) Allotment of 6,00,000 Equity Shares at a Face Value of Rs. 10/- Per share and at a Premium of Rs.8/- Per Share on Preferential Basis on 11th September 2021;
- 2) Issue of 40,00,000 Share Warrants at a Face Value of Rs. 10/- Per share and at a Premium of Rs.8/- Per Share on Preferential Basis on 27th July, 2021.
- 3) Conversion and allotment of 28,00,000 share warrants into equity shares of 3 allottees as follows
 - Mr. Rishan Singh Keer on 15th October 2021
 - Ms. Anuva Kaur Keer on 18th October 2021
 - M/s RDS Corporate Services Pvt. Ltd. on 26th march, 2022

S.No.	Date of Allotment	No. of Shares/Warrants Allotted	Type of Issue	Provision	Total No. of Shares Listed
1	As on 01.04.2021				9513636
2	27.07.2022	40,00,000	Preferential Issue (Issue of Warrants)	Section 42 and 62 of Companies Act, 2013 read with Chapter V of SEBI (ICDR) Regulations, 2015	9513636
3	11.09.2021	6,00,000	Preferential Issue (Issue of Sweat Equity Shares)	Section 54 of Companies Act, 2013 with SEBI (Issue of Sweat Equity Regulations), 2002	10113636
4	15.10.2021	10,00,000	Preferential Issue (Conversion of Warrants into equity shares)	Section 42 and 62 of Companies Act, 2013 read with Chapter V of SEBI (ICDR) Regulations, 2015	11113636
5	18.10.2021	10,00,000	Preferential Issue (Conversion of Warrants into equity shares)	Section 42 and 62 of Companies Act, 2013 read with Chapter V of SEBI (ICDR) Regulations, 2015	12113636
6	26.03.2022	8,00,000	Preferential Issue (Conversion of Warrants into equity shares)	Section 42 and 62 of Companies Act, 2013 read with Chapter V of SEBI (ICDR) Regulations, 2015	12913636

26. NUMBER OF MEETINGS OF THE BOARD

During the year, 14 Board Meetings were convened and held in accordance with the provisions of the Companies Act, 2013 and as per Secretarial Standards-1, the details of which are given in the Corporate Governance Report.

27. ISSUE OF SHARES AND UTILISATION OF FUNDS

Your Company has raised worth Rs. 5,58,00,000/- (Indian Rupees Five Crore Fifty Eight Lakh Only) against the issue of 40,00,000 equity shares at Rs. 18/- per share on a preferential basis at a Face Value of Rs. 10/- including premium of Re. 8/- per share on a preferential basis. The amount utilized as per the object of the issue mentioned in the explanatory statement of resolution passed in the issue of preferential shares. The utilization table are as under as on 31st March, 2022:

HEAD	AMOUNT
CREDITOR PAYMENT	30733249.34
WORKING CAPITAL	962591
GENERAL PURPOSE	893566
LOAN REPAYMENT	5398836
ICD	8000000
BUSINESS EXPANSION EXPENSES	2744743.8
SALARIES	1087310
PLANT RENT	432000
FIXED ASSETS	50696
STATUTORY DUES	13075
ELECTRICITY BILL	779963
TOTAL	51096030.14
CLOSING BALANCE AMOUNT IN BANK	4703969.86

28. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION & DISCHARGE OF THEIR DUTIES

A Nomination and Remuneration Committee has been constituted under section 178 of the Companies Act, 2013 for formulation the criteria for determining qualifications, positive attributes and independence of a Directors and recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees. Further, the Directors of the Company are being paid remuneration as approved by the Shareholders and Board as per the provisions of the Act and rules made thereunder.

29. FORMAL ANNUAL EVALUATION

The Nomination and Remuneration Committee of the Company has formulated Evaluation Policy during the year, which was approved by the Board of Directors. The Policy provides for evaluation of the Board, the Committee of the Board and individual Directors, including the Chairman of the Board. The policy provides that evaluation of the performance of the Board as a whole, Board Committees and Directors shall be carried out on an annual basis.

30. WHOLE TIME DIRECTOR & CFO CERTIFICATE ON CODE OF CONDUCT

The Board has laid down a specific code of Conduct for all Board Members and Senior Management of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the Code on annual basis. In this regard certificate from Whole time Director and CFO as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been received by the Board and the same is attached herewith as per Annexure "V".

ACKNOWLEDGEMENTS

The Board of Directors acknowledges with gratitude the co-operation extended by the Company's Bankers and also appreciates the continued trust and confidence reposed by the Shareholders in the management. They also place on record their appreciation for the valuable contribution and whole hearted support extended by the Company's employees at all levels.

Place: New Delhi
Date: 02.09.2022

For & Behalf of Board of Directors
Sd/-
Santosh Kumar Kushawaha
Managing Director
DIN: 02994228

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
A F ENTERPRISES LIMITED
DSM-334, DLF Towers Shivaji Marg,
Delhi Central Delhi DL 110015
CIN No.: L18100DL1983PLC016354

I was appointed by the Board of Directors of **M/S A F ENTERPRISES LIMITED** (hereinafter called the Company) to conduct Secretarial Audit on a voluntary basis for the period commencing from 1st April 2021 to 31st March 2022.

I have conducted the secretarial audit in respect of compliance with applicable statutory provisions and adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of Company's books, papers, minutes, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minutes, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of the following Laws (whichever applicable):

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-law framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Please refer the annexure-B.**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and sweat equity) Regulations, 2021: *During the period under review, company has issued 6,00,000 equity shares as per the*

provisions of the Section 54 of Companies Act, 2013 with SEBI(Issue of Sweat Equity Regulations), 2002

- (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not Applicable during Audit Period)**
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable during Audit Period)**
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not Applicable during Audit Period)**
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **(Not Applicable during Audit Period)**

In respect of other laws specifically applicable to the Company, I have relied on information/records produced by the Company during the course of our audit and the reporting is limited to that extent. In respect of Direct and Indirect Tax Laws like Income Tax Act, Goods & Service Tax Act, Excise & Custom Acts we have relied on the Reports given by the Statutory Auditor of the company.

We have also examined compliance with the applicable clauses of the following:

- (i) The Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- 1. *The management of the Company has reported and certified that the Company has obtained requisite approvals for grant of loans and advances to any party and complied with the provisions of Section 186 of the Companies Act, 2013 and any other applicable laws.***

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Further company has appointed Mr. Prateek Kumar as Non Executive Non Independent Directors of the company w.e.f. 30.09.2021, no any other change has been occurred in the composition of Board of Directors of the Company during the year under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.

All decision at Board Meetings and Committee Meetings are carried unanimously and subsequently the minutes of the Board of Directors or Committee of the Board, as the case may be were recorded.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that as informed to us, the Company has responded to notices for demands, claims, penalties etc levied by various statutory/regulatory authorities and initiated actions for corrective measures, wherever necessary.

We further report that as informed to us, the Company has undertaken event/action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**For Sumit Bajaj & Associates
(Company Secretaries)**

**Sumit Bajaj
Prop.
ACS - 45042,
C.P. No. -23948
Date: 02nd September, 2022
Place: Ghaziabad
UDIN:A045042D000903361**

To,
The Members,
A F ENTERPRISES LIMITED
DSM-334, DLF Towers Shivaji Marg,
Delhi Central Delhi DL 110015
CIN No.: L18100DL1983PLC016354

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not yet verified the correctness and appropriateness of financial records and Books of account of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Sumit Bajaj & Associates
(Company Secretaries)**

**Sumit Bajaj
Prop.
ACS - 45042,
C.P. No. -23948
Date: 02nd September, 2022
Place: Ghaziabad
UDIN:A045042D000903361**

List of Allotments of securities during the period under review

S.No.	Date of Allotment	No. of Shares/Warrants Allotted	Type of Issue	Provision	Total No. of Shares Listed
1	As on 01.04.2021				9513636
2	27.07.2022	40,00,000	Preferential Issue (Issue of Warrants)	Section 42 and 62 of Companies Act, 2013 read with Chapter V of SEBI (ICDR) Regulations, 2015	9513636
3	11.09.2021	6,00,000	Preferential Issue (Issue of Sweat Equity Shares)	Section 54 of Companies Act, 2013 with SEBI (Issue of Sweat Equity Regulations), 2002	10113636
4	15.10.2021	10,00,000	Preferential Issue (Conversion of Warrants into equity shares)	Section 42 and 62 of Companies Act, 2013 read with Chapter V of SEBI (ICDR) Regulations, 2015	11113636
5	18.10.2021	10,00,000	Preferential Issue (Conversion of Warrants into equity shares)	Section 42 and 62 of Companies Act, 2013 read with Chapter V of SEBI (ICDR) Regulations, 2015	12113636
6	26.03.2022	8,00,000	Preferential Issue (Conversion of Warrants into equity shares)	Section 42 and 62 of Companies Act, 2013 read with Chapter V of SEBI (ICDR) Regulations, 2015	12913636

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
A F ENTERPRISES LIMITED
Plot No. 8, Sector-5,
Main Mathura Road,
Ballabgarh Faridabad 121006
CIN No.: L18100DL1983PLC016354

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of A F ENTERPRISES LIMITED having CIN L18100DL1983PLC016354 and having registered office at DSM-334, DLF Towers Shivaji Marg, Delhi Central Delhi DL 110015 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	SANTOSH KUMAR KUSHAWAHA	02994228	30/05/2019
2.	ABHISHEK SINGH	03603706	04/09/2015
3.	TINKU KATHURIA	08699650	14/02/2020
4.	SAHIL ARORA	07143414	03/09/2020
5.	SHAGUN AJMANI	08828322	03/09/2020
6.	PRATEEK KUMAR	02923372	30/09/2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sumit Bajaj & Associates
(Company Secretaries)

Sumit Bajaj
Prop.
ACS - 45042,
C.P. No. -23948
Date: 02nd September, 2022
Place: Ghaziabad
UDIN: A045042D000903394

ANNEXURE "II"

FormAOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules,2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in (Rs.) Company does not have any subsidiary/ associate companies/ jointventures.

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Aunik IT Solutions Pvt. Ltd.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	No
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries	NA
4.	Share capital	(68,44,308)
5.	Reserves & surplus	0
6.	Total assets	27,39,14,195
7.	Total Liabilities	28,07,58,503
8.	Investments	0
9.	Turnover	24,65,67,954
10.	Profit before taxation	7,60,120
11.	Provision for taxation	0
12.	Profit after taxation	5,45,269
13.	Proposed Dividend	NA
14.	% of shareholding	95.27%

Part "B": Associates and Joint Ventures-NA

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures				
1. Latest audited Balance Sheet Date				
2. Shares of Associate/Joint Ventures held by the company on the year end				
No.				
Amount of Investment in Associates/Joint Venture		N.A		
Extend of Holding%				
3. Description of how there is significant influence				
4. Reason why the associate/joint venture is not consolidated				
5. Net worth attributable to shareholding as per latest audited Balance Sheet		N.A		
6. Profit/Loss for the year				
i. Considered in Consolidation				
ii. Not Considered in Consolidation				

1. Names of associates or joint ventures which are yet to commence operations.

2. Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

Related Party Transactions**Particulars of contracts or arrangements with related parties referred to in sub-section (1) of section 188 in the form AOC-2:**

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business.

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014:

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil**2. Details of material contracts or arrangement or transactions at arm's length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
Mr. Abhishek Singh (Director)	Managerial Remuneration	Ongoing Transaction	Mr. Abhishek Singh is an Executive Director of the Company, the Company has paid 1,79,850/- salary per annum	NA	Nil
Mr. Abhishek Singh (Director)	Loan	1 Year	During the Company has granted Advance Amounting Rs. 1,09,456 to Mr. Abhishek Singh	NA	Rs. 1,09,456
Mr. Santosh Kumar Kushawaha	Advance Given	1 year	During the year, The Company has given Rs. 12,91,174/- to Mr. Santosh Kumar Kushawaha	NA	Rs. 12,91,174/-
Mr. Tinku Kathuria (Independent Director)	Sitting Fees	Ongoing Transaction	During the Year the Company has paid Rs. 20,000 against Sitting Fees to Mr. Tinku Kathuria who is an Independent Director	NA	NA

Mr. Prateek Kumar (Independent Director)	Sitting Fees	Ongoing Transaction	During the Year the Company has paid Rs. 12,000 against Sitting Fees to Mr. Prateek Kumar who is an Independent Director	NA	NA
Ms. Payal Sachdeva (Company Secretary & Compliance Officer)	Remuneration	Ongoing Transaction	During the Year the Company has paid Rs. 1,77,714 against Remuneration to Ms. Payal Sachdeva who is a Company Secretary & Compliance Officer of the Company	NA	NA
RDS Corporate Services Pvt. Ltd.	Loan Advanced	Ongoing Transaction	During the year no transaction has been occurred between the parties, only balance as on 31.03.2022 can be seen in the Financials of the Company of Rs. 63,98,971/- in the form of Advance Loan	NA	Nil
	Loan Recovered	Ongoing Transaction		NA	Nil
SNP Solutions LLP	Advance Received From Customer	Ongoing Transaction	During the year no transaction has been occurred between the parties, only balance as on 31.03.2022 can be seen in the Financials of the Company of Rs. 1,95,000/- in the form of Advance Received	NA	Nil
Consider Done	Loan Given	1 Year	During the Year the Company has given Loan Amounting Rs. 32,99,537/- for Business Purpose	NA	Nil

ANNEXURE "IV"

PARTICULARS OF EMPLOYEES

Information required with respect to Section 197(12) of the Companies Act, 2013 Read With Rule5(1) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules,2014

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year under review

Name of Director/ KMP	Remuneration (In Rs.)	Ratio of Directors Remuneration to Median Remuneration	Percentage Increase in Remuneration
Abhishek Singh (Director)	3,60,000	6:1	Nil
Santosh Kumar Kushawaha (Managing Director)	72,00,000	6:1	Nil
Sahil Arora (Director)	30,00,000	6:1	Nil
Shagun Ajmani (Director)	30,00,000	6:1	Nil

- (ii) The Median Remuneration of Employees is Rs.35,000.
(iii) The Company has 23 Employees on the rolls of Company as on 31st March,2022.
(iv) During the Year 2021-22, there was no increase in the salary of Employees.
(v) Affirmation that the remuneration is as per the remuneration policy of the Company.

The Company affirms that the remuneration is as per the remuneration policy of the Company.

Information required with respect to Section 197(12) of the Companies Act, 2013 Read With Rule5(2) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules,2014

None of the employee drawn remuneration more than of Rs. 1 Crore 2 Lakh per annum or Rs. 8.50 Lakh per month if any part of the year. Hence the provision of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014 are not applicable for the period under review.

Certificate from the Whole Time Director & CFO

[As required under Regulation 17(8) of the SEBI (LODR) Regulations, 2015]

I, Abhishek Singh , Whole Time Director & CFO of AF Enterprises Limited, certify that:

1. I have reviewed financial statements and the cash flow statement for the period and that to the best of our knowledge and belief:

a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

b. these statements give a true and fair view of the Company's affairs and of the results of operations and cash flow. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.

2. To the best of our knowledge and belief, no transactions were entered into by the Company during the year that is fraudulent, illegal or violates the Company's code of conduct.

3. We accept overall responsibility for the Company's internal control system for financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of its adequacy and effectiveness. Internal audit interacts with all levels of Management and statutory auditors, and reports significant issues to the Audit Committee of the Board. The Auditors' and the Audit Committee are apprised of any corrective action taken with regard to significant deficiencies and material weaknesses.

4. We have indicated to the Auditors' and Audit Committee:

a. significant changes in internal control and overall financial reporting during the period;

b. significant changes in accounting policies during the period;

c. instances of significant fraud of which we have become aware of and which involve Management or employees, who have significant role in the Company's internal control system over financial reporting. However, during the period there were no such changes or instances.

Date: 02.09.2022

Place Delhi

For AF Enterprises Limited

Sd/-

Abhishek Singh

Whole Time Director & CFO

DIN: 03603706

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2022.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to adhere to the highest standards of governance in the way it carries business. The Company strives to continuously engage with and is receptive to the concerns of its stakeholders and the surrounding communities within which it operates. The principles of good governance can best be achieved when the Board, the management, the employees and all those associated with the business realize the inherent importance of ethics and channel their conduct accordingly. It is in this background that the Company lays specific emphasis on mutual trust and respect towards all concerned stakeholders.

BOARD OF DIRECTORS

Composition and category of the Directors

The Board of Directors, led by a Non-executive Non independent Chairman, comprises of six Directors with diverse background and profession and having an optimum combination of Executive and Non executive Non executive Independent Directors in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). Shri Abhishek Singh, Whole time Director & CFO and Shri Santosh Kumar Kushawaha, Managing Director . Shri Sahil Arora is the Non Executive Director. Smt. Shagun Ajmani, Non Executive Director Shri Tinku Kathuria and Shri Prateek Kumar are the Independent Directors. The Board constituted committees include Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee and Corporate Social Responsibility Committee. The role of the committees are defined by the Board and are in accordance with the SEBI Listing Regulations.

ATTENDANCE OF THE DIRECTORS AT THE MEETINGS

The Board met fourteen times during the year i.e., on 13th May, 2021, 24th May, 2021, 3rd June, 2021 and 26th July, 2021, 27th July 2021, 14th August, 2021, 31st August, 2021, 11th September, 2021, 30th September, 2021, 15th Oct, 2021, 18th Oct, 2021, 13th Nov, 2021, 9th Feb, 2022, 26th March, 2022. The attendance of the Directors at the Board Meetings and the Annual General Meeting, Directorship and Committee membership in other Companies are given below:

Name of the Directors	Category	No. of Board Meetings Attended	Attendance at AGM held on 30.09.2021	No. of Directorship(s) held in other public Companies	Number of Committee position held in other public companies*		No. of Shares held
					Chairman	Member	
Mr. Abhishek Singh	Executive Director	14	Yes	0	0	0	0
Mr. Santosh Kumar Kushawaha	Executive Director	14	Yes	1	0	3	300000
Mr. Sahil Arora	Non-Executive Director	12	Yes	0	0	0	650000
Mr. Tinku Kathuria	Non-Executive Independent Director	14	Yes	0	0	0	0
Ms. Shagun	Non-Executive	11	Yes	0	0	0	513636

Ajmani	Director						
Mr. Prateek Kumar	Non-Executive Independent Director	6	Yes	0	0	0	0

*Mr. Prateek Kumar has been appointed in the Board Meeting dated 30th September, 2022

The familiarization programme of the Directors can be accessed at www.afenterprisesltd.in

None of the Directors of the Company are related to each other.

Matrix of skills/competence/expertise of the Board of Directors

The Board of Directors of the Company comprises of people with diverse knowledge, skills and expertise and experience such as management, finance, tax, etc. The Board is led by the Experts who have immense knowledge of Plastic Industries. The Managing Director and Executive Director are in charge of the overall affairs of the Company and at Plants respectively. The Independent Directors bring with them their respective domain expertise which are accountancy and management.

Wherever needed, the proposals are placed before the respective committee for its consideration and if recommended by it, then placed before the Board. All business transacted at the Board/Committee are with the presence of only non-interested directors. All committees (except Risk Management Committee) are chaired by the Independent Directors and the views of all members are taken into consideration before decisions are taken. The major skills/competencies/expertise and the directorships held by the Directors in other listed companies are summarized below:

Name of Directors	Directorships held in Listed Companies	Category	Skills/Expertise
Mr. Abhishek Singh	--	--	Accounts, Finance & Banking
Mr. Santosh Kumar Kushawaha	Pankaj Piyush Trade & Investments Limited	Non-Executive & Independent	Audit, Finance & Compliances,
Mr. Sahil Arora	--	--	IT & Business Management
Mr. Tinku Kathuria	--	--	Finance & Taxation
Ms. Shagun Ajmani	--	--	Marketing & PR
Mr. Prateek Kumar	--	--	Project Set Up, General Management

In the opinion of the Board, all the independent directors have fulfilled the conditions of the SEBI Listing Regulations and that they are independent of the Company's management.

AUDIT COMMITTEE

The Audit Committee discharges its role of a fiduciary nature by regular interaction with internal auditors, statutory auditors and key management executives. It acts as a layer for the Board whereby the process of financial reporting, discussions on internal and statutory audit, monitoring of internal controls, insider trading mechanism, etc. are deliberated and reviewed by it before recommending to the Board. This process enables that the Board to take an informed decision.

The terms of reference of the Committee are defined as per SEBI Listing Regulations. The Audit Committee of the Board is constituted in accordance with the requirement of Section 177 of the Companies Act, 2013 ("the Act") and Regulation 18 of the SEBI Listing Regulations. One Third of the members of the Audit Committee are independent directors with

diverse experience and expertise. The Chairman of the Committee is a member of The Institute of Chartered Accountants of India and possesses relevant financial expertise.

The meetings of the Committee are held at regular intervals. The Audit Committee met five times during the year i.e. 24th May, 2021, 3rd June, 2021, 14th August, 2021, 13th November, 2021 and 9th February, 2022 which meetings were attended by all the members of the Committee. The Committee comprises of:

Name of Member	Position	Category
Mr. Tinku Kathuria	Chairman	Non -Executive, Independent
Mr. Prateek Kumar	Member	Non -Executive, Independent
Mr. Abhishek Singh	Member	Executive

The Company Secretary acts as the Secretary of the Committee. The Internal Auditors & Statutory Auditors are the invitees to all Audit Committee meetings and have attended all meetings during the year.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee functions within the ambit of powers as vested by the Board vis-à-vis Regulation 19 of the SEBI Listing Regulations and Section 178 of the Act, which includes amongst others policy relating to the remuneration of the directors, key managerial personnel and other employees, formulation of criteria for evaluation of performance of independent directors and Board of Directors, devising a policy on diversity of Board, appointment of directors, key managerial personnel, senior management level employees, recommending to the Board the appointment of directors, evaluating the re-appointment and determining whether to extend the tenure of the independent directors, recommending to the Board the remuneration payable to senior management employees, The link to view the policy is on the website of the Company at <https://afenterprisesltd.in/cg-report/>

The Nomination and Remuneration Committee of the Board is constituted in accordance with the requirement of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations. Two-thirds of the members of the Committee are independent directors. During the year, three meetings were held on 3rd June, 2021, 14th August, 2021 and 30th September, 2021 which were attended by all the members of the Committee. The terms of reference of the Committee are defined as per SEBI Listing Regulations. The Committee comprises of :

S. No.	Name of the Member	Category	Position
1.	Mr. Prateek Kumar	Independent Director	Chairman
2.	Mr. Tinku Kathuria	Independent Director	Member
3.	Ms. Shagun Ajmani	Non Executive and Non Independent Director	Member

The Company Secretary acts as the Secretary of the Committee.

Performance evaluation criteria of the Board and Directors

The criteria for the evaluation of directors are determined by the Nomination and Remuneration Committee in accordance with the provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations on the basis of discussion amongst the Directors covering all aspects of the functioning of the Board and the Committees. The evaluation criteria provide for different parameters for the evaluation of the performance of the Board, its committees and Directors. The criteria for evaluation covers areas such as functioning of the Board/Committees, discharge of key responsibilities, Board governance, attendance at the meetings, independence of judgment exercised by the Directors, etc. Pursuant to the provisions of the Act and the SEBI Listing Regulations, the Board has carried out the annual evaluation of its own performance as well as the working of its Audit, Nomination & Remuneration, Stakeholders' Relationship, Risk Management, and Corporate Social Responsibility Committees.

All the Directors carried out the performance evaluation. The Independent Directors evaluated the performance of non-independent directors, the Board as a whole and Chairman. The performance evaluation of independent directors was done by the entire Board members in which the independent directors who were being evaluated did not participate.

Remuneration of Directors

The Remuneration Policy of the Company strives to ensure that the level and composition of the remuneration is reasonable and sufficient to attract, retain and motivate the best talent commensurate with the size of the Company. The remuneration of the Directors are in accordance with the provisions of the Act and the approval of the members of the Company. There was no pecuniary relationship or transactions between the Company and any of its Directors apart from the remuneration as detailed below:

Name	Salary	Sitting Fees	Total
Mr. Abhishek Singh	360000	--	360000
Mr. Santosh Kumar Kushawaha	7200000	--	7200000
Mr. Sahil Arora	3000000	--	3000000
Mr. Tinku Kathuria	--	20000	20000
Ms. Shagun Ajmani	3000000	--	3000000
Mr. Prateek Kumar	--	12000	12000

The remuneration to Managing Director and Executive Director are as per their terms of no performance linked incentives or severance fees payable to the Directors. The Company has granted Sweat Equity shares as per Section 54 of the Companies Act, 2013 and other applicable provisions of Companies Act and as per SEBI (Issue of Sweat Equity Regulations), 2002 to its three Directors as under:

Name of Director	No. of Shares Allotted	Consideration	Issue Amount (Rs. Per Share)
Mr. Santosh Kumar Kushawaha	300000	Other Than Cash	18
Mr. Sahil Arora	150000	Other Than Cash	18
Ms. Shagun Ajmani	150000	Other Than Cash	18

The terms of appointment of the Managing Director and Executive Director provide that the appointment may be terminated by either party by giving to the other party three months' notice of such termination or the Company paying three months remuneration in lieu thereof.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee meets as and when required and reviews all matters relating to the resolution of the investors' grievances viz. transfer of shares, non-receipt of annual report, non-receipt of dividends, issue of duplicate share certificates, etc.. The Stakeholders' Relationship Committee of the Board is constituted in accordance with the requirement of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations. Two-thirds of the members of the Committee are independent directors. During the year, two meetings were held on 24th May, 2021 and 14th August, 2021 which were attended by all the members of the Committee.

The terms of reference of the Committee are defined as per SEBI Listing Regulations. The investor grievances are being attended by M/s Skyline Financial Services Pvt. Ltd., Registrar and Share Transfer Agent (RTA) administered under the supervision of the Company Secretary and a periodical report on the same is being presented before the Committee. The composition of the Committee and the status of the complaints are given below:

Name of the Member	Category	Position	No. of Complaints Received	No. of Complaints Resolved	No. of Complaint Pending
Mr. Sahil Arora	Non Executive and Non Independent Director	Chairman	0	0	0
Mr. Tinku Kathuria	Non Executive-Independent Director	Member	0	0	0
Mr. Santosh Kumar Kushawaha	Executive Director	Member	0	0	0

Ms. Payal Sachdeva acts as Secretary of the Committee and is the Compliance Officer of the Company

GENERAL BODY MEETINGS

1. The Company's Last AGM (38th AGM) of the Financial Year 2020-21 was held on 30th September, 2021 through Video Conferencing
2. During the Year 1 (One) Postal Ballot was conducted and the following resolution was passed by requisite majority

Postal Ballot Notice was dated 03.06.2021 and the date of Passing of the resolution was 4th July, 2022.

Resolution	Type of Resolution	Votes in Favour of Resolution		Votes against the Resolution	
		No. of Votes	% to total votes assented	No. of Votes	% to Total votes
To approve the Change in Designation of Director Mr. Santosh Kumar Kushawaha to Managing Director of the Company and to fix remuneration of Rs. 72,00,000 (Seventy Two Lakhs only)	Special Resolution	394	98.96	13	1.04
To consider and approve the Remuneration of Mr, Sahil Arora, Director of the Company upto Rs.30,00,000/- p.a (Thirty Lakh Only)	Special Resolution	394	98.96	13	1.04
To consider and approve the Remuneration of Ms, Shagun Ajmani, Director of the Company upto Rs. 30,00,000/- p.a (Thirty Lakh Only)	Special Resolution	394	98.96	13	1.04
To Issue of 6,00,000 (Six Lakhs) sweat equity share, at a price of Rs. 18/- (Rupees Eighteen only) per sweat equity share aggregating to Rs. 1,08,00,000/- (Rupees One Crore Eight Lakhs only) consideration other than cash.	Special Resolution	394	98.96	13	1.04
To Issue and allotment of 40,00,000 convertible warrants through preferential issue at a issue price ofRs. 18 (face value Rs, 10/- including Rs.8/- premium per warrant) aggregating to Rs, 7,20,00,000	Special Resolution	394	98.96	13	1.04

Postal Ballot process:

1. M/s Sumit Bajaj& Associates, Practicing Company Secretaries was appointed as the scrutinizer for submitting report on voting through remote e-voting for postal ballot exercise for the postal ballot notice dated 03.06.2022.
2. The Board of Directors, at their Meeting, approved the resolution to be passed through Postal Ballot and authorised any of the Directors and/or the Company Secretary of the Company to conduct the postal ballot process.
3. Notice of Postal Ballot, along with the ballot papers, were sent to the Shareholders through email. E-voting facility was also offered to eligible Shareholders to enable them to cast their votes electronically.
4. An advertisement was published in a English newspaper and a Hindi newspaper about the dispatch of Postal Ballot Notice alongwith ballot papers.
5. The Scrutinizer gave his report to the Chairman.
6. The Company Secretary announced the results of the Postal Ballot on receipt of the Scrutinizer's Report.
7. The result was intimated to the Stock Exchange and are also hosted on the Company's website www.afenterprisesltd.in

Other Details of Postal Ballot were as below:

Postal Ballot Notice dated	Cut Off Date	Date of Dispatch of Notice	Date of Publication of dispatch of Notice in Newspaper	Commencement of e-voting	End of e-voting	Date of Declaration of Results
03.06.2021	28.05.2021	04.06.2021	04.06.2021	05.06.2021 at 09:00 AM	04.07.2021 at 05:00 PM	05.07.2021

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENT OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK

The Indian economy that was on a path of recovery post the first wave of Covid-19 pandemic, was struck by two more waves of Covid during the fiscal year 2021-22. The localized lockdowns derailed the economic growth and dampened consumer sentiments. However, the successful rollout of Covid vaccination programme, pick-up in government expenditure and better preparedness compared with the first wave restricted the economic damage to some extent. Supply shocks caused by Russia's invasion of Ukraine lead to surge in crude oil and other commodity prices has further triggered a round of downward revisions in the GDP growth projections as well as surged in inflation across the globe. India is not an exception, it's retail price inflation surged to above 9 per cent in April 2022. This is the highest inflation India have witnessed in the last eight years. In a move to contain the raging inflation, the hike in interest rate is inevitable and which is expected to increase the cost of servicing loans for both consumers and producers and is likely to hurt the consumer and business sentiments going forward.

❖ OVERVIEW

Financial Year 2021-22 saw a good recovery of demand & Company did record consolidated sales of 48.57 Crores, which is highest ever.

The Company is actively making innovative & unique products to stay ahead in both key Business of Material Handling & Manufacturing of Plastic Products.

The year saw extremely high volatility of over 30% on the key Raw Material Prices in both Polypropylene & Polyethylene.

The Company continued to focus on increasing market penetration to ensure entire product range are available in deeper pockets of the Country. The Company continued to build strong designing & manufacturing capability in production of Plastic Moulded Components which will establish its competitive position of high-cost import substitution in the Plastic.

❖ OPPORTUNITIES, THREATS & RISKS

The Company is mainly exposed to market risk (including liquidity risk), interest risk and credit risk. However prudent business and risk management practices followed by the company over the years helps it to manage normal industry risk factors, which inter alia includes economic/ business cycle, fluctuations in the stock prices in the market, besides the interest rate volatility, and credit risk. The Company is confident of managing these risks by observing a conservative financial profile in investment are trading of securities business. The sheer unpredictable nature of the markets makes investments a risky proposition. An investment company has to live with the fear of falling markets and movement of the SENSEX. However, the Company hopes to improve its performance on the strength of its long experience and its strong emphasis on the fundamentals. Your management has got ample exposure of the capital markets, which provide us an opportunity to make safer and profitable investments with minimum risks.

❖ INTERNAL CONTROL SYSTEMS

The Company has an Internal Control System which is commensurate with the size, scale and complexity of its operations. The Internal Auditors monitor the efficiency and efficacy of the internal control systems in the Company, compliance with operating systems/accounting procedures and policies of the Company. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board. The Company has adequate systems and procedures to provide assurance of recording transactions in all material respects. During the year, Ms. Manita Rani, Partner, M/s Prefcom Advisors and LLP, Delhi, reviewed the adequacy and operating effectiveness of the internal financial controls as per Section 134 (5) of the Companies Act, 2013 by covering the following broad areas:

- i. Material level assessment
- ii. Entity level assessment

iii. Risk Control Matrix covering major processes and developing controls Internal audit and compliance.

The Company conducts its internal audit and compliance functions within the parameters of regulatory framework which is well commensurate with the size, scale and complexity of operations. The internal controls and compliance functions are installed, evolved, reviewed, and upgraded periodically. The Company has appointed, Ms. Manita Rani, Partner, M/s Prefcom Advisors and LLP, Delhi, to conduct internal audit covering all areas of operations including branches. The reports are placed before the Audit Committee of the Board.

The Audit Committee reviews the performance of the audit and compliance functions, the effectiveness of controls and compliance with regulatory guidelines and gives such directions to the Management as necessary / considered appropriate. The Company has framed a compliance policy to effectively monitor and supervise the compliance function in accordance with the statutory requirements.

❖ **HUMAN RESOURCES**

Human Resource is the most vital factor to achieve the goals of any organization. Being a progressive organization, AF Enterprises Limited firmly believes in the strength of its most vital asset. The company recognizes the importance of human value and ensures that encouragement both moral and financial is extended to each individual for motivating them to perform to the maximum capacity, to contribute towards developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel. The company Industrial relations are cordial and satisfactory during the year under review.

❖ **CAUTIONARY NOTE**

Certain statements in this Report may be forward-looking and are stated as may be required by applicable laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook. Your Company does not undertake to update these statements.

❖ **ACKNOWLEDGEMENT**

Your directors take this opportunity to place on record their appreciation to all employees for their hard work, spirited efforts, dedication and loyalty to the Company which helped the Company for maintain its growth. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuring an excellent all around operational performance.

Date: 02.09.2022
Place: Delhi

For AF Enterprises Limited
Sd/-

Santosh Kumar Kushawaha
Managing Director
DIN: 02994228

Independent Auditor's Report

To
The members of
AF ENTERPRISES LIMITED

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **AF ENTERPRISES LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2022, the statement of profit and loss, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information (hereby referred as 'the Standalone Financial Statements').

In our opinion and to the best of our information and explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("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 31st March, 2022, and the **net profit** (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone 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 (ICAI) together with ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we have obtained are 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 Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described hereunder to be key audit matters to be communicated in our report.

Key audit matters	Auditor's response
<p><u>Revenue from operations</u></p> <p>According to Ind AS 115, revenue to be recognized on satisfaction of performance obligation and transfer of control pertaining to goods.</p> <p>Determination of transaction price for measurement of revenue according to Ind AS 115.</p>	<p>Our audit procedure included the following-</p> <ul style="list-style-type: none">• We assessed the company's process to consider the time of transfer of control of goods.• We performed year end cut off procedures to determine whether revenues are recorded in the correct period.• We used assessment of overall control environment relevant for measurement of revenue.• We performed testing of journals, with particular focus on manual adjustment to revenue account, to mitigate the risk of manipulation of revenue and profit figures.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Standalone Financial Statements

The Company's board of directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the applicable accounting standards and the other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for insuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain a reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our 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 due to fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

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

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

- (ii) Obtain an understanding of the internal 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.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) 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 upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (v) 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 controls 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 reasonable be thought to bear on our independence, and where applicable, relevant 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, 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 reasonable be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss, statement of changes in equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid Standalone Financial Statements comply with the Indian accounting standards specified under Section 133 of the Act;
 - e. On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the

operating effectiveness of such controls, refer to our separate Report in **Annexure-B**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact, if any of pending litigations on its financial position, in its Standalone Financial Statements (Note 37).
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. (Refer Note 41)
 - iii. The Company is not required to transfer any amount to the Investor Education and Protection Fund. (Refer Note 42)
 - iv. (a) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that has considered reasonable and appropriate in the circumstances, nothing has come our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
 - v. No dividend has been declared or paid by the company during the period covered by this report in pursuant to Section 123 of the Companies Act 2013
 - h. In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its director during the current financial year is in accordance with the provision of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act, read with Schedule V of the Act.

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

O.P. Pareek
Partner
Membership No. 014238
UDIN: 22014238AJTWVF2399

New Delhi, the 27th day of May 2022

ANNEXURE- A TO THE AUDITOR'S REPORT

The Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date to the members of **AF Enterprises Limited**(the Company) for the year ended on 31st March 2022.

- (i) (a) A. As per information and explanation given to us, the company is maintaining proper records showing full particulars, including quantitative details and situation of the Property, plant and equipment;
- B. As per information and explanation given to us, the company does not have any Intangible asset hence the provisions of sub clause (i)(a)(B) of para 3 of the order are not applicable;
- (b) As per information and explanation given to us, physical verification of the Property Plant and equipment has been conducted once in a year by the management and no material discrepancies were noticed during the course of verification;
- (c) According to information and explanation given to us, the company does not hold any immovable property during the year dealt with by this report. Accordingly, the provisions of sub-clause (i)(c) of para 3 of the order are not applicable;
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including Right-of-use assets) or Intangible assets or both during the year. Accordingly, the provisions of sub-clause (i)(d) of para 3 of the order are not applicable;
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Accordingly, the provisions of sub- clause (i)(e) of para 3 of the order are not applicable.
- (ii)(a) As per information and explanation given to us, physical verification of inventory has been conducted once in a year by the management and no material discrepancies were noticed during the course of verification furthermore inventory consisting of securities are held in dematerialized form, balances of same has been verified with securities closing balances available at Depository participant (i.e. NSDL/CDSL) further no material discrepancies were noticed during the course of such verification;
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not taken any working capital loan during the period covered by this report. Accordingly, the provisions of sub-clause (ii)(b) of para 3 of the order are not applicable.
- (iii) In respect of loans or advances in the nature of loans, secured or unsecured given to the companies, firms, limited liability partnership or any other parties during the year.
- (a) A. According to the information and explanations given to us, the Company has not granted granted loans or advances in the nature of loans, secured or unsecured to subsidiaries, associates and joint ventures.
- B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans to parties other than subsidiaries, joint ventures and associates, aggregate amount of which given during the year is Rs.24,793.54 thousands and balance outstanding of such loan as at 31st March 2022 amounting to Rs. 42,930.53 thousands;
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, the loans have been provided by the Company without any interest and with moratorium on principal amount and thus we are of the opinion that the terms and conditions of the loans given are, prima facie, prejudicial to the interest of the Company;*
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the schedule of repayment of principal has been stipulated, however,*

the payment of interest has not been stipulated and accordingly the receipts are regular as stipulated in the arrangement.

(d) According to the information and explanations provided to us, the overdue management there is no loan overdue amount as per stipulations for more than ninety days in respect of loans given;

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended during the year or fresh loans given during the year to settle the over dues of existing loans given to the same party;

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted loans either repayable on demand or without specifying any terms or period of repayment. Accordingly, the provisions under sub-clause (iii)(f) of para 3 of the order are not applicable.

(iv) According to information and explanations given to us, the Company has complied with the provisions of Section 186 of Companies Act, 2013 to the extent applicable in respect of loans, advances, guarantees and securities so given. Furthermore, the Company has complied with the provisions of section 185 of the Companies Act, 2013 *except to the extent of passing of special resolution at the general meeting in respect of granting of loan to the entities in which director is interested;*

(v) According to information and explanations given to us, the Company has not accepted any public deposits during the year and the provision of section 73 to 76 or other relevant provisions of the Companies Act, 2013 and rules framed thereunder are not applicable to the Company;

(vi) According to information and explanations given to us, the Company is not liable to maintain cost records as prescribed under section 148(1) of the Companies Act, 2013;

(vii)(a) According to information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including income-tax and any other applicable statutory dues to the appropriate authorities and there are no outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable *except the following;*

Name of Statute under which dues are outstanding	Amount (Rs. In '000')
<i>Tax deducted at source under the Income tax Act</i>	<i>1,567.55</i>
<i>Tax collected at source under the Income tax Act</i>	<i>46.39</i>
<i>Employee's provident fund</i>	<i>488.20</i>
<i>Employee' ESI Payable</i>	<i>3.06</i>
<i>Labour welfare fund</i>	<i>47.89</i>

(b) According to information and explanations given to us, there are no outstanding statutory dues on the part of Company which is not deposited on account of dispute;

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

(ix)(a) whether the company has defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender, if yes, the period and the amount of default to be reported as per the format below:-

Nature of borrowing	Name of lender	Amount not paid (Rs. in '000')	Whether principal or interest	No. of days delay or unpaid	Remarks, if any
Car Loan	Axis Bank Limited	539.73	Principal	27 months	Unpaid since January 2020
		118.40	Interest	27 months	

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or

government or government authority;

(c) According to the information and explanations given to us by the management, the company has utilised the loans against the purpose for which it was obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis that have been utilized for the long-term purpose by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any fund on account of or to meet the obligations of subsidiary.

(f) According to the information and explanations given to us on an overall examination of the financial statements of the Company, we report that the Company has not raised loan during the year on the pledge of securities held in its subsidiary.

(x)(a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, the provisions of sub clause (x)(a) of para 3 of the order are not applicable;

(b)According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provision of sub clause (x)(b) of para 3 of the order are not applicable;

(xi)(a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit;

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;

(c) According to the Information and explanations given to us, there are no whistle blower complaints received by the company during the year;

(xii)According to the information and explanation given to us and on the basis of our information and explanation of the records of the company is not a Nidhi Company. Hence the provisions of sub clause (xii) of para 3 of the order are not applicable;

(xiii)According to information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the Standalone Financial Statements etc., as required by the applicable Indian accounting standards;

(xiv)(a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business;

(b) We have considered the internal audit reports of the Company issued till date for the period under audit;

(xv)In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi)(a) According to information and explanations given to us, the Company is not a Non- Banking Financial Company and registered under Section 45-IA of the Reserve Bank of India Act, 1934;

(b) According to information and explanations given to us, The Company has not conducted Non- Banking Financial activities with a valid certificate from Reserve Bank of India as per the Reserve Bank of India Act, 1934;

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of

India. Accordingly, provision of sub clause (xvi)(c) of para 3 the order are not applicable.

(d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the provisions of sub clause (xvi)(d) of para 3 the order are not applicable.

(xvii)The Company has not incurred cash losses during the current financial year and in the immediately preceding financial year.

(xviii)There has been no resignation of the statutory auditors during the year. Accordingly, provision of sub clause (xviii) of para 3 of the order are not applicable.

(xix)According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

(xx)According to the information and explanations given to us, provisions of Corporate Social Responsibility (CSR) specified in section 135 read with schedule VII of Companies Act are not applicable upon the company.

(xxi)According to the information and explanations given to us, there has not been any qualification and adverse remarks by the respective auditor in the Companies Auditor Report Order (CARO) reports of the companies included in the consolidated financial Statements.

Signed for the purpose of identification

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

O.P. Pareek
Partner
Membership No. 014238
UDIN: 22014238AJTWVF2399

New Delhi, the 27thday of May 2022

ANNEXURE- B 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

We have audited the internal financial controls over financial reporting of **AF ENTERPRISES LIMITED** as on 31st March 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Opinion

In our opinion, the Company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on "the internal financial controls over financial reporting criteria 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".

Management's Responsibility for the 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 controls stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of 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 conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material aspects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and the receipt and expenditures of the Company are being only in accordance with authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

O.P. Pareek
Partner
Membership No. 014238
UDIN: 22014238AJTWVF2399

New Delhi, the 27th day of May 2022

Standalone Balance Sheet as at 31st March 2022

(Rs. in '000')

	Notes	As at 31st March 2022	As at 31st March 2021
ASSETS			
Non- current assets			
Property, plant and equipment	3	39,851.76	54,697.44
Financial assets			
Investments	4	9,527.00	9,527.00
Loans	5	40,711.59	27,039.39
Other non current assets	6	1,439.40	178.80
Current Assets			
Inventories	7	39,769.21	10,039.41
Financial assets			
Trade receivables	8	853,576.45	879,151.31
Cash and cash equivalents	9	11,005.87	18,177.17
Loans	10	2,218.94	5,452.70
Current tax assets (net)		-	-
Other current assets	11	158,581.17	55,221.00
Total		1,156,681.39	1,059,484.21
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	129,136.36	95,136.36
Other equity	13	55,342.27	12,327.20
Liabilities			
Non- current liabilities			
Financial liabilities			
Borrowings	14	46,764.34	25,843.63
Other financial liabilities	15	397.02	4,936.94
Provisions	16	219.20	177.43
Deferred tax liabilities	17	2,849.40	2,322.52
Current liabilities			
Financial liabilities			
Trade payables	18		561.45
Outstanding dues to micro enterprises and small enterprises		-	561.45
Outstanding dues of creditors other than micro enterprises and small enterprises		762,445.71	759,474.63
Other financial liabilities	19	1,616.17	447.56
Other current liabilities	20	153,311.65	155,184.67
Provisions	21	0.66	0.54
Current tax liabilities (net)		4,598.61	3,071.27
Total		1,156,681.39	1,059,484.21

Notes to the Standalone financial statements 1-46

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date

FOR V.N. PUROHIT & CO.

Chartered Accountants

Firm Regn. No. 304040E

D. P. Pareek

Partner

Membership No. 014238

UDIN: 22014238AJTWVF2399

New Delhi, the 27th day of May 2022

For and on behalf of the Board of Directors of

A F ENTERPRISES LIMITED

Abhishek Singh

Director & CFO

DIN: 03603706

Santosh Kumar Kushawaha

Managing Director

DIN: 02994228

Payal Sachdeva

Company Secretary

PAN: BMFPA2964K

A F ENTERPRISES LIMITED
CIN : L18100DL1983PLC016354

Standalone Statement Of Profit And Loss For The Year Ended On 31st March 2022

(Rs. in '000')			
	Notes	For the year ended on 31st March 2022	For the year ended on 31st March 2021
REVENUE			
Revenue from operations	22	239,185.90	186,936.90
Other income	23	24,101.48	1,077.17
Total revenue (I)		263,287.38	188,014.07
EXPENSES			
Cost of materials consumed	24	95,791.55	18,352.42
Purchase of stock in trade	25	89,512.05	63,417.27
Changes in inventories of stock in trade	26	521.45	60,766.81
Operating costs	27	7,911.42	6,431.16
Employee benefits expense	28	16,549.29	4,698.74
Finance cost	29	1,352.31	802.19
Depreciation expenses	3	13,601.22	16,233.93
Other expenses	30	22,280.74	24,401.59
Total expenses (II)		247,520.03	195,104.11
Profit/ (loss) before exceptional items and tax (I-II)		15,767.35	(7,090.04)
Exceptional items	31	-	19,500.36
Profit/ (loss) before tax		15,767.35	12,410.32
Tax expense			
Current tax		(4,898.87)	(3,128.14)
MAT tax		-	-
Deferred tax		(508.39)	(1,535.14)
Profit/ (loss) after tax (III)		10,360.09	7,747.04
OTHER COMPREHENSIVE INCOME			
(i) Items that will not be reclassified to profit or loss	38	73.46	29.74
A.			
(ii) Income tax relating to items that will not be reclassified		(18.49)	(7.49)
B.			
(i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to		-	-
Total Other Comprehensive Income (IV)		54.97	22.25
Total Comprehensive Income (III+IV)		10,415.06	7,769.29
Earning per equity share (EPS)			
[nominal value of share Rs. 10]			
Basic (in Rs.)		0.96	1.59
Diluted (in Rs.)		0.87	1.59
Weighted Average No. of Equity Shares		10,771,171	4,861,034
Weighted Average No. of Dilutive Equity Shares		11,971,171	4,861,034
Notes to the Standalone financial statements	1-46		

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

For and on behalf of the Board of Directors of
A F ENTERPRISES LIMITED

O. P. Pareek
Partner
Membership No. 014238
UDIN: 22014238AJTWVF2399

Abhishek Singh
Director & CFO
DIN: 03603706

Santosh Kumar Kushawaha
Managing Director
DIN: 02994228

Payal Sachdeva
Company Secretary
PAN: BMFPA2964K

New Delhi, the 27th day of May 2022

A F ENTERPRISES LIMITED
CIN : L18100DL1983PLC016354

Standalone Cash Flow Statement For The Year Ended On 31st March 2022

	For the year ended on 31st March 2022	(Rs. in '000') For the year ended on 31st March 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/ (loss) before tax and after extra- ordinary items	15,767.35	12,410.32
Adjustments for items -		
Derecognition of financial liability	(4,951.46)	-
Profit on sale of property, plant & equipment	(437.99)	(82.28)
Interest paid	1,352.31	802.19
Interest received	-	-
Provision for Gratuity	115.35	115.46
Depreciation on Property, plant & equipment	13,601.22	16,233.93
Operating Profit before working capital changes	<u>25,446.78</u>	<u>29,479.64</u>
Working capital adjustments -		
(Increase)/ decrease in trade receivables	25,574.86	(128,748.53)
(Increase)/ decrease in Inventories	(29,729.80)	56,183.79
(Increase)/ decrease in Other financial assets	-	-
(Increase)/ decrease in Other assets	(1,260.60)	(2,761.37)
Increase/ (decrease) in Current Assets	(103,360.17)	(153.40)
Increase/ (decrease) in Trade payables	2,409.63	18,965.99
(Increase)/ decrease in Other financial Liabilities	1,580.15	(2,303.09)
Increase/ (decrease) in Other liabilities	(1,873.02)	(4,157.22)
Cash generated from operations	<u>(81,212.17)</u>	<u>(33,494.19)</u>
Direct taxes paid	(3,371.53)	(56.88)
Net cash flow from operating activities (A)	<u>(84,583.70)</u>	<u>(33,551.07)</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Sale/ (Purchase) of Property, plant & equipment	1,682.44	760.88
Acquisition of subsidiary	-	(9,527.00)
Loans (given)/recovered	(10,438.44)	(5,000.01)
Interest received	-	-
Net cash flow from investing activities (B)	<u>(8,756.00)</u>	<u>(13,766.13)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From Issue of equity share capital	61,200.00	60,650.00
Proceeds from issue of Share Warrants	5,400.00	-
Interest paid	(1,352.31)	(802.19)
Net proceeds from borrowings	20,920.71	5,568.80
Net cash flow from financing activities (C)	<u>86,168.40</u>	<u>65,416.61</u>
Net cash flow during the year (A + B + C)	(7,171.33)	18,099.40
Add: Opening cash and cash equivalents	<u>18,177.17</u>	<u>77.77</u>
Closing cash and cash equivalents	<u>11,005.84</u>	<u>18,177.17</u>
Components of cash and cash equivalents		
Cash on hand	3,554.80	1,371.62
Balances with banks in current accounts	7,451.07	16,805.55
Total cash and cash equivalents (Note 9)	<u>11,005.87</u>	<u>18,177.17</u>

Notes to the Standalone financial statements

The accompanying notes form an integral part of the standalone financial statements.
As per our report of even date

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

For and on behalf of the Board of Directors of
A F ENTERPRISES LIMITED

O. P. Pareek
Partner
Membership No. 014238
UDIN: 22014238AJTWVF2399
New Delhi, the 27th day of May 2022

Abhishek Singh
Director & CFO
DIN: 03603706

Santosh Kumar Kushawaha
Managing Director
DIN: 02994228
Payal Sachdeva
Company Secretary
PAN: BMFPA2964K

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

1 Corporate Information:

A F ENTERPRISES LIMITED (CIN L18100DL1983PLC016354) was incorporated on August 18th, 1983 under the Companies Act, 1956 with the Registrar of Companies AF Enterprises Limited (the Company) is engaged in the business of manufacture and trading of plastic and related products apart from trading in other goods such as fabric, emerald, glasses, etc. The Company is listed on Bombay Stock Exchange (BSE) [Script code: AFEL].

2 Significant Accounting Policies:

(a) Statement of Compliance with Ind AS:

The Standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015. The Company has uniformly applied the accounting policies during the periods presented.

The financial statements are presented in Indian Rupees (Rs.) which is also the functional currency of the company.

(b) Basis for preparation of financial statements:

The Standalone financial statements have been prepared in historical cost basis except for certain financial instruments which are measured at fair value or amortised cost at the end which is generally based on the fair value of consideration given in exchange for goods and services. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

(c) Use of Estimates:

The preparation of Standalone financial statements requires the management of the company to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

(d) Significant Management judgement in applying accounting estimates:

(i) Income taxes:

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

(ii) Impairment of investments:

The carrying value of investments is reviewed at cost annually, or more frequently whenever, there is indication for impairment. If the recoverable amount is less than the carrying amount, the impairment loss is accounted for.

(iii) Provision:

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

(iv) Recognition of Deferred Tax Assets:

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

(e) Property, Plant and Equipment:

PPE are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.

The Company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Depreciable amount of an asset is the cost of an asset less its estimated residual value.

Depreciation on PPE, including assets taken on lease, other than freehold land is charged based on Written Down Value method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013. The useful life of asset taken into consideration as per Schedule II for the purpose of calculating depreciation is as follows: -

Particulars of Property, Plant & Equipment	Useful life (in years)
Plant & Machinery (Tools & Dies)	15
Furniture & fixtures	10
Vehicles	8
Office Equipment	5
Computers & peripherals	3

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment are determined as a difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

(f) Revenue recognition:

Revenue is recognized when the control over the goods or services promised in the contract are transferred to the customer. The amount of revenue recognized depicts the transfer of promised goods and services to customers for an amount that reflects the consideration to which the Company is entitled to in exchange for the goods or services.

(i) Sale of goods:

Revenue from sale of goods is recognised when control over such goods have been transferred, being when the goods are delivered to the customers. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, risks of loss have been transferred to the customers, and either the customer has accepted the goods in accordance with the sales contract or the acceptance provisions have lapsed or the Company has objective evidence that all criteria for acceptance have been satisfied. Revenue from these sales is recognized based on the price specified in the contract.

(ii) Dividend and interest income:

Dividend income from investments is recognised when the shareholders' right to receive such amount has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

(iii) Other Income:

In respect of other heads of income in the Company's accounts the income shall be recognised on accrual basis.

(g) Foreign currency transactions:

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional and the foreign currency prevailing on date of transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the date of Balance Sheet. Exchange differences arising on monetary items on settlement or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

(h) Financial Instruments:

(i) Financial Assets: -

Recognition and initial measurement: -

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction cost.

Subsequent measurement: -

Equity instrument and Mutual Fund: - All equity instrument and mutual funds within scope of IndAS 109 are measured at fair value. Equity instrument and Mutual fund which are held for trading are classified as at fair value through profit & loss (FVTPL). For all other equity instruments, the Company decided to classify them as at fair value through other comprehensive income (FVTOCI).

Debt instrument: - A 'debt instrument' is measured at the amortised cost if both the following conditions are met. The assets are held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the assets given rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such Financial Assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

De- recognition of Financial Assets:-

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its right to receive cash flow from the asset.

(ii) Financial Liabilities:

-

Recognition and initial measurement: -

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified as amortised cost.

Subsequent measurement: -

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest rate method.

De-recognition of Financial liabilities: -

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Consequently, write back of unsettled credit balances is done on closure of the concerned project or earlier based on the previous experience of management and actual facts of each case and recognized in other operating revenues.

Further, when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting of financial instrument: -

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

(i) Impairment of Financial Assets

(i) Equity instruments, Debt Instruments and Mutual Fund: -

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for financial assets. Expected Credit Loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive.

(ii) Other Financial Assets: -

The Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

(j) Inventories

Inventories (other than quoted shares and securities) are valued at cost or net realisable value, whichever is lower. Cost is determined on FIFO and includes cost of purchase and other costs incurred in bringing inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(k) Cash & Cash equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash at bank and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(l) Taxation

Tax expense recognised in Statement of Profit and Loss comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid/recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with Income Tax Act, 1961. Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are recognised in other comprehensive income or directly in equity, respectively. Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision.

Minimum Alternate Tax (MAT) credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised on temporary differences arising between the carrying amount of assets and liabilities and the corresponding tax bases used in computation of taxable profit under Income Tax Act, 1961.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted. Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity).

(m) Earnings per share:

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the period and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit/ (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potentially dilutive equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

(n) Provision, Contingent Liabilities and Contingent Assets:

A provision is recognised when the company has a present obligation as a result of 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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Assets and Contingent Liabilities are not recognized in the financial statements.

(o) Leases:

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases using the modified retrospective approach whereby a lessee applies the new standard from the beginning of the current period. The lessee calculates the lease asset and lease liability as at the beginning of the current period and recognized an adjustment in equity at the beginning of the current period. Accordingly, a lessee will not restate its prior period financial information under this approach.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

On application of Ind AS 116, the nature of expenses has changed to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability, in place of lease rentals payments.

(p) Employee Benefits

(i) Short-term Employee Benefits: -

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Post-Employment Benefits: -

Defined Contribution Plans: The Company has defined contribution plans in respect of PF & ESI which are accounted for as and when contribution payments are made.

Defined Benefit Plans: The Company has a gratuity scheme payable to employees as per the provisions of the Payment of Gratuity Act, 1972. The actuarial valuation of the liability against such sum is made at the year end.

3 Property, plant and equipment	(Rs. in '000')	
	As at 31st March 2022	As at 31st March 2021
<u>Carrying amount:</u>		
Building Premises (ROU Asset)	322.78	4,196.18
Plant & Machinery	36,449.61	44,504.91
Furniture & fixtures	2,132.81	2,833.96
Vehicles	637.09	3,036.89
Office Equipment	168.17	27.95
Computers & peripherals	141.30	97.55
Total	39,851.76	54,697.44

	(Rs. in '000')						
	Building Premises ROU Asset	Computers & peripherals	Motor Car	Furniture & fixtures	Office Equipment	Plant & Machinery	Total
<u>Cost or Deemed Cost :</u>							
Balance as at 1st April 2020	13,477.10	457.12	7,640.55	4,684.51	130.39	63,569.07	89,958.74
Additions during the year	-	20.88	-	-	-	468.67	489.55
Sale/ disposal during the year	1,682.23	-	-	-	-	-	1,682.23
Balance as at 31st March 2021	15,159.33	478.00	7,640.55	4,684.51	130.39	64,037.74	88,766.06
Additions during the year	-	148.31	-	36.30	179.06	3.90	367.57
Sale/ disposal during the year	-	-	4,000.00	-	-	-	4,000.00
Balance as at 31st March 2022	15,159.33	626.31	3,640.55	4,720.81	309.45	64,041.64	85,133.63

	(Rs. in '000')						
	Building Premises ROU Asset	Computers & peripherals	Motor Car	Furniture & fixtures	Office Equipment	Plant & Machinery	Total
<u>Accumulated Depreciation :</u>							
Balance as at 1st April 2020	4,239.38	239.05	3,224.34	860.69	79.51	9,705.79	18,348.76
Charge for the year	3,873.39	141.39	1,379.32	989.86	22.93	9,827.04	16,233.93
Adjustment for Sale/ disposal	514.08	-	-	-	-	-	514.08
Balance as at 31st March 2021	7,598.69	380.44	4,603.66	1,850.55	102.44	19,532.83	34,068.61
Charge for the year	3,873.39	104.57	787.78	737.45	38.83	8,059.20	13,601.22
Adjustment for Sale/ disposal	-	-	2,387.98	-	-	-	2,387.98
Balance as at 31st March 2022	11,472.08	485.01	3,003.46	2,588.00	141.27	27,592.03	45,281.85

	(Rs. in '000')						
	Building Premises ROU Asset	Computers & peripherals	Motor Car	Furniture & fixtures	Office Equipment	Plant & Machinery	Total
<u>Carrying amount :</u>							
Balance as at 31st March 2021	4,196.18	97.55	3,036.89	2,833.96	27.95	44,504.91	54,697.44
Balance as at 31st March 2022	322.78	141.30	637.09	2,132.81	168.17	36,449.61	39,851.76

3.1 All the above property, plant & equipment are owned by the company.

3.2 The company has not made any of change (10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment) in the value of Property, Plant & Equipments due to revaluation.

4 Investments	(Rs. in '000')	
	As at 31st March 2022	As at 31st March 2021
<u>Investment in subsidiary (at amortised cost)</u>		
95,270 (31st March 2021: 95,270) equity shares of Rs. 100 each fully paid in Aunik IT Solutions Private Limited	9,527.00	9,527.00
	9,527.00	9,527.00

5 Loans non-current	(Rs. in '000')	
	As at 31st March 2022	As at 31st March 2021
Unsecured, considered good (at amortised cost)		
- to related parties	14,698.51	5,836.97
- to others	26,115.11	21,202.42
Less: Expected Credit loss	102.03	-
	40,711.59	27,039.39

5.1 Additional disclosure in respect of non current loans and advances:-

Particular	As at 31st March 2022		As at 31st March 2021	
	Amount of loan outstanding	Percentage of the total loan and advances	Amount of loan outstanding	Percentage of the total loan and advances
Loans and advances granted to promoters, directors, KMPs and other related parties that are (a) repayable on demand; or (b) without specifying any terms or period of repayment	Nil	Nil	Nil	Nil

6 Other non current assets	(Rs. in '000')	
	As at 31st March 2022	As at 31st March 2021
Security deposit	1,439.40	178.80
	<u>1,439.40</u>	<u>178.80</u>

7 Inventories	(Rs. in '000')	
	As at 31st March 2022	As at 31st March 2021
<u>Stock in trade</u>		
- Quoted Equity Instruments (at Fair Value Through Profit & Loss FVTPL)	1,677.29	1,792.42
- Sunglasses	-	107.25
- Others	-	299.07
<u>Finished Goods</u>		
- Plastic moulded components	38,091.92	7,840.67
	<u>39,769.21</u>	<u>10,039.41</u>

8 Trade receivables: current	(Rs. in '000')	
	As at 31st March 2022	As at 31st March 2021
Considered good - unsecured	853,576.45	879,151.31
	<u>853,576.45</u>	<u>879,151.31</u>

8.1 Trade receivables ageing schedule

S No.	Particulars	(Rs. in '000')					Total
		Outstanding from due date of payment as on 31st March 2022					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables : Considered good	80,689.83	1,209.27	20,456.70	578,824.36	172,396.28	853,576.45
(ii)	Undisputed Trade Receivables : Considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivables : Considered good	-	-	-	-	-	-
(iv)	Disputed Trade Receivables : Considered doubtful	-	-	-	-	-	-

S No.	Particulars	(Rs. in '000')					Total
		Outstanding from due date of payment as on 31st March 2021					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables : Considered good	141,671.11	755.87	529,409.66	181,130.62	26,184.05	879,151.31
(ii)	Undisputed Trade Receivables :	-	-	-	-	-	-
(iii)	Disputed Trade Receivables : Considered	-	-	-	-	-	-
(iv)	Disputed Trade Receivables : Considered	-	-	-	-	-	-

9 Cash and cash equivalents	(Rs. in '000')	
	As at 31st March 2022	As at 31st March 2021
Cash on hand (as certified)	3,554.80	1,371.62
Balances with banks in current accounts	7,451.07	16,805.55
	<u>11,005.87</u>	<u>18,177.17</u>

10 Loans: current	(Rs. in '000')	
	As at 31st March 2022	As at 31st March 2021
<u>Unsecured, considered good</u>		
Loan to body corporate	-	5,452.70
Loan to related party	2,224.50	-
Less: Expected Credit Loss	5.56	-
	<u>2,218.94</u>	<u>5,452.70</u>

10.1 Additional disclosure in respect of Current loans and advances:-

Particular	As at 31st March 2022		As at 31st March 2021	
	Amount of loan outstanding	Percentage of the total loan and advances	Amount of loan outstanding	Percentage of the total loan and advances
Loans and advances granted to promoters, directors, KMPs and other related parties that are (a) repayable on demand; or (b) without specifying any terms or period of repayment	Nil	Nil	Nil	Nil

11 Other current assets	(Rs. in '000')	
	As at 31st March 2022	As at 31st March 2021
Advance to suppliers	117,230.45	15,817.19
Advance to replated party	500.01	119.35
Advance to employees	87.30	-
Balances with revenue authorities	1,742.45	1,750.16
Input credit under GST (Note 11.1)	39,012.48	37,534.28
Prepaid expenses	8.47	-
	158,581.17	55,220.98

11.1 Input credit under GST includes a sum of Rs. 29,481.10 thousands challenged by the GST Department pursuant to search conducted on 6th September 2019. The matter is pending for adjudication.

12 Equity share capital	31st March 2022		31st March 2021	
	Nos.	(Rs. in '000')	Nos.	(Rs. in '000')
Authorized shares				
Equity shares of Rs. 10 each	24,500,000	245,000.00	24,500,000	245,000.00
	24,500,000	245,000.00	24,500,000	245,000.00
Issued, subscribed and fully paid- up shares				
Equity shares of Rs. 10 each fully Paid up	12,913,636	129,136.36	9,513,636	95,136.36
	12,913,636	129,136.36	9,513,636	95,136.36

12.1 Reconciliation of number of equity shares and amount outstanding

Equity Shares	31st March 2022		31st March 2021	
	Nos.	(Rs. in '000')	Nos.	(Rs. in '000')
At the beginning of the period	9,513,636	95,136.36	4,000,000	40,000.00
Add: Preferential Allotment(12.2)	-	-	5,513,636	55,136
Add: Conversion of Share Warrants (Note 12.3)	2,800,000	28,000.00	-	-
Add: Sweat Equity shares issued (Note 12.4)	600,000	6,000.00	-	-
Total outstanding at the end of the period	12,913,636	129,136.36	9,513,636	95,136.36

12.2 During the yearended on 31st March 2021, the company has allotted 55,13,636 equity Shares of face value of 10 each at a price of Rs. 11 (inclusive of premium of Rs. 1) aggregating to Rs. 6,06,49,996 dated 02.02.21, for cash to strategic investors

12.3 During the year, the company has issued 40,00,000 Share warrants at an issue price of Rs. 18 each as per terms approved by shareholders in postal ballot held on 5th July 2021. Every share warrant has an option of conversion into one equity share of Rs. 10 each to be exercised by the warrant holder within 18 months of the issue by the Company. Out of 40,00,000 share warrants, 28,00,000 share warrants were converted into the equity shares and 12,00,000 share warrants are pending at the end of the year.

12.4 During the year, the Company has allotted 6,00,000 equity Shares of face value of 10 each at a price of Rs. 18 (inclusive of premium of Rs. 8) each for a consideration other than cash for value addition in the company by the respective allottees i.e. Directors of the company.

12.5 Terms and rights attached to equity shares

The company has issued only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

12.6 Details of shareholders holding more than 5% shares in the company :

	31st March 2022		31st March 2021	
	Nos.	% holding	Nos.	% holding
Anjaneyaputra Human Resource Consultancy Pvt.	1,000,000	7.74%	1,000,000	10.51%
Rishan Singh Keer	1,000,000	7.74%	-	0.00%
Anuva Kaur Keer	1,000,000	7.74%	-	0.00%
Rakesh Rawat	950,000	7.36%	950,000	9.99%
Shashi Rawat	950,000	7.36%	950,000	9.99%
Sandeep Arneja	950,000	7.36%	950,000	9.99%
RMS Mosquito Pvt Ltd	807,600	6.25%	807,600	8.49%
RDS Corporate Services Private Limited	800,000	6.20%	-	0.00%
Sahil Arora	650,000	5.03%	500,000	5.26%

As per records, registers and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

12.7 Details of shares held by promoters in the Company

Promoter Name	Shares held by the promoters at the end of the period March 2022		Shares held by the promoters at the end of the period 31st March 2021		% Change during the year
	No. of Shares	% of total Shares	No. of Shares	% of total Shares	
RMS Mosquito Private Limited	807,600	6.25	807,600	8.49	-

There is no change in promoters shareholding during the period ended March 31,2022 and March 31,2021, due to increase in non promoter shareholding on further issue of capital.

	(Rs. in '000')	
	As at	As at
	31st March 2022	31st March 2021
13 Other equity		
Reserve & Surplus		
<u>Security Premium:</u>		
Opening balance	5,513.64	-
Add/(less) : Changes during the year	27,200.00	5,513.64
Closing balance	<u>32,713.64</u>	<u>5,513.64</u>
<u>Retained earnings:</u>		
Opening balance	6,791.31	(955.73)
Add/(less) : Profit/ (loss) for the year	10,360.09	7,747.04
Closing balance	<u>17,151.40</u>	<u>6,791.31</u>
	<u>49,865.04</u>	<u>12,304.95</u>
Money received against share warrants		
Opening balance	-	-
Add: received during the year	33,400.00	-
Less: conversion of warrant into equity shares	28,000.00	-
Closing balance	<u>5,400.00</u>	<u>-</u>
Fair Value through Other Comprehensive Income		
<u>Remeasurement of Defined Benefit Obligation:</u>		
Opening balance	22.26	-
Add/(less) : Changes during the year (net of tax)	54.97	22.26
Closing balance	<u>77.23</u>	<u>22.26</u>
Total Other Equity	<u>55,342.27</u>	<u>12,327.21</u>

	(Rs. in '000')	
	As at	As at
	31st March 2022	31st March 2021
14 Borrowings: non-current		
From Banks		
<u>Secured loans:</u>		
Finance lease obligations (Note 14.1)	1261.5	1426.18
Less: current portion t/f to other financial liabilities (note 19)	(312.16)	(447.56)
	<u>949.34</u>	<u>978.62</u>
From other Parties		
<u>Unsecured loans</u>		
From Others	45,815.00	24,865.01
	<u>46,764.34</u>	<u>25,843.63</u>

14.1 Finance lease obligation reflects car loans obtained from Axis Bank Ltd and HDFC Bank Ltd.

Loan of Rs. 1,400.00 thousands has been obtained from Axis Bank Ltd. repayable in 60 Equated Monthly Installments of Rs. 29.57 thousands whereas Rs. 1,406.76 thousands has been obtained from HDFC Bank Ltd. repayable in 60 Equated Monthly installments of Rs. 29.21 thousands. Such loans are secured against hypothecation of respective vehicles.

14.2 Default in repayment of loan from Axis Bank Ltd.

(Rs. in '000')		
Amount of Default	Interest outstanding during default period	Period of default
539.73	118.40	January 2020 till date

	(Rs. in '000')	
	As at	As at
	31st March 2022	31st March 2021
15 Other financial liabilities - non current		
Lease Liability (as per Ind AS 116)	397.02	4,936.94
	<u>397.02</u>	<u>4,936.94</u>

	(Rs. in '000')	
	As at	As at
	31st March 2022	31st March 2021
16 Provisions-Non current		
Provision for gratuity	219.20	177.43
	<u>219.20</u>	<u>177.43</u>

	(Rs. in '000')	
	As at	As at
	31st March 2022	31st March 2021
17 Deferred tax (assets)/Liabilities (net)		
At the start of the year	2,322.52	779.90
Charge/ credit to statement of profit and loss & OCI	526.88	1,542.62
At the end of year	<u>2,849.40</u>	<u>2,322.53</u>

17.1 Deferred tax asset is recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

17.2 The tax effect of significant timing differences that has resulted in deferred tax assets are given below:-

Particulars	For the year ended on 31st March 2022 (Rs. in '000')			
	As at 1st April, 2021	Recognized in profit and loss	Recognized in OCI	As at 31st March, 2022
Property, plant and equipment	2,547.74	357.19	-	2,904.93
Losses carried forward under the Income Tax Act, 1961	-	-	-	-
Provision For Gratuity	(38.79)	(16.55)	18.49	(36.84)
Others	(186.43)	167.75	-	(18.68)
Total	2,322.52	508.39	18.49	2,849.41

Particulars	For the year ended on 31st March 2021 (Rs. in '000')			
	As at 1st April, 2020	Recognized in profit and loss	Recognized in OCI	As at 31st March, 2021
Property, plant and equipment	1,910.19	637.55	-	2,547.74
Losses carried forward under the Income Tax Act, 1961	(930.10)	930.10	-	-
Provision For Gratuity	(176.98)	130.71	7.49	(38.79)
Others	(23.22)	(163.22)	-	(186.43)
Total	779.89	1,535.14	7.49	2,322.52

(Rs. in '000')

18 Trade payables: current

	As at 31st March 2022	As at 31st March 2021
- Outstanding dues to micro enterprises and small enterprises (Note 18.1)	-	531.28
- Interest dues to micro enterprises and small enterprises (Note 18.1 & 18.2)	-	30.17
- Outstanding dues of creditors other than micro enterprises and small enterprises	762,445.71	759,474.63
	762,445.71	760,036.08

18.1 Details of balance amount outstanding to micro, small and medium enterprises :

(Rs. in '000')

Particulars	As at 31st March 2022	As at 31st March 2021
(i) Unpaid amount to any supplier		
a) Principal amount	-	531.28
b) Interest thereon	-	30.17
(ii) Interest paid as per Sec 16 of MSMED Act, 2006 during the year	-	-
(iii) Interest due and payable for the delayed payments made during the year	-	-
(iv) Interest accrued and remaining unpaid	-	-
(v) Further interest due and payable, which are disallowed as a deductible expense under Sec 23 of MSMED Act, 2006	-	30.17

18.2 Interest liability computed at the rate of three times of Bank rate issued by RBI i.e., @ 12.75% per annum.

18.3 Trade payable due for payment and the ageing schedule as below:-

(Rs. in '000')

Particulars	Outstanding from due date of payment as on 31st March 2022				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Others	165,847	2,298	416,687	177,613	762,446
(ii) MSME	-	-	-	-	-
(iii) Disputed dues : MSME	-	-	-	-	-
(iv) Disputed dues : others	-	-	-	-	-

(Rs. in '000')

Particulars	Outstanding from due date of payment as on 31st March 2021				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Others	92,128.81	400,096.95	188,811.56	78,437.31	759,474.63
(ii) MSME	400.85	160.60	-	-	561.45
(iii) Disputed dues : MSME	-	-	-	-	-
(iv) Disputed dues : others	-	-	-	-	-

(Rs. in '000')

19 Other financial liabilities: current

	As at 31st March 2022	As at 31st March 2021
Current maturities of finance lease obligations (refer note 14)	312.16	447.56
Expenses payable	1,304.01	-
	1,616.17	447.56

	(Rs. in '000')		(Rs. in '000')
	As at		As at
	31st March 2022		31st March 2021
20 Other current liabilities			
Advance received from customers	150,550.53		152,679.12
TDS Payable	927.63		503.12
TCS payable	203.96		46.39
EPF, ESI and LWF payable	831.08		635.12
Other expenses payables	798.45		1,320.92
	153,311.65		155,184.67
			(Rs. in '000')
	As at		As at
	31st March 2022		31st March 2021
21 Provisions: current			
For Gratuity	0.66		0.54
	0.66		0.54
			(Rs. in '000')
22 Revenue from operation			
	For the year ended on		For the year ended on
	31st March 2022		31st March 2021
<u>Sale of goods:</u>			
Plastic Products	136,935.17		42,289.30
Rough emerald	101,964.01		137,452.93
Others	-		65.43
<u>Sale of shares & securities</u>	286.72		7,129.24
	239,185.90		186,936.90
			(Rs. in '000')
23 Other income			
	For the year ended on		For the year ended on
	31st March 2022		31st March 2021
Foreign exchange fluctuation gain	17,482.30		-
Profit & Loss on Sale of PPE	437.99		-
Sale of MEIS License	-		602.04
Discount received	1,216.78		42.85
Miscellaneous income	12.95		-
Derecognition of financial liability	4,951.46		-
Rental income	-		350.00
Derecognition on lease liability	-		82.28
	24,101.48		1,077.17
			(Rs. in '000')
24 Cost of materials consumed			
	For the year ended on		For the year ended on
	31st March 2022		31st March 2021
Opening stock of raw materials	7,840.67		3,257.65
Add: purchases during the year	126,042.80		22,935.44
Less: closing stock of raw materials	(38,091.92)		(7,840.67)
	95,791.55		18,352.42
			(Rs. in '000')
25 Purchase of stock in trade			
	For the year ended on		For the year ended on
	31st March 2022		31st March 2021
Rough emerald	88,545.55		55,044.99
Others	-		68.00
Shares & securities	966.50		8,304.28
	89,512.05		63,417.27
			(Rs. in '000')
26 Changes in inventories			
	For the year ended on		For the year ended on
	31st March 2022		31st March 2021
Opening balance of stock in trade	2,198.74		62,965.55
Closing balance of stock in trade	(1,677.29)		(2,198.74)
Changes in inventories of stock in trade	521.45		60,766.81
			(Rs. in '000')
27 Operating Costs			
	For the year ended on		For the year ended on
	31st March 2022		31st March 2021
Wages	5,213.05		3,278.19
Job Work Expenses	569.20		1,130.85
Fuel & power expenses	614.18		565.05
Consumables	1,361.29		1,087.27
Loading & freight	153.70		369.80
	7,911.42		6,431.16

	(Rs. in '000')	
	For the year ended on 31st March 2022	For the year ended on 31st March 2021
28 Employee benefits expense		
Director Remuneration (Note 32)	11,159.85	360.00
Salaries and allowances	4,733.88	3,805.20
Employer contribution to PF	147.07	169.05
Employer contribution to ESIC	29.66	36.51
Gratuity Expense (Note 38)	115.35	115.46
Staff Welfare	363.48	212.53
	16,549.29	4,698.74
		(Rs. in '000')
29 Finance cost	For the year ended on 31st March 2022	For the year ended on 31st March 2021
Interest on lease liability (as per Ind AS 116) (Note 3.3)	260.08	646.46
Interest to banks	116.87	104.45
Interest to others	975.36	51.28
	1,352.31	802.19
		(Rs. in '000')
30 Other expenses	For the year ended on 31st March 2022	For the year ended on 31st March 2021
Advertisement expenses	3,548.72	79.57
Payment to statutory auditors (Note 37)	100.00	105.50
Bank charges	116.33	69.64
Balance written off	4.04	-
Certification charges	85.72	92.73
Consolidated charges	3.39	77.15
Conveyance expenses	74.46	71.23
Discount	6.74	86.76
Electricity and maintenance expenses	8,244.24	6,001.38
Expected Credit Loss	107.60	-
Festival expenses	1,425.15	-
Foreign exchange fluctuation loss	1,717.90	10,432.60
Filing fees & subscription	-	400.00
Fittings	88.00	209.90
Freight & cartage	1,533.78	774.79
GST penalty	-	43.99
Interest and penalties	0.33	-
Interest due on delay Payment to MSME	-	30.17
Job work expense	-	574.93
Labour welfare	16.27	14.17
Late delivery charges	-	103.25
Legal & professional charges	1,034.89	399.06
Miscellaneous expenses	0.63	5.74
Membership & registration fees	884.38	48.81
Office expenses	231.01	199.99
Printing & stationery	101.95	26.81
Product testing charges	55.50	48.97
Rent, rate & taxes	362.97	32.66
Repair & maintenance of plant & machinery	1,027.97	1,411.41
Recruitment expenses	-	15.50
Reimbursement expenses	-	5.05
RTA expenses	22.72	-
ROC expenses	14.70	1,826.05
Security charges	661.28	991.39
Service Charge	26.30	-
Software Renewal	10.80	-
Stamp Papers	0.50	-
Telephone & internet expense	152.67	125.70
Tender Fees	29.79	6.75
Tour & Travels	309.37	62.80
Vehicle running & maintenance	238.14	27.14
Workspace Expenses(Mail)	42.50	-
	22,280.74	24,401.59

31 Exceptional item for Rs. 19,500.36 thousands during the year ended on 31st March 2021, is related to remission of liability against previous year's wages and advertisement expenditure. Vendors has settled & issued credit note during the year ended 31st March 21 . The effect of adjustments has been results to Increase in earning per share (EPS) (Basic & Diluted) for the year ended on 31st March, 2021 by Rs. 3.01

32 Related Parties: -

As per IND AS 24, the disclosures of transactions with the related parties are given below:

(i) List of related parties where control exists and also related parties with whom transactions have taken place and relationship:

(a)	Subsidiary/Associate Entity	Aunik IT Solutions Private Limited
(b)	Key Management Personnel	Mr. Santosh Kumar Kushwaha (Director)
		Mr. Sahil Arora (Director)
		Ms. Shagun Ajmani (Director)
		Mr. Abhishek Singh (Director & CFO)
		Ms. Payal Sachdeva (Company Secretary)
		Ms. Prerna Sethi (Past Director)
		Mr. Neeraj Kumar Singh (Past CFO)
(c)	Relatives of Key Management Personnel	None
(d)	Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives	M/s RDS Corporate Services Private Limited
		M/s SNP Infosolutions LLP
		M/s RMS Mosquito Private Limited
		M/s Consider Done

(b) Transaction with Related Parties:-

(Rs. in '000')

	Transaction with	Nature of Transaction	Transactions during the year	
			31st March 2022	31st March 2021
(a)	<u>Subsidiary Company: -</u>			
	Aunik IT Solutions Private Limited	Investment in Equity Shares	Nil	9,527.00
		Loans Given	10,000.00	Nil
		Loan Recovered	10,000.00	Nil
		Purchases	Nil	6,526.28
(b)	<u>Key Management Personnel: -</u>			
	Mr. Sahil Arora	Loans received	3737	Nil
		Loans repaid	3737	Nil
		Issue of Share Capital	Nil	5500
		Remuneration (Sweat Equity Shares Issued)	2700.00	Nil
	Ms. Shagun Ajmani	Loans received	1778	Nil
		Loans repaid	1700	Nil
		Issue of Share Capital	Nil	4,000.00
		Remuneration (Sweat Equity Shares Issued)	2700.00	Nil
	Mr. Abhishek Singh	Remuneration	359.85	360
		Reimbursement of Expenses	1,219.75	Nil
		Advance against salary	500.01	Nil
	Mr. Santosh Kumar Kushwaha	Advance received from	Nil	81
		Remuneration (Sweat Equity Shares Issued)	5,400.00	Nil
		Loans Received	3,012.00	Nil
		Loans Repaid	787.50	Nil
	Ms. Payal Sachdeva	Remuneration	360.72	
(c)	<u>Relatives of Key Management Personnel :- None</u>			
(d)	<u>Enterprises in which Key Management Personnel and Relatives are having significant influences :-</u>			
	M/s RDS Corporate Services Private Limited	Loans given	562.00	Nil
		Loans recovered	Nil	Nil
		Issue of Share Warrants	14400.00	Nil
	M/s SNP Solutions LLP	Advance received from customer	Nil	Nil
	M/s Consider Done	Loan Given	17019.54	Nil
		Loan Recovered	8720.00	Nil

(c) Balance with the Related Parties:-

(Rs. in '000')

	Transaction with	Nature of Transaction	Balance as at	
			31st March 2022	31st March 2021
(a)	<u>Subsidiary Company: -</u>			
	Aunik IT Solutions Private Limited	Investment in Equity Shares	Nil	9,527.00
	Credit Purchase			Nil

(b) Key Management Personnel: -			
Mr. Sahil Arora	Borrowing	Nil	Nil
	Issue of Share Capital pending issue	Nil	Nil
	Remuneration Payable	Nil	Nil
Ms. Shagun Ajmani	Borrowing	78	Nil
	Issue of Share Capital pending issue	Nil	Nil
	Remuneration Payable	Nil	Nil
Mr. Abhishek Singh	Remuneration Payable	Nil	30.00
	Expenses Payable	Nil	Nil
	Advance against salary	500.01	Nil
Mr. Santosh Kumar Kushwaha	Advance received from	Nil	2,040.41
	Remuneration Payable	Nil	Nil
	Loans & Advances	2,224.50	Nil
Ms. Payal Sachdeva	Remuneration Payable	Nil	Nil
(c) Relatives of Key Management Personnel :- None			
(d) Enterprises in which Key Management Personnel and Relatives are having significant influences: -			
M/s RDS Corporate Services Private Limited	Loans & Advances	6,398.97	5,836.97
	Issue of Share Warrants pending issue	Nil	Nil
M/s SNP Infosolutions LLP	Advance received from customer	195.00	195.00
M/s Consider Done	Loans & Advances	8299.54	Nil

33 Segment Information:

The Company has identified five reportable segments viz., shares and securities, rough emerald, fabric, glasses and plastic molded components after taking into account the nature of product and services and the differing risk and returns on such products and services. The accounting policies adopted for segment reporting are in line with the accounting policy of the company with following additional policies for segment reporting: -

- Revenue and expenses have been identified to a segment on the basis of relation to operating activities of the segment. Revenue and expenses that relates to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as "Un-allocable".
- Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Un-allocable".

(iii) Segment Information:

			(Rs.in'000')	
Particulars	31st March 2022		31st March 2021	
Segment Revenue: -				
Shares & securities	286.72		7,129.24	
Rough emerald	101,964.01		137,452.93	
Plastic molded components	136,935.17		42,289.30	
Unallocable	-		65.43	
Total Revenue	239,185.90		186,936.90	
Segment Results				
(Profit/ loss before interest and taxes)				
Shares & Securities	(794.91)		145.01	
Rough Emerald	13,418.45		20,269.07	
Plastic molded components	18,375.35		(4,552.11)	
Less: Interest	(1,352.31)		(802.19)	
Less: Other Un-allocable expenditure (net)	(13,879.23)		(2,549.91)	
Total Profit Before Taxes	15,767.35		12,509.87	
Segment assets				
Shares & Securities	1,677.29		1,792.42	
Rough Emerald	-		121,924.45	
Fabrics	228,359.93		238,358.01	
Glasses	-		3,755.31	
Plastic molded components	623,887.83		61,994.45	
Un-allocable	302,756.34		631,659.57	
Total	1,156,681.39		1,059,484.20	
Segment liabilities				
Shares & Securities	1,696.31		741.46	
Rough Emerald	95,892.28		229,602.93	
Fabrics	254,059.94		132,072.13	
Glasses	-		-	
Plastic molded components	428,250.50		403,859.71	
Un-allocable	192,303.73		183,322.33	
Total	972,202.76		949,598.57	

Capital employed		
Shares & Securities	(19.02)	1,050.96
Rough Emerald	(95,892.28)	(107,678.49)
Fabrics	(25,700.01)	106,285.88
Glasses	-	3,755.31
Plastic molded components	195,637.33	(341,865.26)
Un-allocable	110,452.61	448,337.24
Total	184,478.63	109,885.63

(iv) Secondary Segment information: -

The Company does not have secondary segment division in respect of reportable segments.

34 Categories of Financial Instruments and its fair value measurement

(Rs. in '000)

Financial assets	As at March 31, 2022	As at March 31, 2021
Measured at amortised cost		
(i) Trade receivables	853,576.45	879,151.31
(ii) Cash and Bank balance	11,005.87	18,177.17
(iii) Loans	42,930.53	32,492.09
(iv) other financial assets	-	-
Measured at Cost		
(i) Investment in subsidiaries	9527.00	9,527.00
Total	917039.85	939347.57

Financial liabilities	As at March 31, 2022	As at March 31, 2021
Measured at amortised cost		
(i) Borrowings	46,764.34	25,843.63
(ii) Other financial liabilities	2,013.19	5,384.50
(iii) Trade and other payables	762,445.71	760,036.08
Total	811,223.24	791,264.21

The fair values of current debtors, bank balances, current creditors and current borrowings are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

Fair value Measurement

(Rs. in '000)

Particulars	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	As at March 31, 2022	As at March 31, 2021		
Financial assets				
Investment in subsidiaries	9527.00	9,527.00	Level 2	Fair Market Value
Loans	42930.53	32,492.09	Level 2	Discounted estimated cash flow through the expected life of the borrowings
Financial Liabilities				
Borrowings	46764.34	25843.63	Level 2	Discounted estimated cash flow through the expected life of the borrowings

(Rs. in '000)

Particulars	For the year ended on 31st March 2022	For the year ended on 31st March 2021
Expenditure in foreign currency i.e loss	(1,717.90)	(10,432.60)
Earning/ Income in foreign currency	17,482.30	Nil

36 Break- up of payments made to statutory auditors (including taxes) are disclosed as under:

(Rs. in '000)

Particulars	For the year ended on 31st March 2022	For the year ended on 31st March 2021
In respect of statutory audit (including tax audit)	100.00	60.00
In respect of GST Audit	Nil	30.00
In respect of certification	51.50	15.50
TOTAL	151.50	105.50

37

(Rs. in '000)

Particulars	For the year ended on 31st March 2022	For the year ended on 31st March 2021
Contingent Liability not provided for		
Search and Seizure conducted under CGST/SGST Act :- On 6th September 2019, a search has been conducted under provision of CGST/SGST Act, 2017 wherein the appropriate authorities had seized certain documents and freeze the bank accounts of the company. The bank accounts were subsequently unfreeze through stay order of High Court of Punjab and Haryana vide interim order dated 10 February 2020. The matter is pending for adjudication.	Unascertainable	Unascertainable
Pending litigations by/ against the Company	None	None

38 Necessary disclosures as per requirements of Accounting Standard (AS) - 15 on 'Employee Benefits' are made as follows: -
In respect of 'Gratuity Scheme': -

(i) Amount Recognised in the Balance Sheet: -

(Rs. in '000)

Particulars	As at 31st March 2022	As at 31st March 2021
Present Value of the obligation	219.86	177.97
Fair Value of Plan Assets	Nil	Nil
Funded Status [Surplus/ (Deficit)]	(219.86)	(177.97)
Unrecognised Past Service Cost	Nil	Nil
Asset/(liability) recognised in Balance Sheet	219.86	177.97

(ii) Amount Recognised in Statement of Profit & Loss: -

Particulars	For the year ended on 31st March 2022	00-01-00 31st March 2021
Current Service Cost	102.45	109.00
Interest Cost	12.90	6.46
Expected Return on Plan Asset	Nil	Nil
Past service cost	Nil	Nil
Expense to be recognized in profit and loss	115.35	115.46

(iii) Other Comprehensive (income)/ expenses (Reameasurement)

Particulars	For the year ended on 31st March 2022
Cumulative unrecognized actuarial (gain)/loss opening. B/F	Nil
Actuarial (gain)/loss- Obligation	Nil
Actuarial (gain)/loss- from changes in financial assumptions	(3.82)
Actuarial (gain)/loss - Plan assets	(69.64)
Total Actuarial (gain)/loss	Nil
Cumulative Total Actuarial (gain)/ loss. C/F	(73.46)

(iv) Principal Actuarial Assumptions: -

Method of Valuation	Project Unit Credit Method
Discounting Rate	7.00% Per Annum
Salary Growth Rate	5.00% Per Annum
Mortality	IALM 2012-14
Withdrawal Rate	5.00% Per Annum

39 Ratio Analysis and its components

S.No.	Particulars	31st March 2022	31st March 2021	% change from March 31, 2021 to March 31, 2022
1	Current ratio	1.16	1.05	9.65%
2	Debt- Equity Ratio	0.25	0.24	5.41%
3	Debt Service Coverage Ratio	18.59	28.28051904	-34.26%
4	Return on Equity Ratio	0.07	0.11	-32.89%
5	Inventory Turnover Ratio	9.60	4.90	95.91%
6	Trade Receivable Turnover Ratio	0.28	0.23	20.33%
7	Trade Payable Turnover Ratio	0.31	0.25	26.15%
8	Net Capital Turnover Ratio	1.67	3.79	-55.94%
9	Net Profit Ratio	0.04	0.04	4.52%
10	Return on Capital Employed	0.01	-0.01	349.39%
11	Return on Investment	-	-	0.00%

Reasons for variance of more than 25% in above ratios

- (i) Debt Service Coverage Ratio has decreased due to increase in principal repayment of loan
- (ii) Return on equity ratio has decreased due to increase in equity share capital
- (iii) Trade Receivable Turnover Ratio increased due to rise in turnover.
- (iv) Trade Payable Turnover ratio has increased due to increase in turnover.
- (v) Net Capital Turnover Ratio has decreased due to increase in working capital
- (vi) Return on Capital Employed ratio has increased due to increase in profit before exceptional item

Components of Ratio
(In 000's)

S.No.	Ratios	Numerator	Denominator	March 31st 2022		March 31st 2021	
				Numerator	Denominator	Numerator	Denominator
1	Current ratio	Current Assets	Current Liabilities	1,065,151.64	921,972.80	968,041.59	918,740.12
2	Debt- Equity Ratio	Borrowings	Total Equity(Equity Share capital+Other equity)	46,764.34	184,478.63	25,843.63	107,463.56
3	Debt Service Coverage Ratio	Earnings available for debt service (Net profit before exceptional Items & tax expense + depreciation & amortization + Finance cost + Non cash operating items + other adjustment)	Finance cost + principle repayment of long term borrowings during the period/year	30,828.48	1,658.26	29,446.44	1,041.23
4	Return on Equity Ratio	Net profit after tax- Exceptional items	Average Total Equity [(Opening Equity Share capital + Opening Other equity + Closing Equity Share Capital + Closing Other Equity)/2]	10,360.09	145,971.10	7,747.04	73,253.91
5	Inventory Turnover Ratio	Revenue from sales of products	Average Inventory [(opening balance + closing balance)/2]	239,185.90	24,904.31	186,936.90	38,131.31
6	Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivable [(Opening balance + closing balance)/2]	239,185.90	866,363.88	186,936.90	814,777.05
7	Trade Payable Turnover Ratio	Revenue from operations	Average trade payable [(Opening balance + closing balance)/2]	239,185.90	761,240.90	186,936.90	750,553.09
8	Net Capital Turnover Ratio	Revenue from operations	Working capital (Current asset-current liabilities)	239,185.90	143,178.84	186,936.90	49,301.47
9	Net Profit Ratio	Net profit after tax- Exceptional items	Revenue from operations	10,360.09	239,185.90	7,747.04	186,936.90
10	Return on Capital Employed	Profit Before interest, Tax & Exceptional item	Total Equity + Total Debts (including preference share liability)	17,119.66	1,156,681.39	(6,287.85)	1,059,484.21
11	Return on Investment	Interest Income on fixed deposits + Profit on sale of investments + Income of investment - impairment on value of investment	Current investments + Non current Investments + Fixed deposits with bank	-	9,527.00	-	9,527.00

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Market risk
 - (a) Interest rate risk;
 - (ii) Credit risk and ;
 - (iii) Liquidity risk

Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk . The Company's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Company's risk management assessment policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management of these policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee are responsible for overseeing these policies and processes.

(i) Market risk

Market risk is the risk of changes in the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments . The objective of market risk management is to manage and control market risk exposure within

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to borrowings from banks and others.

Interest rate sensitivity - variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date.

Particulars	For the year ended 31st March 2022		For the year ended 31st March 2021	
	100 bp	100 bp decrease	100 bp increase	100 bp decrease
On account of Variable Rate on Loans	42,930.53	(42,930.53)	32,492.09	(32,492.09)
On account of Variable Rate on borrowings	46,764.34	(46,764.34)	25,843.63	(25,843.63)
Net impact on profitability	89,694.87	(89,694.87)	58,335.72	-58,335.72

(ii) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables from customer. The Company establishes an allowance for doubtful debts, impairment and expected credit loss that represents its estimate of an allowance for doubtful debts, impairment and expected credit loss that represents its estimate of expected credit loss.

A. Trade receivables

The Company's exposure to credit risks influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. Credit risk managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

However, the company does not expect any losses from non-performance by these counter-parties apart from those already given in financials, and does not have any significant concentration of exposures.

B. Cash and cash equivalents

The Company holds cash and cash equivalents with creditworthy banks of ₹222.51 thousands. The credit worthiness of such banks is evaluated by the management on an on-going basis and is considered to be good.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company has been taking measures to ensure that the Company's cash flow from business borrowing is sufficient to meet the cash requirements for the Company's operations. The Company manages its liquidity needs by monitoring forecasted cash inflows and outflows in day to day business. Liquidity needs are monitored on various time bands, on a day to day and week to week basis, as well as on the basis of a rolling 30 day projections. Net cash requirements are compared to available working capital facilities in order to determine head room or any shortfalls. Presently company's objective is to maintain sufficient cash to meet its operational liquidity requirements.

The below table summarizes the maturity profile of the Company's financial liability

Particulars	Carrying amount	Contractual cash outflow				
		Total	1 year or less	1-2 year	2-5 years	> 5 years
As at March 31, 2022						
Other financial liabilities	2,013.19	2,013.19	1,616.17	397.02	0.00	0.00
Other current liabilities	153,759.21	153,759.21	153,759.21	0.00	0.00	0.00

Particulars	Carrying amount	Contractual cash outflow				
		Total	1 year or less	1-2 year	2-5 years	> 5 years
As at March 31, 2021						
Other financial liabilities	5,384.50	5,384.50	447.56	4,936.94	0.00	0.00
Other current liabilities	155,184.67	155,184.67	155,184.67	0.00	0.00	0.00

41 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

42 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

43 The financial statements were approved for issue by the Board of Directors on 27th day of May 2022

44 Previous year's figures have been re-arranged or re-grouped wherever consider necessary.

45 Figures have been rounded off to the nearest thousands of rupees.

46 Figures in brackets indicate negative (-) figures.

Signed for the purpose of identification

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

For and on behalf of the Board of Directors of
A F ENTERPRISES LIMITED

O. P. Pareek
Partner
Membership No. 014238
UDIN: 22014238AJTWVF2399

Abhishek Singh
Director & CFO
DIN: 03603706

Santosh Kumar Kushawaha
Managing Director
DIN: 02994228

New Delhi, the 27th day of May 2022

Payal Sachdeva
Company Secretary
PAN: BMFPA2964K

Independent Auditor's Report

To
The members of
AF ENTERPRISES LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **AF ENTERPRISES LIMITED** ("hereinafter referred to as the "Company") and its subsidiary ("company and its subsidiary together referred to as group), which comprise the consolidated balance sheet as at 31st March 2022, the consolidated statement of profit and loss, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 consolidated state of affairs of the group as at 31st March, 2022, and the consolidated **net profit** (including other comprehensive income), consolidated changes in equity and its consolidated 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 Consolidated Financial Statements section of our report. We are independent of the Company and its subsidiary in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described hereunder to be key audit matters to be communicated in our report.

Key audit matters	Auditor's response
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<p>Revenue from operations</p> <p>According to Ind AS 115, revenue to be recognized on satisfaction of performance obligation and transfer of control pertaining to goods.</p> <p>Determination of transaction price for measurement of revenue according to Ind AS 115.</p>	<p>Our audit procedure included the following-</p> <ul style="list-style-type: none"> • We assessed the company's process to consider the time of transfer of control of goods. • We performed year end cut off procedures to determine whether revenues are recorded in the correct period. • We used assessment of overall control environment relevant for measurement of revenue. • We performed testing of journals, with particular focus on manual adjustment to revenue account, to mitigate the risk of manipulation of revenue and profit figures.
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Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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.

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

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Company and its Subsidiary in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the Company and its Subsidiary are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its Subsidiaries respectively, and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of

the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the company and its Subsidiary are responsible for assessing the ability of the Company and of its Subsidiary 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 its Subsidiary or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the company and its Subsidiary are responsible for overseeing the financial reporting process of the Company and its Subsidiary respectively.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- (vi) Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- (vii) Obtain an understanding of the internal 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.
- (viii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (ix) 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 ability of the Company and its Subsidiary 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 consolidated 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 or its Subsidiary to cease to continue as a going concern.
- (x) Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the consolidated financial statement, individually or in aggregate, makes it probable that the economic decision of reasonable knowledgeable user of the consolidated financial statement may be influenced.

We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work; and, (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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 reasonable be thought to bear on our independence, and where applicable, relevant safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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, 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 reasonable be expected to outweigh the public interest benefits of such communication.

Other Matters

We have not audited the financial statements of subsidiary company i.e. M/s. Aunik I.T. Solutions Private Limited included in the consolidated financial statements of the group whose financial statements reflect total assets of Rs. 2736.67 lakhs as at 31st March 2022, total revenue of from operations Rs. 2467.68 lakhs and net cash inflow of Rs. 5.49 lakhs during the year ended as on that date, as considered in the consolidated financial statements. The financial statements of the aforesaid subsidiary have been audited by the other auditor whose report has been furnished to us, and our opinion as so far it relates to the amount and disclosure included in respect of such subsidiary, is based solely on the report of such auditor.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - j. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - k. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, consolidated statement of changes in equity, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - l. In our opinion, the aforesaid consolidated financial statements comply with the Indian accounting standards specified under Section 133 of the Act;
 - m. On the basis of the written representations received from the directors of the Company and its Subsidiary as on 31st March, 2022 taken on record by the Board of Directors of the Company and on the basis of report issued by the auditors of subsidiary, none of the directors of the Company and its Subsidiary is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

- n. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure-B**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- o. 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 on the basis of report issued by the statutory auditors of the subsidiary and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements have disclosed the impact, if any of pending litigations on the consolidated financial position of the group in its consolidated financial statements (Refer to note no. 35 of the consolidated financial statements).
 - ii. The group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by group.
 - iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
 - v. No dividend has been declared or paid during the year by the company and its subsidiary pursuant to Section 123 of the Companies Act 2013.
- p. In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its director during the current financial year is in accordance with the provision of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act, read with Schedule V of the Act.

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

O.P. Pareek
Partner
Membership No. 014238
UDIN: 22014238AJTWWX3644

New Delhi, the 27thMay ,2022

Annexure A To the Independent Auditor's report on Consolidated Financial Statements
(Referred to in our report of even date)

In our opinion and According to the information and explanations given to us, there has not been any qualification and adverse remarks by the respective auditor in the Companies Auditor Report Order (CARO) reports of the companies included in the consolidated financial Statements.

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

O.P. Pareek
Partner
Membership No. 014238
UDIN: 22014238AJTWWX3644

New Delhi, the 27thMay ,2022

ANNEXURE-B TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

In conjunction with our audit of the consolidated financial statement of the Company as of and for the year ended

on 31st March 2022, we have audited the internal financial controls over financial reporting of A F Enterprises (hereinafter referred to as “the Company”) and its subsidiary (“company and its subsidiary together referred to as group), as of and for the year ended on that date.

Opinion

In our opinion, to the best of information and according to explanation given to us and taking into consideration the reports of the other auditors referred to in the Other Matters paragraph below, the group have maintained in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2022, based on “the internal financial controls over financial reporting criteria 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”.

Management’s Responsibility for the Internal Financial Controls

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

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 conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material

weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated 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: -

- (4) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (5) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and the receipt and expenditures of the Company are being only in accordance with authorizations of management and directors of the Company; and
- (6) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the subsidiary company, which is incorporated in India, is based on the written representations received from the management of the said subsidiary Company.

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

O.P. Pareek
Partner
Membership No. 014238
UDIN: 22014238AJTWWX3644

New Delhi, the 27th May, 2022

A F ENTERPRISES LIMITED
CIN : L18100DL1983PLC016354
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2022

(Rs. in '000')

	Notes	As at 31st March 2022	As at 31st March 2021
ASSETS			
Non- current assets			
Property, plant and equipment	3	40,348.55	55,145.35
Goodwill		16,566.98	16,566.98
Financial assets			
Loans	4	40,711.59	27,039.39
Other non current assets	5	1,465.96	456.44
Current Assets			
Inventories	6	39,819.31	10,039.41
Financial assets			
Trade receivables	7	1,125,642.04	1,070,756.25
Cash and cash equivalents	8	11,714.93	18,337.17
Loans	9	2,236.95	5,497.94
Other financial assets		-	-
Current tax assets (net)		-	-
Other current assets	10	158,927.99	55,242.65
Total		1,437,434.30	1,259,081.56
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	129,136.36	95,136.36
Other equity	12	56,122.98	12,327.20
Liabilities			
Non- current liabilities			
Financial liabilities			
Borrowings	13	65,075.82	34,325.62
Other financial liabilities	14	397.02	4,936.94
Provisions	15	729.13	878.76
Deferred tax Liabilities (net)	16	2,648.12	2,079.82
Other non-current liabilities			
Non Controlling Interest		(323.71)	(349.50)
Current liabilities			
Financial liabilities			
Trade payables			
Outstanding dues to micro enterprises and small enterprises	17	0	561.45
Outstanding dues of creditors other than micro enterprises and small enterprises		1,023,471.31	947,028.27
Other financial liabilities	18	1,616.17	447.56
Other current liabilities	19	154,222.45	157,908.23
Provisions	20	1.34	1.54
Current tax liabilities (net)		4,337.31	3,799.32
Total		1,437,434.30	1,259,081.56

Notes to the financial statements 1-44
The accompanying notes are an integral part of the financial statements.

As per our report of even date

FOR V.N. PUROHIT & CO.

Chartered Accountants

Firm Regn. No. 304040E

O. P. Pareek

Partner

Membership No. 014238

UDIN: 22014238AJTWWX3644

New Delhi, the 27th May 2022

For and on behalf of the Board of Directors of
A F ENTERPRISES LIMITED

Abhishek Singh

Director & CFO

DIN: 03603706

Santosh Kumar Kushwaha

Director

DIN: 02994228

Payal Sachdeva

Company Secretary

PAN: BMFPA2964K

A F ENTERPRISES LIMITED
CIN : L18100DL1983PLC016354

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2022

(Rs. in '000')

	Notes	For the year ended on 31st March 2022	For the year ended on 31st March 2021
REVENUE			
Revenue from operations	21	485,753.85	377,010.25
Other income	22	24,302.28	1,077.17
Total revenue (I)		510,056.13	378,087.42
EXPENSES			
Cost of materials consumed	23	95,791.55	18,352.42
Purchase of stock in trade	24	324,388.79	242,291.73
Changes in inventories of stock in trade	25	471.35	60,766.81
Operating costs	26	7,911.42	6,431.16
Employee benefits expense	27	21,557.87	8,634.81
Finance cost	28	1,593.95	802.19
Depreciation expenses	3	13,873.91	16,518.40
Other expenses	29	27,939.90	27,654.15
Total expenses (II)		493,528.74	381,451.67
Profit/ (loss) before exceptional items and tax (I-II)		16,527.39	(3,364.25)
Exceptional items	30	-	19,500.36
Profit/ (loss) before tax		16,527.39	16,136.11
Tax expense			
Current tax		(4,810.99)	(4,012.14)
MAT tax		(41.41)	-
Deferred tax	16.2	(508.39)	(1,600.73)
Profit/ (loss) after tax (III)		11,166.60	10,523.25
OTHER COMPREHENSIVE INCOME			
A. (i) Items that will not be reclassified to profit or loss		73.46	29.74
(ii) Income tax relating to items that will not be reclassified		(18.49)	(7.49)
B. (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to		-	-
Total Other Comprehensive Income (IV)		54.97	22.25
Total Comprehensive Income (III+IV)		11,221.57	10,545.50
Net Profit attributable to: -			
a) Owners of the parent		11,140.81	10,523.25
b) Non controlling interest		25.79	-
Other Comprehensive Income attributable to: -			
a) Owners of the parent		54.97	22.25
b) Non controlling interest		-	-
Total Comprehensive Income attributable to: -			
a) Owners of the parent		11,195.78	10,545.50
b) Non controlling interest		25.79	-
Earning per equity share (EPS)			
[nominal value of share Rs. 10]			
Basic (in Rs.)		1.04	2.16
Diluted (in Rs.)		0.93	2.16
Weighted Average No. of Equity Shares		10,771,171	4,861,034
Weighted Average No. of Dilutive Equity Shares		11,971,171	4,861,034

Notes to the financial statements 1-44

The accompanying notes are an integral part of the financial statements.

As per our report of even date

FOR V.N. PUROHIT & CO.

Chartered Accountants

Firm Regn. No. 304040E

O. P. Pareek

Partner

Membership No. 014238

UDIN: 22014238AJTWWX3644

New Delhi, the 27th May 2022

For and on behalf of the Board of Directors of
A F ENTERPRISES LIMITED

Abhishek Singh

Director & CFO

DIN: 03603706

Santosh Kumar Kushwaha

Director

DIN: 02994228

Payal Sachdeva

Company Secretary

PAN: BMFPA2964K

A F ENTERPRISES LIMITED
CIN : L18100DL1983PLC016354
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2022

	(Rs. in '000')	
	For the year ended on 31st March 2022	For the year ended on 31st March 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/ (loss) before tax and after extra- ordinary items	16,527.39	16,235.77
Adjustments for items: -	-	-
Derecognition of financial liability	(4,951.46)	-
Loss/Profit on sale of property, plant & equipment	(437.99)	(82.28)
Interest paid	1,444.06	802.19
Interest paid on advance tax	-	44.63
Interest received	-	-
Depreciation on Property, plant & equipment	13,873.91	16,518.40
Provision for gratuity	(75.92)	352.61
Operating Profit before working capital changes	26,379.99	33,871.31
Working capital adjustments: -	-	-
(Increase)/ decrease in trade receivables	(54,885.78)	(319,091.31)
(Increase)/ decrease in Inventories	(29,779.90)	56,183.79
(Increase)/ decrease in Other financial assets	-	-
(Increase)/ decrease in Other assets	(1,255.60)	(2,761.37)
Increase/ (decrease) in Current Assets	(103,571.61)	(153.40)
Increase/ (decrease) in Trade payables	80,168.42	205,738.63
Increase/ (decrease) in other current Liabilities	235.54	-
(Increase)/ decrease in Other financial Liabilities	(3,683.47)	(2,303.09)
Increase/ (decrease) in Other liabilities	(1,206.61)	(2,206.76)
Cash generated from operations	(87,599.02)	(30,722.20)
Direct taxes paid	(4,232.93)	(256.87)
Net cash flow from operating activities (A)	(91,831.95)	(30,979.06)
CASH FLOW FROM INVESTING ACTIVITIES		
Sale/ (Purchase) of Property, plant & equipment	1,360.88	438.63
Acquisition of subsidiary	-	(9,527.00)
Loans (given)/recovered	(10,411.21)	(5,000.00)
Interest received	-	-
Net cash flow from investing activities (B)	(9,050.33)	(14,088.37)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds From Issue of equity Share Capital	61,200.00	60,650.00
Proceeds From Issue of Share Warrants	5,400.00	-
Interest paid	(1,352.31)	(802.19)
Net proceeds from borrowings	29,012.35	2,250.79
Net cash flow from financing activities (C)	94,260.04	62,098.60
Net cash flow during the year (A + B + C)	(6,622.24)	17,031.18
Add: Opening cash and cash equivalents	18,337.17	1,305.99
Closing cash and cash equivalents	11,714.92	18,337.17
Components of cash and cash equivalents		
Cash on hand	4,044.79	1,454.15
Balances with banks in current accounts	7,670.13	16,883.02
Total cash and cash equivalents (Note 9)	11,714.92	18,337.17

The accompanying notes are an integral part of the financial statements.

As per our report of even date

FOR V.N. PUROHIT & CO.

Chartered Accountants

Firm Regn. No. 304040E

O. P. Pareek

Partner

Membership No. 014238

UDIN: 22014238AJTWWX3644

New Delhi, the 27th May 2022

For and on behalf of the Board of Directors of
A F ENTERPRISES LIMITED

Abhishek Singh

Director & CFO

DIN: 03603706

Santosh Kumar Kushwaha

Director

DIN: 02994228

Payal Sachdeva

Company Secretary

PAN: BMFPA2964K

A F ENTERPRISES LIMITED

CIN : L18100DL1983PLC016354

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2022

1 Corporate Information:

A F ENTERPRISES LIMITED (CIN L18100DL1983PLC016354) was incorporated on August 18th, 1983 under the Companies Act, 1956 with the Registrar of Companies AF Enterprises Limited (the Company) is engaged in the business of manufacture and trading of plastic and related products apart from trading in other goods such as fabric, emerald, glasses, etc. The Company is listed on Bombay Stock Exchange (BSE) [Script code: AFEL].

2 Significant Accounting Policies:

(a) Statement of Compliance with Ind AS:

The Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015. The Company has uniformly applied the accounting policies during the periods presented.

The financial statements are presented in Indian Rupees (Rs.) which is also the functional currency of the company.

(b) Basis for preparation of financial statements:

The consolidated financial statements have been prepared in historical cost basis except for certain financial instruments which are measured at fair value or amortised cost at the end which is generally based on the fair value of consideration given in exchange for goods and services. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

(c) Principles of Consolidation:

The consolidated financial statements comprise of the holding company A F Enterprises Limited and all its subsidiaries and associates in accordance with the requirements of Ind AS 110- Consolidated Financial Statements and Ind AS 28 - Investment in Associates and Joint Ventures (to the extent applicable). The consolidated financial statements have been prepared on the following bases: -

- (i) The financial statements of the holding Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- (ii) Profits or losses resulting from intra-group transactions that are recognized in assets, such as Inventory and Property, Plant and Equipment, are eliminated in full.
- (iii) Goodwill represents the difference between the Company's share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries.
- (iv) The financial statements of the associate/ subsidiary companies used in the consolidation are drawn upto the same reporting date as of the Company i.e. year ended March 31, 2021.
- (v) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- (vi) The carrying amount of the parent's investment in each subsidiary is offset (eliminated) against the parent's portion of equity in each subsidiary.
- (vii) The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the Consolidated statement of profit & loss being the profit or loss on disposal of investment in subsidiary.
- (viii) Investment in Associates and Joint Ventures has been accounted under the Equity Method as per Ind AS 28 - Investments in Associates and Joint Ventures.
- (ix) The Group accounts for its share of post-acquisition changes in net assets of associates and joint ventures, after eliminating unrealized profits and losses resulting from transactions between the Group and its associates and joint ventures.
- (x) Non-Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.
- (xi) Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet.

Changes in a parent's ownership interest after control is obtained that do not result in a change in control of the subsidiary are accounted for as equity transactions. The carrying amount of the non-controlling interest is adjusted to reflect the change in the non-controlling interest's ownership interest in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognized in equity and attributed to the parent's equity holders.

(d) Use of Estimates:

The preparation of consolidated financial statements requires the management of the company to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

(iv) Recognition of Deferred Tax Assets:

The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

(f) **Property, Plant and Equipment:**

Properties, Plant & Equipment are stated at actual cost less accumulated depreciation and net of impairment, if any. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.

The Company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Depreciable amount of an asset is the cost of an asset less its estimated residual value.

Depreciation on Property, Plant and Equipment, including assets taken on lease, other than freehold land is charged based on written down method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013.

Particulars of Property, Plant & Equipment	Useful life (in years)
Plant & Machinery (Tools & Dies)	15
Furniture & fixtures	10
Vehicles	8
Office Equipment	5
Computer	3

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment are determined as a difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

(g) **Revenue recognition:**

Revenue is recognized when the control over the goods or services promised in the contract are transferred to the customer. The amount of revenue recognized depicts the transfer of promised goods and services to customers for an amount that reflects the consideration to which the Company is entitled to in exchange for the goods or services.

(i) Sale of goods:

Revenue from sale of goods is recognised when control over such goods have been transferred, being when the goods are delivered to the customers. Delivery occurs when the products have been shipped or delivered to the specific location as the case may be, risks of loss have been transferred to the customers, and either the customer has accepted the goods in accordance with the sales contract or the acceptance provisions have lapsed or the Company has objective evidence that all criteria for acceptance have been satisfied. Revenue from these sales is recognized based on the price specified in the contract.

(ii) Dividend and interest income:

Dividend income from investments is recognised when the shareholders' right to receive such amount has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

(iii) Other Income:

In respect of other heads of income in the Company's accounts the income shall be recognised on accrual basis.

(h) **Foreign currency transactions:**

Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional and the foreign currency prevailing on date of transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the date of Balance Sheet. Exchange differences arising on monetary items on settlement or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Statement of Profit and Loss in the year in which they arise.

(i) Financial Instruments:

(i) Financial Assets: -

Recognition and initial measurement: -

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction cost.

Subsequent measurement: -

Equity instrument and Mutual Fund: - All equity instrument and mutual funds within scope of IndAS 109 are measured at fair value. Equity instrument and Mutual fund which are held for trading are classified as at fair value through profit & loss (FVTPL). For all other equity instruments, the Company decided to classify them as at fair value through other comprehensive income (FVTOCI).

Debt instrument: - A 'debt instrument' is measured at the amortised cost if both the following conditions are met. The assets are held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the assets given rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such Financial Assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

De- recognition of Financial Assets:-

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its right to receive cash flow from the asset.

(ii) Financial Liabilities: -

Recognition and initial measurement: -

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified as amortised cost.

Subsequent measurement: -

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest rate method.

De-recognition of Financial liabilities: -

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. Consequently, write back of unsettled credit balances is done on closure of the concerned project or earlier based on the previous experience of management and actual facts of each case and recognized in other operating revenues.

Further, when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting of financial instrument: -

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

(j) Impairment of Financial Assets

(i) Equity instruments, Debt Instruments and Mutual Fund: -

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss for financial assets. Expected Credit Loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive.

(ii) Other Financial Assets: -

The Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

(k) Inventories

Inventories (other than quoted shares and securities) are valued at cost or net realisable value, whichever is lower. Cost is determined on FIFO and includes cost of purchase and other costs incurred in bringing inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

(l) Cash & Cash equivalents

Cash and cash equivalents in the Balance Sheet comprise of cash at bank and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(m) Taxation

Tax expense recognised in Statement of Profit and Loss comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid/recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with Income Tax Act, 1961. Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are recognised in other comprehensive income or directly in equity, respectively. Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision.

Minimum Alternate Tax (MAT) credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised on temporary differences arising between the carrying amount of assets and liabilities and the corresponding tax bases used in computation of taxable profit under Income Tax Act, 1961.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted. Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity).

(n) Earnings per share:

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the period and also after the Balance Sheet date but before the date the consolidated financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit/ (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potentially dilutive equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

(o) Provision, Contingent Liabilities and Contingent Assets:

A provision is recognised when the company has a present obligation as a result of 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. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Assets and Contingent Liabilities are not recognized in the consolidated financial statements.

(p) Leases:

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases using the modified retrospective approach whereby a lessee applies the new standard from the beginning of the current period. The lessee calculates the lease asset and lease liability as at the beginning of the current period and recognized an adjustment in equity at the beginning of the current period. Accordingly, a lessee will not restate its prior period financial information under this approach.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets are subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

On application of Ind AS 116, the nature of expenses has changed to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability in place of lease rentals payments.

(q) Employee Benefits

(i) Short-term Employee Benefits: -

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Post-Employment Benefits: -

Defined Contribution Plans: The Company has defined contribution plans in respect of PF & ESI which are accounted for as and when contribution payments are made.

Defined Benefit Plans: The Company has a gratuity scheme payable to employees as per the provisions of the Payment of Gratuity Act, 1972. The actuarial valuation of the liability against such sum is made at the year end.

3 Property, plant and equipment

<u>Carrying amount:</u>	As at	As at
	31st March 2022	31st March 2021
Building Premises (ROU Asset)	322.79	4,196.18
Plant & Machinery	36,449.61	44,504.91
Furniture & fixtures	2,137.22	2,839.92
Vehicles	637.09	3,036.89
Office Equipment	375.13	348.10
Computers & peripherals	426.71	219.36
Total	40,348.55	55,145.35

	Building Premises ROU Asset	Computers & peripherals	Motor Car	Furniture & fixtures	Office Equipment	Plant & Machinery	Total
Cost or Deemed Cost :							
Balance as at 1st April 2020	13,477.10	457.12	7,640.55	4,684.51	130.39	63,569.07	89,958.74
Additions during the year	-	20.88	-	-	-	468.67	489.55
On acquisition of subsidiary	-	1,005.89	-	15.00	472.22	-	1,493.11
Sale/ disposal during the year	1,682.23	-	-	-	-	-	1,682.23
Balance as at 31st March 2021	11,794.87	1,483.89	7,640.55	4,699.51	602.61	64,037.74	90,259.17
Additions during the year	-	429.75	-	36.30	219.18	3.90	689.13
On acquisition of subsidiary	-	-	-	-	-	-	-
Sale/ disposal during the year	-	-	4,000.00	-	-	-	4,000.00
Balance as at 31st March 2022	11,794.87	1,913.64	3,640.55	4,735.81	821.79	64,041.64	86,948.30

Accumulated Depreciation :

Balance as at 1st April 2020	4,239.38	239.05	3,224.34	860.69	79.51	9,705.79	18,348.76
Charge for the year	3,873.39	141.39	1,379.32	989.86	22.93	9,827.04	16,233.93
On acquisition of subsidiary	-	884.09	-	9.04	152.08	-	1,045.21
Adjustment for Sale/ disposal	514.08	-	-	-	-	-	514.08
Balance as at 31st March 2021	7,598.69	1,264.53	4,603.66	1,859.59	254.52	19,532.83	35,113.82
Charge for the year	3,873.39	222.40	787.78	739.00	192.14	8,059.20	13,873.91
On acquisition of subsidiary	-	-	-	-	-	-	-
Adjustment for Sale/ disposal	-	-	2,387.98	-	-	-	2,387.98
Balance as at 31st March 2022	11,472.08	1,486.93	3,003.46	2,598.59	446.66	27,592.03	46,599.75

Carrying amount :

Balance as at 31st March 2021	4,196.18	219.36	3,036.89	2,839.92	348.09	44,504.91	55,145.35
Balance as at 31st March 2022	322.79	426.71	637.09	2,137.22	375.13	36,449.61	40,348.55

3.1 All the above property, plant & equipment are owned by the company.

3.2 The company has not made any of change (10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment) in the value of Property, Plant & Equipments due to revaluation.

4 Loans : non-current

	As at 31st March 2022	As at 31st March 2021
<u>Considered good - unsecured</u>		
Loans (at amortised cost)		
- Others	26,115.11	21,202.42
- Related Parties	14,698.51	5,836.97
Less: Expected Credit loss	102.03	-
	<u>40,711.59</u>	<u>27,039.39</u>

4.1 Additional disclosure in respect of non current loans and advances:-

Particular	As at 31st March 2022		As at 31st March 2021	
	Amount of loan outstanding	Percentage of the total loan and advances	Amount of loan outstanding	Percentage of the total loan and advances
Loans and advances granted to promoters, directors, KMPs and other related parties that are (a) repayable on demand; or (b) without specifying any terms or period of repayment	Nil	Nil	Nil	Nil

5 Other non current assets

	As at 31st March 2022	As at 31st March 2021
Security deposit	1,439.40	178.80
Income tax refund due	-	158.93
Advance tax and TDS (Net of provision)	26.56	-
Other assets	-	118.71
	<u>1,465.96</u>	<u>456.44</u>

6 Inventories

	As at 31st March 2022	As at 31st March 2021
<u>Stock in trade</u>		
- Quoted Equity Instruments (at Fair Value Through Profit & Loss FVTPL)	1,677.29	1,792.42
- Sunglasses	-	107.25
- Others	50.10	299.07
	-	-
<u>Finished goods</u>		
- Plastic moulded components	38,091.92	7,840.67
	<u>39,819.31</u>	<u>10,039.41</u>

7 Trade receivables: current

	As at 31st March 2022	As at 31st March 2021
Considered good - unsecured	1,125,642.04	1,070,756.25
	<u>1,125,642.04</u>	<u>1,070,756.25</u>

7.1 Trade receivables ageing schedule

Particulars		Outstanding from due date of payment as on 31st March 2022					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables : Considered good	328,120.78	24,787.51	21,513.11	578,824.36	172,396.28	1,125,642.04
(ii)	Undisputed Trade Receivables : Considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivables : Considered good	-	-	-	-	-	-
(iv)	Disputed Trade Receivables : Considered doubtful	-	-	-	-	-	-

Particulars		Outstanding from due date of payment as on 31st March 2021					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade	332,219.65	1,812.27	529,409.66	181,130.62	26,184.05	1,070,756.25
(ii)	Undisputed Trade Receivables : Considered doubtful	-	-	-	-	-	-
(iii)	Disputed Trade Receivables : Considered good	-	-	-	-	-	-
(iv)	Disputed Trade Receivables : Considered doubtful	-	-	-	-	-	-

8 Cash and cash equivalents	As at	As at
	31st March 2022	31st March 2021
Cash on hand (as certified)	4,044.79	1,454.15
Balances with banks in current accounts	7,670.14	16,883.02
	11,714.93	18,337.17

9 Loans: current	As at	As at
	31st March 2022	31st March 2021
<u>Unsecured, considered good</u>		
Loan to body corporate	-	5,452.70
Advance to others	18.01	45.24
Loan to related party	2,224.50	-
Less: Expected Credit Loss	5.56	-
	2,236.95	5,497.94

9.1 Additional disclosure in respect of Current loans and advances:-

Particular	As at 31st March 2022		As at 31st March 2021	
	Amount of loan outstanding	Percentage of the total loan and advances	Amount of loan outstanding	Percentage of the total loan and advances
Loans and advances granted to promoters, directors, KMPs and other related parties that are (a) repayable on demand; or (b) without specifying any terms or period of repayment	Nil	Nil	Nil	Nil

10 Other current assets	As at	As at
	31st March 2022	31st March 2021
Input credit of GST	39,012.48	37,534.28
Balances with revenue authorities	2,070.03	1,750.16
Advance to suppliers	117,230.45	15,817.19
Advance to related party	500.01	119.35
Advance to Employees	87.30	-
Security deposits	-	5.00
Prepaid expenses	27.72	16.67
	158,927.99	55,242.65

10.1 Input Credit under GST includes a sum of Rs. 29,481.10 Thousands challenged by the GST Department pursuant to search conducted on 6th September, 2019. The matter is pending for adjudication

11 Equity share capital	31st March 2022		31st March 2021	
	Nos.	(Rs. in '000')	Nos.	(Rs. in '000')
Authorized shares				
Equity shares of Rs. 10 each	24,500,000	245,000.00	24,500,000	245,000.00
	24,500,000	245,000.00	24,500,000	245,000.00
Issued, subscribed and fully paid- up shares				
Equity shares of Rs. 10 each fully Paid up	12,913,636	129,136.36	9,513,636	95,136.36
	12,913,636	129,136.36	9,513,636	95,136.36

11.1 Reconciliation of number of equity shares and amount outstanding

	31st March 2022		31st March 2021	
	Nos.	(Rs. in '000')	Nos.	(Rs. in '000')
<u>Equity Shares</u>				
At the beginning of the period	9,513,636	95,136.36	4,000,000	40,000.00
Add: Issued during the year				
Preferential Allotment (Note 11.2)	-	-	5,513,636	55,136.36
Add: Conversion of Share Warrants (Note 11.3)	2,800,000	28,000.00	-	-
Add: Sweat Equity shares issued (Note 11.4)	600,000	6,000.00	-	-
Total outstanding at the end of the period	12,913,636	129,136.36	9,513,636	95,136.36

- 11.2 During the year ended on 31st March 2021, the company has allotted 55,13,636 equity Shares of face value of 10 each at a price of Rs. 11 (inclusive of premium of Rs. 1) aggregating to Rs. 6,06,49,996 dated 02.02.21, for cash to strategic investors.
- 11.3 During the year, the company has issued 40,00,000 Share warrants at an issue price of Rs. 18 each as per terms approved by shareholders in postal ballot held on 5th July 2021. Every share warrant has an option of conversion into one equity share of Rs. 10 each to be exercised by the warrant holder within 18 months of the issue by the Company. Out of 40,00,000 share warrants, 28,00,000 share warrants were converted into the equity shares and 12,00,000 share warrants are pending at the end of the year.
- 11.4 During the year, the company has allotted 6,00,000 equity Shares of face value of 10 each at a price of Rs. 18 (inclusive of premium of Rs. 8) each for a consideration other than cash for value addition in the company by the respective allottees i.e. Directors of the company.

11.5 Terms and rights attached to equity shares

The company has issued only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.

11.6 Details of shareholders holding more than 5% shares in the company :

	31st March 2022		31st March 2021	
	Nos.	% holding	Nos.	% holding
Anjaneyaputra Human Resource Consultancy Pvt.	1,000,000	7.74%	1,000,000	10.51%
Rishan Singh Keer	1,000,000	7.74%	-	0.00%
Anuva Kaur Keer	1,000,000	7.74%	-	0.00%
Rakesh Rawat	950,000	7.36%	950,000	9.99%
Shashi Rawat	950,000	7.36%	950,000	9.99%
Sandeep Arneja	950,000	7.36%	950,000	9.99%
RMS Mosquito Pvt Ltd	807,600	6.25%	807,600	8.49%
RDS Corporate Services Private Limited	800,000	6.20%	-	0.00%
Sahil Arora	650,000	5.03%	500,000	5.26%

As per records, registers and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

11.7 Details of shares held by promoters in the Company

Promoter Name	As at 31st March 2022		As at 31st March 2021		% Change during the year
	No of Shares	% of total Shares	No of Shares	% of total Shares	
RMS Mosquito Private Limited	807,600	6.25	807,600	8.49	-

There is no change in promoters shareholding during the period ended March 31,2022 and March 31,2021 due to increase in non promoter shareholding on further issue of Capital

12 Other equity	As at 31st March 2022	As at 31st March 2021
Security Premium :		
Opening balance	5,513.64	-
Add/(less) : On Issue of equity shares	27,200.00	5,513.64
Closing balance	<u>32,713.64</u>	<u>5,513.64</u>
Retained earnings :		
Opening balance	6,791.30	(955.73)
Add/(less) : Profit/ (loss) for the year	11,140.81	10,523.25
Less: Pre- acquisition profits of the subsidiary		(2,776.22)
Closing balance	<u>17,932.11</u>	<u>6,791.30</u>
Money received against share warrants		
Opening balance	-	-
Add: received during the year	33,400.00	-
Less: conversion of warrant into equity shares	28,000.00	-
Closing balance	<u>5,400.00</u>	<u>-</u>
Fair Value through Other Comprehensive Income		
Remeasurement of Defined Benefit Obligation		
Opening balance	22.26	-
Add/(less) : Changes during the year (net of tax)	54.97	22.26
Closing balance	<u>77.23</u>	<u>22.26</u>
Total Other Equity	<u>56,122.98</u>	<u>12,327.20</u>

13 Borrowings (other than debt securities)	As at 31st March 2022	As at 31st March 2021
From Banks		
Secured loans:		
Finance lease obligations (Note 13.1)	1,261.50	1,426.18
Less: current portion t/f to other financial liabilities (note 18)	(312.16)	(447.56)
From other Parties		
Unsecured loans		
From Others	64,126.48	33,347.00
	<u>65,075.82</u>	<u>34,325.62</u>

13.1 Finance lease obligation reflects car loans obtained from Axis Bank Ltd and HDFC Bank Ltd.

Loan of Rs. 1,400.00 thousands has been obtained from Axis Bank Ltd. repayable in 60 Equated Monthly Installments of Rs. 29.57 thousands whereas Rs. 1,406.76 thousands has been obtained from HDFC Bank Ltd. repayable in 60 Equated Monthly installments of Rs. 29.21 thousands. Such loans are secured against hypothecation of respective vehicles.

13.2 Default in repayment of loan from Axis Bank Ltd.

(Rs. in '000')

Amount of Default	Interest outstanding during default period	Period of default
539.73	118.40	January 2020 till date

14 Other financial liabilities - non current	As at 31st March 2022	As at 31st March 2021
Lease Liability (as per Ind AS 116) (Note 3.3)	397.02	4,936.94
	<u>397.02</u>	<u>4,936.94</u>

15 Provision -Non current	As at 31st March 2022	As at 31st March 2021
For Gratuity	729.13	878.76
	<u>729.13</u>	<u>878.76</u>

16 Deferred tax assets/Liabilities (net)	As at 31st March 2022	As at 31st March 2021
At the start of the year	2,079.83	(4,167.52)
(Charge)/ credit to statement of profit and loss and reserves & surplus	568.29	6,247.34
At the end of year	<u>2,648.12</u>	<u>2,079.82</u>

16.1 Deferred tax asset is recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

16.2 The tax effect of significant timing differences that has resulted in deferred tax assets are given below:-

Particulars	For the year ended on 31st March 2022			
	Opening Balance 2021	Recognized in profit and loss	Recognized in OCI	Closing Balance 2022
Property, plant and equipment	2,305.04	350.46	-	2,655.50
Losses carried forward under the Income Tax Act, 1961	-	-	-	-
Provision For Gratuity	(38.78)	31.59	18.49	11.30
Others	(186.44)	167.75	-	(18.69)
Total	2,079.82	549.80	18.49	2,648.12

Particulars	For the year ended on 31st March 2021			
	Opening	Recognized in	Recognized in	Closing Balance
Property, plant and equipment	1,601.90	703.14	-	2,305.04
Losses carried forward under the Income Tax Act, 1961	(930.10)	930.10	-	-
Provision For Gratuity	(176.98)	130.71	7.49	(38.78)
Others	(23.22)	(163.22)	-	(186.44)
Total	471.60	1,600.73	7.49	2,079.82

17 Trade payables: current

	As at 31st March 2022	As at 31st March 2021
- Outstanding dues to micro enterprises and small enterprises (Note 17.1)	-	531.28
- Interest dues to micro enterprises and small enterprises (Note 17.1 & 17.2)	-	30.17
- Outstanding dues of creditors other than micro enterprises and small enterprises	1,023,471.31	947,028.27
	<u>1,023,471.31</u>	<u>947,589.72</u>

17.1 Details of balance amount outstanding to micro, small and medium enterprises :

Particulars	As at 31st March 2022	As at 31st March 2021
(i) Unpaid amount to any supplier		
a) Principal amount	-	531.28
b) Interest thereon	-	30.17
(ii) Interest paid as per Sec 16 of MSMED Act, 2006 during the year	-	-
(iii) Interest due and payable for the delayed payments made during the year	-	-
(iv) Interest accrued and remaining unpaid	-	-
(v) Further interest due and payable, which are disallowed as a deductible expense under Sec 23 of MSMED Act, 2006	-	30.17

17.2 Interest liability computed at the rate of three times of Bank rate issued by RBI i.e., @ 12.75% per annum.

17.3 Trade payable due for payment and the ageing schedule as below:-

Particulars	Outstanding from due date of payment as on 31st March 2022				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Others than MSME	404,229.92	24,940.60	416,687.38	177,613.41	1,023,471.31
(ii) MSME	-	-	-	-	-
(iii) Disputed dues : MSME	-	-	-	-	-
(iv) Disputed dues : others	-	-	-	-	-

Particulars	Outstanding from due date of payment as on 31st March 2021				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
(i) Others than MSME	279,682.46	400,096.95	188,811.56	78,437.31	947,028.27
(ii) MSME	400.85	160.60	-	-	561.45
(iii) Disputed dues : MSME	-	-	-	-	-
(iv) Disputed dues : others	-	-	-	-	-

18 Other financial liabilities: current

	As at 31st March 2022	As at 31st March 2021
Current maturities of finance lease obligations (refer note 13)	312.16	447.56
Expenses payable	1,304.01	-
	<u>1,616.17</u>	<u>447.56</u>

	As at 31st March 2022	As at 31st March 2021
19 Other current liabilities		
Advance received from customers	150,550.53	152,679.12
TDS Payable	927.63	546.67
Statutory Dues	631.89	-
Other Expense	278.91	-
TCS payable	203.96	46.39
EPF, ESI and LWF payable	831.08	635.12
Other payables	798.45	2,050.01
Expenses payable	-	1,950.92
	154,222.45	157,908.23
20 Provisions: current		
For Gratuity	1.34	1.54
	1.34	1.54
	For the year ended on 31st March 2022	For the year ended on 31st March 2021
<u>Sale of products :</u>		
Plastic	136,935.17	42,289.30
Rough emerald	101,964.01	130,942.93
Others	246,567.95	196,648.78
<u>Sale of shares & securities</u>	286.72	7,129.24
	485,753.85	377,010.25
21 Other income		
Foreign exchange fluctuation gain	17,482.30	-
Profit & Loss on Sale of PPE	437.99	-
Sale of MEIS License	-	602.04
Interest On Income TaxRefund	9.53	-
Derecognition of financial liability	191.27	-
Discount received	1,216.78	42.85
Miscellaneous income	12.95	-
Prior period income	4,951.46	-
Rental income	-	350.00
Derecognition on lease liability	-	82.28
	24,302.28	1,077.17
22 Cost of materials consumed		
	For the year ended on 31st March 2022	For the year ended on 31st March 2021
Opening stock of raw materials	7,840.67	3,257.65
Add: purchases during the year	126,042.80	22,935.44
Less: closing stock of raw materials	(38,091.92)	(7,840.67)
	95,791.55	18,352.42
23 Purchase of stock in trade		
	For the year ended on 31st March 2022	For the year ended on 31st March 2021
Fabrics	88,545.55	-
Rough emerald	-	48,534.99
Others	234,876.74	185,452.46
Shares & securities	966.50	8,304.28
	324,388.79	242,291.73
24 Changes in inventories		
	For the year ended on 31st March 2022	For the year ended on 31st March 2021
Opening balance of stock in trade	2,198.74	62,965.55
Closing balance of stock in trade	(1,727.39)	(2,198.74)
Changes in inventories of stock in trade	471.35	60,766.81
25 Operating Costs		
	For the year ended on 31st March 2022	For the year ended on 31st March 2021
Wages	5,213.05	3,278.19
Job work materials	569.20	1,130.85
Fuel & power expenses	614.18	565.05
Consumables	1,361.29	1,087.27
Loading & freight	153.70	369.80
	7,911.42	6,431.16

	For the year ended on 31st March 2022	For the year ended on 31st March 2021
26 Employee benefits expense		
Director Remuneration (Basic Salary)	11,159.85	360.00
Salaries and allowances	9,308.88	7,165.20
Employer contribution to PF	147.07	169.05
Employer contribution to ESIC	29.66	36.51
Staff Welfare	548.93	551.45
Gratuity expense	363.48	352.60
	21,557.87	8,634.81
27 Finance cost		
Interest on lease liability (as per Ind AS 116)	260.08	646.46
Interest to banks	116.87	104.45
Interest to others	1,217.00	51.28
	1,593.95	802.19
28 Other expenses		
Advertisement expenses	3,552.15	79.57
Payment to statutory auditors (Note 35)	400.00	405.50
Bank charges	116.33	69.64
Balance written off	4.04	-
Interest on statutory dues	-	57.06
Credit card charges	705.23	231.08
Business promotion	385.95	596.16
Certification charges	85.72	92.73
Consolidated charges	3.39	77.15
Conveyance expenses	822.90	71.23
Discount	6.74	86.76
Electricity and maintenance expenses	8,250.24	6,001.38
Expected Credit Loss	107.60	-
Festival Expenses	1,425.15	-
Foreign exchange fluctuation loss	1,717.90	10,432.60
Filing fees & subscription	-	403.00
Fittings	88.00	209.90
Freight & cartage	1,533.78	774.79
General expenses	261.26	184.38
GST penalty	-	43.99
Interest and penalties	0.33	-
Job work expense	-	574.93
Labour welfare	16.27	14.17
Late delivery charges	-	103.25
Legal & professional charges	1,034.89	399.06
Miscellaneous expenses	0.71	5.74
Membership & registration fees	884.38	48.94
Office expenses	231.01	199.99
Printing & stationery	101.95	26.81
Product testing charges	55.50	48.97
Professional & consultancy charges	15.00	5.00
Rent, rate & taxes	416.97	32.66
Repair & maintenance	1,079.05	1,411.41
Recruitment expenses	-	15.50
Reimbursement expenses	-	5.05
RTA expenses	22.72	-
ROC expenses	14.70	1,826.05
Security charges	661.28	991.39
Service Charge	26.30	-
Software Renewal	10.80	-
Stamp Papers	0.50	-
Telephone expense	152.67	142.56
Tender Fees	29.79	6.75
Tour & Travels	3,438.06	1,432.90
Vehicle running & maintenance	238.14	515.93
Interest due on delay Payment to MSME	-	30.17
Workspace Expenses(Mail)	42.50	-
	27,939.90	27,654.15

29 Exceptional item for Rs. 19,500.36 thousands during the year ended on 31st March 2021, is related to remission of liability against previous year's wages and advertisement expenditure. Vendors has settled & issued credit note during the year ended 31st March 21. The effect of adjustments has been results to Increase in earning per share (EPS) (Basic & Diluted) for the year ended on 31st March, 2021 by Rs. 3.01

30 Related Parties: -

As per IND AS 24, the disclosures of transactions with the related parties are given below:

(i) List of related parties where control exists and also related parties with whom transactions have taken place and relationship:

(a)	Subsidiary/ Associate Entity	Aunik IT Solutions Private Limited
(b)	Key Management Personnel	Mr. Santosh Kumar Kushwaha (Director)
		Mr. Sahil Arora (Director)
		Ms. Shagun Ajmani (Director)
		Mr. Abhishek Singh (Director & CFO)
		Ms. Payal Sachdeva (Company Secretary)
		Ms. Perna Sethi (Past Director)
		Mr. Neeraj Kumar Singh (Past CFO)
(c)	Relatives of Key Management Personnel	None
(d)	Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives	M/s RDS Corporate Services Private Limited
		M/s SNP Infosolutions LLP
		M/s RMS Mosquito Private Limited
		M/s Consider Done

(b) Transaction with Related Parties:-

	Transaction with	Nature of Transaction	Transactions during the year	
			31st March 2022	31st March 2021
(a)	<u>Subsidiary Company: -</u>			
	Aunik IT Solutions Private Limited	Investment in Equity Shares	Nil	9,527.00
		Loans Given	10,000.00	Nil
		Loan Recovered	10,000.00	Nil
		Purchases	Nil	6,526.28
(b)	<u>Key Management Personnel: -</u>			
	Mr. Sahil Arora	Loans received	3737	Nil
		Loans repaid	3737	Nil
		Issue of Share Capital	Nil	5500
		Remuneration (Sweat Equity Shares Issued)	2700.00	Nil
	Ms. Shagun Ajmani	Loans received	1778	Nil
		Loans repaid	1700	Nil
		Issue of Share Capital	Nil	4,000.00
		Remuneration (Sweat Equity Shares Issued)	2700.00	Nil
	Mr. Abhishek Singh	Remuneration	359.85	360
		Reimbursement of Expenses	1,219.75	Nil
		Advance against salary	500.01	Nil
	Mr. Santosh Kumar Kushwaha	Advance received from customer	Nil	81
		Remuneration (Sweat Equity Shares Issued)	5,400.00	Nil
		Loans Received	3,012.00	Nil
		Loans Repaid	787.50	Nil
	Ms. Payal Sachdeva	Remuneration	360.72	
(c)	<u>Relatives of Key Management Personnel :- None</u>			
(d)	<u>Enterprises in which Key Management Personnel and Relatives are having significant influences :-</u>			
	M/s RDS Corporate Services Private Limited	Loans given	562.00	Nil
		Loans recovered	Nil	Nil
		Issue of Share Warrants	14400.00	Nil
	M/s SNP Solutions LLP	Advance received from customer	Nil	Nil
	M/s Consider Done	Loan Given	17019.54	Nil
		Loan Recovered	8720.00	Nil

(c) Balance with the Related Parties:-

	Transaction with	Nature of Transaction	Balance as at	
			31st March 2022	31st March 2021
(a)	Subsidiary Company: -			
	Aunik IT Solutions Private Limited	Investment in Equity Shares	Nil	9,527.00
	Credit Purchase			Nil
(b)	Key Management Personnel: -			
	Mr. Sahil Arora	Borrowing	Nil	Nil
		Issue of Share Capital pending issue	Nil	Nil
		Remuneration Payable	Nil	Nil
	Ms. Shagun Ajmani	Borrowing	78	Nil
		Issue of Share Capital pending issue	Nil	Nil
		Remuneration Payable	Nil	Nil
	Mr. Abhishek Singh	Remuneration Payable	Nil	30.00
		Expenses Payable	Nil	Nil
		Advance against salary	500.01	Nil
	Mr. Santosh Kumar Kushwaha	Advance received from customer	Nil	2,040.41
		Remuneration Payable	Nil	Nil
		Loans & Advances	2,224.50	Nil
	Ms. Payal Sachdeva	Remuneration Payable	Nil	Nil
(c)	Relatives of Key Management Personnel :- None			
(d)	Enterprises in which Key Management Personnel and Relatives are having significant influences: -			
	M/s RDS Corporate Services Private Limited	Loans & Advances	6,398.97	5,836.97
		Issue of Share Warrants pending issue	Nil	Nil
	M/s SNP Infosolutions LLP	Advance received from customer	195.00	195.00
	M/s Consider Done	Loans & Advances	8299.54	Nil

31 Segment Information:

The Company has identified five reportable segments viz., shares and securities, rough emerald, fabric, glasses and plastic molded components after taking into account the nature of product and services and the differing risk and returns on such products and services. The accounting policies adopted for segment reporting are in line with the accounting policy of the company with following additional policies for segment reporting: -

- Revenue and expenses have been identified to a segment on the basis of relation to operating activities of the segment. Revenue and expenses that relates to enterprise as a whole and are not allocable to a segment on a reasonable basis have been disclosed as "Un-allocable".
- Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Un-allocable".
- Segment Information:

Particulars	31st March 2022	31st March 2021
Segment		
Shares & securities	-	7,129.24
Rough emerald	#VALUE!	327,526.29
Software Services	246,567.95	-
Plastic molded components	#VALUE!	42,289.30
Unallocable	#VALUE!	65.43
Total Revenue	485,753.85	377,010.26
Segment Results		
(Profit/ loss before interest and taxes)		
Shares & Securities	2,224.50	145.01
Rough Emerald	-	29,752.84
Software Services	760.12	(5,469.71)
Plastic molded components	-	(4,552.12)
Less: Interest	(1,593.95)	(514.04)
Less: Other Un-allocable expenditure (net)	15,136.72	(3,126.20)
Total Profit Before Taxes	16,527.39	16,235.78
Segment assets		
Shares & Securities	286.72	1,792.42
Rough Emerald	101,964.01	312,472.99
Software Services	273,712.91	1,644.68
Fabrics	-	238,358.01
Glasses	-	3,755.31
Plastic molded components	136,935.17	61,994.45
Un-allocable	924,535.49	639,063.71
Total	1,437,434.30	1,259,081.57

<u>Segment liabilities</u>		
Shares & Securities	(286.72)	741.46
Rough Emerald	(101,964.01)	415,450.85
Software Services	280,557.22	10,896.16
Fabrics	-	132,072.13
Glasses	-	-
Plastic molded components	(136,935.17)	403,859.71
Un-allocable	1,210,803.65	186,418.34
Total	1,252,174.96	1,149,438.65
<u>Capital employed</u>		
Shares & Securities	573.44	1,050.96
Rough Emerald	203,928.02	(102,977.86)
Software Services	(6,844.31)	(9,251.48)
Fabrics	-	106,285.88
Glasses	-	3,755.31
Plastic molded components	273,870.34	(341,865.26)
Un-allocable	(286,268.16)	452,645.37
Total	185,259.34	109,642.92

(iv) Secondary Segment information: -

The Company does not have secondary segment division in respect of reportable segments.

Categories of Financial Instruments and its fair value measurement

Financial assets	As at 31st March, 2022	As at 31st March, 2021
Measured at amortised cost		
(i) Loans	42,948.54	32,537.33
(i) Trade receivables	1,125,642.04	1,070,756.25
(ii) Cash and Bank balance	11,714.93	18,337.17
Total	1,180,305.51	1,121,630.75

Financial liabilities	As at 31st March, 2022	As at 31st March, 2021
Measured at amortised cost		
(i) Borrowings	65,075.82	34,325.62
(ii) Other financial liabilities	2,013.19	5,384.50
(iii) Trade and other payables	1,023,471.31	947,028.27
Total	1,090,560.32	986,738.39

The fair values of current debtors, bank balances, current creditors and current borrowings are assumed to approximate their carrying amounts due to the short-term maturities of these assets and liabilities.

Fair value Measurement

Particulars	Fair value as at	Fair value as at	Fair value hierarchy	Valuation technique(s) and key input(s)
	As at 31st March, 2022	As at 31st March, 2021		
Financial assets				
Loans	42948.54	32537.33	Level 2	Discounted estimated cash flow through the expected life of the borrowings
Financial Liabilities				
Borrowings	65075.82	34325.62	Level 2	Discounted estimated cash flow through the expected life of the borrowings

33 Particulars	For the year ended on	For the year ended on
	31st March 2022	31st March 2021
Expenditure in foreign currency i.e loss	10,432.60	10,432.60
Earning/ Income in foreign currency	17,482.30	Nil

34 Break- up of payments made to statutory auditors (including taxes) are disclosed as under:

Particulars	For the year ended on	For the year ended on
	31st March 2022	31st March 2021
In respect of statutory audit (including tax audit)	400.00	360.00
In respect of GST Audit	0.00	30.00
In respect of certification	51.50	15.50
TOTAL	451.50	405.50

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Particulars	For the year ended on 31st March 2022	For the year ended on 31st March 2021
Contingent Liability not provided for		
<u>Search and Seizure conducted under CGST/SGST Act :-</u>		
On 6th September 2019, a search has been conducted under provision of CGST/SGST Act, 2017 wherein the appropriate authorities had seized certain documents and freeze the bank accounts of the company. The bank accounts were subsequently unfreezed through stay order of High Court of Punjab and Haryana vide interim order dated 10 February 2020. The matter is pending for adjudication.	Unascertainable	Unascertainable
Pending litigations by/ against the Company	None	None

36 The following subsidiary company is considered in the Consolidated Financial Statements: -

S. No.	Name of Subsidiary	Country of Incorporation	% of Equity holding either directly or through Subsidiaries	% of Equity holding either directly or through Subsidiaries
			31st March 2022	31st March 2021
Direct Subsidiary				
(i)	Aunik I.T. Solutions Private Limited	India	95.27%	95.27%

37 Necessary disclosures requirements of Indian Accounting Standard (Ind AS) - 19 on 'Employee Benefits' in respect of gratuity are made as required: -

In respect of 'Gratuity Scheme': -

(i) Amount Recognised in the Balance Sheet: -

Particulars	As at 31st March 2022	As at 31st March 2021
Present Value of the obligation	730.47	880.30
Fair Value of Plan Assets	Nil	Nil
Funded Status [Surplus/ (Deficit)]	(730.47)	(880.30)
Unrecognised Past Service Cost	Nil	Nil
Asset/(liability) recognised in Balance Sheet	730.47	880.30

(ii) Amount Recognised in Statement of Profit & Loss: -

Particulars	For the year ended on 31st March 2022	For the year ended on 31st March 2021
Current Service Cost	350.58	346.15
Interest Cost	12.90	6.46
Expected Return on Plan Asset	Nil	Nil
Past service cost	Nil	Nil
Expense to be recognized in profit and loss	363.48	352.61

(iii) Other Comprehensive (income)/ expenses (Reassessment)

Particulars	For the year ended on 31st March 2022
Cumulative unrecognized actuarial (gain)/loss opening. B/F	Nil
Actuarial (gain)/loss- Obligation	Nil
Actuarial (gain)/loss- from changes in financial assumptions	(3.82)
Actuarial (gain)/loss - Plan assets	(69.64)
Total Actuarial (gain)/loss	Nil
Cumulative Total Actuarial (gain)/ loss. C/F	(73.46)

(iv) Principal Actuarial Assumptions: -

Method of Valuation	Project Unit Credit Method
Discounting Rate	7.00% Per Annum
Salary Growth Rate	5.00% Per Annum
Mortality	IALM 2012-14
Withdrawal Rate	5.00% Per Annum

38 Ratio Analysis and its components

S.No.	Particulars	31st March 2022	31st March 2021	% change from March 31, 2021 to March 31, 2022
1	Current ratio	1.13	1.05	8.18%
2	Debt- Equity Ratio	0.35	0.32	9.97%
3	Debt Service Coverage Ratio	1.59	1.21	31.71%
4	Return on Equity Ratio	0.08	0.10	-22.09%
5	Inventory Turnover Ratio	19.49	75.11	-74.06%
6	Trade Receivable Turnover Ratio	0.44	0.70	-37.19%
7	Trade Payable Turnover Ratio	0.49	0.80	-38.06%
8	Net Capital Turnover Ratio	3.14	7.52	-58.25%
9	Net Profit Ratio	0.02	0.03	-17.64%
10	Return on Capital Employed	0.09	-0.02	571.48%
11	Return on Investment	-	-	0.00%

Reasons for variance of more than 25% in above ratios

- (i) Debt Service Coverage Ratio has decreased due to increase in principal repayment of loan
- (iii) Inventory Turnover Ratio decreased due to increase in average inventory
- (iii) Trade Receivable Turnover Ratio decreased due to increase in average trade receivables
- (iv) Trade Payable Turnover ratio has decreased due to increase in average trade payables
- (v) Net Capital Turnover Ratio has decreased due to increase in working capital
- (vi) Return on Capital Employed ratio has increased due to increase in profit before exceptional items

Components of Ratio

S.No.	Ratios	Numerator	Denominator	March 31st 2022		March 31st 2021	
				Numerator	Denominator	Numerator	Denominator
1	Current ratio	Current Assets	Current Liabilities	1,338,341.22	1,183,648.58	1,159,873.42	1,109,746.37
2	Debt- Equity Ratio	Borrowings	Total Equity(Equity Share capital+Other equity)	65,075.82	185,259.34	34,325.62	107,463.56
3	Debt Service Coverage Ratio	Earnings available for debt service (Net profit before exceptional items & tax expense + depreciation & amortization + Finance cost + Non cash operating items + other adjustment)	Finance cost + principle repayment of long term borrowings during the period/year	32,102.85	20,211.26	13,956.34	11,573.23
4	Return on Equity Ratio	Net profit after tax-Exceptional items	Average Total Equity [(Opening Equity Share capital + Opening Other equity + Closing Equity Share Capital + Closing Other Equity)/2]	11,166.60	146,361.45	10,523.25	107,463.56
5	Inventory Turnover Ratio	Revenue from sales of products	Average Inventory [(opening balance + closing balance)/2]	485,753.85	24,929.36	377,010.25	5,019.71
6	Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivable [(Opening balance + closing balance)/2]	485,753.85	1,098,199.15	377,010.25	535,378.13
7	Trade Payable Turnover Ratio	Revenue from operations	Average trade payable [(Opening balance + closing balance)/2]	485,753.85	985,530.52	377,010.25	473,794.86
8	Net Capital Turnover Ratio	Revenue from operations	Working capital (Current asset-current liabilities)	485,753.85	154,692.64	377,010.25	50,127.05
9	Net Profit Ratio	Net profit after tax-Exceptional items	Revenue from operations	11,166.60	485,753.85	10,523.25	377,010.25
10	Return on Capital Employed	Profit Before interest, Tax & Exceptional item	Total Equity + Total Debts (including preference share liability)	18,121.34	194,212.18	(2,562.06)	129,461.98
11	Return on Investment	Interest Income on fixed deposits + Profit on sale of investments + Income of investment - impairment on value of investment	Current investments + Non current Investments + Fixed deposits with bank	-	-	-	-

39 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Market risk
 - (a) Interest rate risk;
- (ii) Credit risk and ;
- (iii) Liquidity risk

Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk . The Company's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Company's risk management assessment policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management of these policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee are responsible for overseeing these policies and processes.

(i) Market risk

Market risk is the risk of changes in the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments . The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to borrowings from banks and others.

Interest rate sensitivity - variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date.

Particulars	For the year ended 31st March 2022		For the year ended 31st March 2021	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
On account of Variable Rate on Loans	429.49	(429.49)	325.37	(325.37)
On account of Variable Rate on borrowings	(650.76)	650.76	(343.26)	343.26
Net impact on profitability	(221.27)	221.27	-17.88	17.88

(ii) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables from customer. The Company establishes an allowance for doubtful debts, impairment and expected credit loss that represents its estimate on allowance for doubtful debts, impairment and expected credit loss that represents its estimate on expected credit loss.

A. Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer , including the default risk of the industry has an influence on credit risk assessment. Credit risk managed through credit approvals ,establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

However, the company doesnot expect any losses from non-performance by these counter-parties apart from those already given in financials, and does not have any significant concentration of exposures.

B. Cash and cash equivalents

The Company holds cash and cash equivalents with creditworthy banks of ₹222.51 thousands. The credit worthiness of such banks is evaluated by the management on an on-going basis and is considered to be good.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company has been taking measures to ensure that the Company's cash flow from business borrowing is sufficient to meet the cash requirements for the Company's operations. The Company managing its liquidity needs by monitoring forecasted cash inflows and outflows in day to day business. Liquidity needs are monitor endonvarious time bands, on a day to day and week to week basis, as well as on the basis of a rolling 30 day projections. Net cash requirements are compared to available working capital facilities in order to determine head room or any shortfalls. Presently company's objective is to maintain sufficient cash to meet its operational liquidity requirements.

The below table summaries the maturity profile of the Company's financial liability

Particulars	Carrying amount	Contractual cash outflow				
		Total	1 year or less	1-2 year	2-5 years	> 5 years
As at 31st March, 2022						
Other financial liabilities	2,013.19	2,013.19	1,616.17	397.02	0.00	0.00
Other current liabilities	154,222.45	154,222.45	154,222.45	0.00	0.00	0.00

Particulars	Carrying amount	Contractual cash outflow				
		Total	1 year or less	1-2 year	2-5 years	> 5 years
As at 31st March, 2021						
Other financial liabilities	5,384.50	5,384.50	447.56	4,936.94	0.00	0.00
Other current liabilities	157,908.23	157,908.23	157,908.23	0.00	0.00	0.00

- 39 The Company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses.
- 40 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 41 The consolidated financial statements were approved for issue by the Board of Directors on 27th day of May , 2022.
- 42 As the consolidated financial statements are prepared for the first time comparative figures will not appear.
- 43 Figures have been rounded off to the nearest thousand of rupees.
- 44 Figures in brackets indicate negative (-) figures.

Signed for the purpose of identification

FOR V.N. PUROHIT & CO.
Chartered Accountants
Firm Regn. No. 304040E

For and on behalf of the Board of Directors of
A F ENTERPRISES LIMITED

O. P. Pareek
Partner
Membership No. 014238
UDIN: 22014238AJTWWX3644

Abhishek Singh
Director & CFO
DIN: 03603706

Santosh Kumar Kushwaha
Director
DIN: 02994228

New Delhi, the 27th May 2022

Payal Sachdeva
Company Secretary
PAN: BMFPA2964K



**AN ENTERPRISES LTD.
AN 9001:2015 Certified Co.**

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