

## ANNUAL REPORT 2019-20

### AKS CREDITS LIMITED

<b>BOARD OF DIRECTORS</b>	Mr. Atul Mahindru, Whole Time Director
	Mr. Vishek Khemka, Director
	Mr. Prem Rattan Khemka, Director
	Mr. Sanjay Sethi, Director
	Ms. Shruti Jain, Woman Director
<b>CHIEF FINANCIAL OFFICER</b>	Mr. Atul Mahindru, CFO
<b>COMPANY SECRETARY</b>	Ms. Neha Srivastava, CS & Compliance Officer
<b>STATURTORY AUDITORS</b>	<b>M/s STRG &amp; Associates</b> Chartered Accountants 348, 1 <sup>st</sup> Floor, Tarun Enclave, Pitampura, Delhi-110088
<b>BOOK CLOSURE DATE</b>	22 <sup>nd</sup> September, 2020 to 28 <sup>th</sup> September, 2020 (both days inclusive)
<b>E-VOTING WINDOW DATE</b>	25 <sup>th</sup> September, 2020 (09.00 a.m.) to 27 <sup>th</sup> September, 2020 (05.00 p.m.)
<b>REGISTERED OFFICE/CIN/E MAIL/WEBSITE</b>	<b>REGD. OFFICE:</b> 6081, IInd Floor, Room No. 201 Gali Batashan, Khari Baoli Delhi, New Delhi-110006 <b>CIN:</b> L65921DL1991PLC043544 <b>E-MAIL:</b> <a href="mailto:akscreditslimited@gmail.com">akscreditslimited@gmail.com</a> <b>WEBSITE:</b> <a href="http://www.akscredits.in">www.akscredits.in</a>
<b>LISTING</b>  <b>Metropolitan Stock Exchange of India Ltd.( MSEI)</b>  <b>Calcutta Stock Exchange Limited (CSE)</b>  <b>ISIN:</b> INE971C01010 <b>MSEI Symbol:</b> AKSCREDITS <b>Scrip Code:</b> 011582	<b>AUDIT COMMITTEE</b>  Mr. Vishek Khemka -Chairman Mr. Prem Rattan Khemka- - Member Mr. Sanjay Sethi- Member
	<b>NOMINATION AND REMUNERATION COMMITTEE</b>  Mr. Prem Rattan Khemka -Chairman Mr. Vishek Khemka- - Member Mr. Sanjay Sethi- Member
	<b>STAKEHOLDER RELATIONSHIP COMMITTEE</b>  Mr. Vishek Khemka -Chairman Mr. Prem Rattan Khemka- - Member Mr. Sanjay Sethi- Member
<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>	<b>MAS SERVICES LIMITED</b>  T-34, 2 <sup>nd</sup> Floor, Okhla Industrial Area, Phase-II, New Delhi-110020

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# ***AKS CREDITS LIMITED***

**CIN: L65921DL1991PLC043544; Ph No.: 011-42547381; E mail: akscreditslimited@gmail.com**

## **NOTICE**

**NOTICE** is hereby given that the 30<sup>th</sup> Annual General Meeting of the Members of “**M/s AKS CREDITS LIMITED**” will be on **Monday the 28<sup>th</sup> September, 2020 at 11:00 A.M.** through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) facility to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Standalone Audited Balance Sheet as at 31st March, 2020 and Profit & Loss Account for the year ended on that date together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a director in place of Mr. Atul Mahindru (DIN: 00348086), who retires by rotation and being eligible offers himself for re-appointment.

**By Order of the Board of Directors  
For AKS Credits Limited**

**Place: New Delhi  
Date: 02<sup>nd</sup> September, 2020**

**Sd/-  
VISHEK KHEMKA  
Chairman  
DIN: 07974442  
R/o House No.-C-5/2, II Floor Rana  
Pratap Bagh, Malka Ganj  
New Delhi 110007**

**Reg. off.: 6081, IInd Floor, Room No. 201 Gali Batashan, Khari Baoli, New Delhi 110006**

**Important information about the AGM (NOTES)**

1. In View of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM" or "Meeting") through VC/ OAVM, without the physical presence of the Members at a common Venue, In Compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing regulations") and MCA Circulars, the AGM of the Company is being held through VC/ OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars on AGM 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. Since the AGM will be held through VC / OAVM, the route map to the venue is not annexed to this Notice.
4. Corporate members intending to authorize their representatives to attend the Meeting are requested to send a scanned certified copy of the board resolution (pdf/jpeg format) authorizing their representative to attend and vote on their behalf at the Meeting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to [shipra.khitha@gmail.com](mailto:shipra.khitha@gmail.com) with a copy marked to [akscreditslimited@gmail.com](mailto:akscreditslimited@gmail.com).
5. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website [i.e www.akscredits.in](http://www.akscredits.in).
7. To be entitled to attend and vote at the annual general meeting (AGM) and for the purpose of the determination by the Company of the votes they may cast, shareholders must be registered in the register of members of the Company as on 21.09.2020. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
8. Share Transfer Books and Register of Members will remain closed from 22.09.2020 to 28.09.2020.

**E VOTING**

In terms of the provisions of section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014, as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations, the Company is providing facility of remote e-voting to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on 21.09.2020, being the cut-off date fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by CDSL or to vote at the AGM. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.

The e-voting period commences on 25.09.2020 at (9.00 am) and ends on 27.09.2020 (05.00 pm). During this period Shareholders of the Company, holding shares either in physical form or in dematerialized form as on the cutoff date (record date) 21.09.2020 may cast their vote electronically. The e-voting module schedule shall be disabled by CDSL for voting thereafter.

The voting right of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cutoff date (record date) of 21.09.2020.

The Company has appointed Mrs. Shipra Khitha, Practicing Company Secretary, Proprietor of M/s Shipra Khitha & Associates, a practicing company secretaries firm, as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, therefore unblock the votes cast through remote e-voting in the presence of at least two witness not in the employment of the Company and make not later than 48 hours of conclusion of the meeting a consolidated Report to the Chairman or the person authorized by her and shall be placed on the Website of CDSL and of the Company within 2 days of passing of resolutions at the AGM of the Company. The listed entity shall submit to the stock exchange, within forty eight hours of conclusion of its General Meeting, details regarding the voting results, i.e. till 30.09.2020.

#### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM**

1. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
2. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e- voting credentials. All the details have been sent on registered mail ids of the shareholders.
3. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
4. Further shareholders will be required to switch on the video facility and use Internet connection with a good speed to avoid any disturbance during the Meeting.
5. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuations in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN connection to minimise / mitigate any kind of aforesaid glitches.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting.
7. Members who need assistance before or during the AGM, or have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section.

**INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE MEETING**

1. Procedure for e-Voting on the day of the AGM is same as the Remote e-voting as mentioned above.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their votes on the Resolutions through remote e-Voting and are not otherwise barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any votes are cast by shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the Meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the Meeting is available only to the shareholders attending the Meeting.
4. Shareholders who have voted through Remote e-Voting facility will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**By Order of the Board of Directors  
For AKS Credits Limited**

**Place: New Delhi  
Date: 02<sup>nd</sup> September, 2020**

**Sd/-  
VISHEK KHEMKA  
Chairman  
DIN: 07974442  
R/o House No.-C-5/2, II Floor Rana  
Pratap Bagh, Malka Ganj  
New Delhi 110007**

# AKS CREDITS LIMITED

CIN: L65921DL1991PLC043544; Ph No.: 011-42547381; E mail: akscreditslimited@gmail.com

## BOARD'S REPORT

Dear Members,  
AKS Credits Limited

Your Directors have immense pleasure in presenting this Annual Report on the business and operation of the company together with Financial Statements of the Company for the year ended March 31, 2020.

**1. WEBLINK OF ANNUAL RETURN:**

The Annual Return of the Company has been placed on the company website i.e. [www.akscredits.in](http://www.akscredits.in).

**2. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR:**

The Board of Directors duly met **TEN** times respectively on **20<sup>th</sup> April 2019, 20<sup>th</sup> May 2019, 21<sup>st</sup> May 2019, 30<sup>th</sup> May 2019, 31<sup>st</sup> May 2019, 05<sup>th</sup> September 2019, 10<sup>th</sup> September 2019, 13<sup>th</sup> November 2019, 01<sup>st</sup> January 2020 & 12<sup>th</sup> February 2020** in respect of which proper notices were given and the proceedings were properly recorded in the Minutes Book maintained for the purpose.

**3. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 the directors hereby state that:

- a) In the Preparation of the annual accounts, the applicable accounting standards issued by Institute of Chartered Accountants of India had been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applies them consistently and made judgments and estimates that are reasonable and prudent so as to give a true & Fair view of the state of affairs of the company at the end of the financial year and of the profit & loss of the company for that period.
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors had prepared the annual accounts on a going concern basis and;
- e) The directors had devised proper systems to ensure compliance with the provision of all applicable laws and that such system were adequate and operating effectively.

**4. AUDITORS:**

**M/s STRG & Associates, (FRN No. 014826N)**, Chartered Accountants, are the Statutory Auditors of the Company. They will hold office from the conclusion of Annual General Meeting till the conclusion of the Annual General Meeting to be held for the financial year 2021-22.

**5. AUDITORS' REPORT:**

The observations of the Auditors in their report read together with the Notes on Accounts are self explanatory and therefore, in the opinion of the Directors, do not call for any further explanation.

**Reg. off.: 6081, IInd Floor, Room No. 201 Gali Batashan, Khari Baoli, New Delhi 110006**

**6. MANAGEMENT DISCUSSION AND ANALYSIS:**

Management's Discussion & Analysis Report for the year under review, as stipulated under regulation 34(2)(e) of SEBI(Listing Obligation And Disclosure Requirement) Regulation, 2015, is presented as **Annexure-I** forming part of the Director's Report .

**7. CORPORATE GOVERNANCE:**

The Company has in place the SEBI Regulations pertaining to corporate governance. During the year under consideration, the Company has five Board of Directors consisting of three Non Executive Independent Directors, One Woman Director and One Executive Promoter Director & Whole Time Director.

During the period under review, there has been following appointment of directors/KMPs in the Company:

1. Resignation of Ms. Riya Jain from the post of Whole Time Company Secretary & Compliance Officer of the Company w.e.f. 31.05.2019.
2. Re-Appointment of Ms. Shruti Jain as Independent Directors of the Company w.e.f. 30.09.2019.
3. Appointment of Ms. Neha Srivastava as Whole Time Company Secretary & Compliance Officer of the Company w.e.f. 01.01.2020.

The Whole Time Director does not receive sitting fee for attending meetings of Board or any Committee thereof.

The Corporate Governance Report for the financial year ended 31st March, 2020 giving the details as required under Regulation 34(3) read with Clause C of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 is given separately as **Annexure-II**.

The Corporate Governance Certificate for the financial year ended 31st March, 2020 issued by Ms. Shipra Khitha, Practicing Company Secretary of the Company is annexed as **Annexure-VIII**

The Whole Time Director has given certificate under Regulation 34(3) of SEBI-LODR read with part D of Schedule V of SEBI-LODR regarding compliance with the Code of conducts of the Company for the financial year ended 31st March, 2020 which is attached as **Annexure-III**

Mr. Atul Mahindru, Whole Time Director as well as Chief Financial Officer of the Company, have given their certificate under Regulation 17(8) read with part B of Schedule II of SEBI (LODR) regarding Annual Financial Statements for the financial year ended 31st March, 2020 which is annexed as **Annexure-IV**

**8. SECRETARIAL AUDIT:**

During the year, Secretarial Audit was carried out by **M/s Shipra Khitha & Associates**, Company Secretaries, the Secretarial Auditors of the Company for the financial year 2019-20. There were qualifications, reservation or adverse remarks given by Secretarial Auditors of the Company. The detailed Report on the Secretarial Audit is appended as an **Annexure-IX** to this Report.

**9. INTERNAL AUDIT:**

During the year, Internal Audit was carried out by **M/s HAS & Associates**, the Internal Auditors of the Company for the financial year 2019-20.



**10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE BY THE COMPANY:**

The company, being a Non Banking Financial Company Registered under Chapter IIIB of the Reserve Bank of India Act, 1934 (2 of 1934), thus the provisions of section 186 of the Companies Act, 2013 is not Applicable to the Company.

**11. PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES:**

During the financial year ended March 31, 2020, there are no contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013.

**12. CHANGE IN THE NATURE OF BUSINESS**

No Change in the nature of the business of the Company done during the financial year.

**13. AMOUNT TRANSFERRED TO RESERVES:**

During the year under review, the company has transferred Rs. 10,46,619/- to the Statutory Reserves of the Company.

**14. DIVIDEND:**

Keeping in view the future requirements of funds by the Company for its proposed growth and expansion, the Board expresses its inability to recommend any dividend from the available profit during the year under review.

**15. MATERIAL CHANGES:**

There are no material changes and commitments, affecting the financial position of the Company between the end of the financial year of the Company and the date of the Board's Report.

**16. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS / OUTGO**

The information required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 (3) of Companies (Accounts) Rules, 2014 is set out in **Annexure-VII** which forms part of this report.

**17. RISK MANAGEMENT**

There have been no elements of risk which in the opinion of the Board would threaten the existence of the Company, however, the Company is been taking every possible effort to reduce or mitigate any general risk occurred / may occur, if any.

**18. INTERNAL CONTROL SYSTEM**

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, and size and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliances with policies, applicable laws and regulations, and that all assets and resources are acquired economically, used efficiently and adequately protected.

**19. COMPLIANCE WITH SECRETARIAL STANDARDS**

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

**20. DECLARATION OF INDEPENDENT DIRECTOR**

The company has received the necessary declaration from ID in accordance with section 149(7) of the Companies Act, 2013, that he meets the criteria of independence as laid down in section 149(6) of the Companies Act, 2013. The statement on declaration by Independent Director is given separately as **Annexure-VI**.

**21. FAMILARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR**

The company proactively keeps its director informed of the activities of the company, its management and operations and provides an overall industry perspective as well as issues being faced by the industry.

**22. DISCLOSURE ON VIGIL MECHANISM/WHISTLE-BLOWER POLICY**

The Company has established a vigil mechanism through which directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's code of conduct without fear of reprisal. The Company has set up initiative, under which all Directors, employees, business associates have direct access to the Chairman of the Audit committee. Further information on the subject can be referred to in section `Disclosures` - Whistle-Blower Policy / Vigil Mechanism of the Corporate Governance Report

**23. DETAILS OF SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:**

During the year under review, no company have become or ceased to be its subsidiaries, joint ventures, holding or associate companies.

**24. DEPOSITS:**

The company, being a Non Banking Financial Company Registered under Chapter IIIB of the Reserve Bank of India Act, 1934 (2 of 1934), thus the provisions of section 73 of the Companies Act, 2013 is not Applicable to the Company.

**25. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS:**

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

**26. STATEMENT OF PARTICULARS OF TOP TEN EMPLOYEES:**

None of the employee drew remuneration of Rs. 10,200,000/- or more per annum or Rs. 8,50,000/- per month during the financial year ended March 31, 2020. However, name of the top 10 employees withdrawing salary during the financial year ended March 31, 2020 are as follows:

S.No.	Name of the Employees	Amount of Salary withdrawn (In Rs.)
1.	Tanvi Kasera	6,00,000/-
2.	Anita Garg	4,80,000/-
3.	Niket Goenka	4,80,000/-
4.	Bhawana Parnami	3,00,000/-
5.	Sujeet Gautam	75,000/-

This information is furnished with respect to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 dated 30.06.2016 forming part of the Board's Report.

Further, Particular of Employees pursuant to Section 134 (3)(q) of the Companies Act, 2013 is given separately as **Annexure-V**

**27. PREVENTION OF SEXUAL HARRASMENT AT WORKPLACE:**

No complaints had been received during the financial year ended 31<sup>st</sup> March, 2020 as per The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

**28. ACKNOWLEDGEMENT:**

The Board acknowledges with gratitude the co-operation and assistance provided by the company's bankers, financiers, government and non-government agencies. The relationship with the employees remained cordial and your director's wish to place on record their appreciation of the contribution made by the employees at all levels. The directors also wish to thanks the shareholders for their continued support and faith reposed in the Company.

**By Order of the Board of Directors  
For AKS Credits Limited**

**Place: New Delhi  
Date: 25<sup>th</sup> June, 2020**

**Sd/-  
VISHEK KHEMKA  
Chairman  
DIN: 07974442  
House No.-C-5/2, II Floor Rana  
Pratap Bagh, Malka Ganj  
Delhi 110007**

**ANNEXURE FORMING PART OF BOARD REPORT**

The Annexure referred to in this report and other information which are required to be disclosed are annexed herewith and form the part of this Board Report.

<b>ANNEXURE</b>	<b>PARTICULARS</b>
I	Management Discussion and Analysis Report
II	Corporate Governance Report
III	Whole Time Director's Certificate under Regulation 34(3) read with part D of Schedule V of SEBI-LODR on compliance with Codes of conduct
IV	Certificate from CEO and CFO- pursuant to Regulation 17(8) of SEBI(Listing Obligation and Disclosure Requirement)Regulation, 2015
V	Particulars of Employees pursuant to Section 134(3)(q) of the Companies Act, 2013
VI	Statement on Declaration by Independent Director
VII	Particulars of Conservation Of Energy, Technology Absorption and Foreign Exchange Earning / Outgo
VIII	Certificate from Practicing Company Secretary on Corporate Governance Report
IX	Secretarial Audit Report

## ANNEXURES TO THE BOARD'S REPORT

ANNEXURE-IMANAGEMENT DISCUSSION AND ANALYSIS REPORT

**FINANCIAL YEAR OF THE COMPANY:** The Financial Year of the Company continues to remain twelve month of financial year starting with 1<sup>st</sup> April of every financial year.

**DISCUSSION OF FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The financial statements are prepared in compliance with the requirements of the Companies Act, 2013 and the Accounting Standards prescribed by the Institute of Chartered Accountants of India and Generally Accepted Accounting Principles in India.

**FINANCIAL RESULTS (highlights):** Financial results of the Company for the year under review are summarized as below pursuant to Section 129(3) read with Companies (Accounts) Rules, 2014:

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Total Income	3,72,04,898/-	1,55,68,147/-
Less: Total Expenditure	3,08,98,225/-	1,53,06,174/-
<b>Profit / (Loss) before Tax</b>	<b>63,06,673/-</b>	<b>2,61,973/-</b>
Current Tax	10,73,578/-	5,16,191/-
Deferred Tax	--	--
Mat Credit Entitlement	--	--
<b>Profit / (Loss) After Tax</b>	<b>52,33,095/-</b>	<b>(2,54,218)/-</b>

**OPERATIONS:** Your Company continues to take effective steps in broad basing its range of activities.

**INDUSTRY STRUCTURE AND DEVELOPMENT:** The Company is engaged in the business of Investment in Securities and providing Loans and Advances. The Company is registered with the Reserve Bank of India (RBI) as a non deposit taking NBFC. During the year under review, the Capital Market got a boost after the election of new government which was formed with absolute majority. Considering the improved market environment, the company has started giving more stress on equity research and investment activities. Barring unforeseen circumstances, the company should be able to maintain earlier year's performance.

**OPPORTUNITY AND THREATS:** The growth of the company is subject to opportunity and threats as are applicable to the Industry from time to time.

**PERFORMANCE REVIEW:** During the year under review, the Company has earned a net profit of Rs. 52,33,095/- as compared to the net loss of Rs. (2,54,218)/- in the previous year. Your directors are continuously looking for avenues for future growth of the Company in its business operations.

**RISK AND CONCERN:** While risk is an inherent aspect of any business, the Company is conscious of the need to have an effective monitoring mechanism and has put in place appropriate measures for its mitigation including business portfolio risk, financial risk, legal risk and internal process risks.

**FUTURE OUTLOOK:** In the near future, the Company intends to continue to focus on its current business of investment, management consultation.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:** Rule 8(5)(viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board's report. To ensure effective Internal Financial Controls the Company has laid down the following measures the Company has a well placed, proper and adequate IFC system which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly.

According to Section 134(5) (e) of the Companies Act, 2013 the term Internal Financial Control (IFC) means the policies and procedures adopted by the company for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

**DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT:** AKS has in place comprehensive risk assessment and minimization procedures, which are reviewed by the Board periodically. The Risk Management Committee of the Board is responsible for preparation of Risk Management Plan, reviewing and monitoring the same on regular basis, identifying and reviewing critical risks on regular basis and reporting of key changes in critical risks to the Board on an ongoing basis, reporting of critical risks to Audit Committee in detail on yearly basis and such other functions as may be prescribed by the Board.

**SEGMENT WISE PERFORMANCE:** The Company operates in one Segment only.

**HUMAN RESOURCES:** The Company seeks respects and values the diverse qualities and background that its people bring to it and is committed to utilizing the richness of knowledge, ideas, experience that this diversity provides. The Company has built a resource base and cross-functional managers to take care of multi dimensional businesses.

**DISCLOSURES:** During the year the Company has not entered into any transaction of material nature with its promoters, the Directors or the management, their subsidiaries or relatives etc that may have potential conflict with the interest of the Company at large.

**CAUTIONARY FORWARD LOOKING STATEMENTS:** Statements in the Annual Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

For those statements the Company cautions that numerous important factors could affect the Company's actual results and could cause its results to differ materially from those expressed in any such forward looking statements.

**By Order of the Board of Directors  
For AKS Credits Limited**

**Place: New Delhi  
Date: 25<sup>th</sup> June, 2020**

**Sd/-  
VISHEK KHEMKA  
Chairman  
DIN: 07974442  
R/o House No.-C-5/2, II Floor Rana  
Pratap Bagh, Malka Ganj  
New Delhi 110007**

**ANNEXURE-II****DISCLOSURE ON CORPORATE GOVERNANCE**

This Corporate Governance Report relating to the year ended 31<sup>st</sup> March, 2020 has been issued in compliance with the requirement of Regulation 34(3) read with Clause C of Schedule V of SEBI(Listing Obligations and Disclosure Requirements)Regulation, 2015 and forms a part of the Report of Board of Directors to the members of the Company.

**PHILOSOPHY ON CODE OF GOVERNANCE****COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Company's Philosophy on Code of Corporate Governance Good governance practices stem from the culture and mindset of the organization. Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal aspirations. The Company emphasizes on good Corporate Governance and believes in maintaining highest standards of quality and ethical conduct in all activities of the Company. The Company strongly believes in fair, efficient and transparent business operations, fairness to all stakeholders in the Company, proper disclosure of relevant financial and non-financial information and enhancing shareholder value on a continuing basis.

**I. BOARD OF DIRECTORS****BOARD'S COMPOSITION AND CATEGORY**

During the year, Ms. Shruti Jain has been re-appointed as Independent Women Director of the company w.e.f. 30.09.2019.

Independent Directors of the Company have affirmed compliance with Codes of conduct of the Company and the Codes for Independent Directors mentioned in Schedule IV of the Companies Act, 2013. Independent Directors have given declaration of independence to your Company stating that they meet the criteria of independence as mentioned under Section 149 (6) of the Companies Act, 2013 and that they do not disqualified to act as Independent Director. Statement on declaration is also annexed as **Annexure-VIII**

All Directors have certified that the disqualifications mentioned under Section 164, 167 and 169 of the Companies Act, 2013 do not apply to them. The details of training and familiarization programmes and Annual Board Evaluation process for Directors have been provided under the Corporate Governance Report.

The Policy on Director's appointment and remuneration including criteria for determining qualification, positive attributes, Independence of directors and also remuneration for Key Managerial Personnel and other employees forms part of this Annual Report.

The Board composition is in conformity with relevant provisions of Companies Act, 2013 and requirement of Securities and Exchange Board of India (SEBI) guidelines as amended.

The present strength of Board is Five Directors comprising one Executive Director viz Whole Time Director and Four Non-Executive Independent Directors including One Woman Director. None of the Directors on the Board is a member on more than 10 Committees and Chairman in more than 5 Committees. Committees include Audit Committee and Nomination & Remuneration Committee.

The details relating to Composition & Category of Directors, Directorships held by them in other Companies and their membership and chairmanship on various Committees of Board of other Companies, as on 31<sup>st</sup> March, 2020 is as follows:

#### CLASSIFICATION OF BOARD

CATEGORY	No. OF DIRECTORS	% OF TOTAL NO. OF DIRECTORS
Executive Directors	1	20
Non Executive Independent Directors	4	80
Non Executive Director	0	0
<b>Total</b>	<b>5</b>	<b>100</b>

#### COMPOSITION AND DIRECTORSHIP (S)/COMMITTEE MEMBERSHIP(S)/CHAIRMANSHIP(S) AS ON 31<sup>ST</sup> MARCH, 2020

Name	Date of Joining on the Board	Directorship in other Companies#	Membership(s) of the Committees of other Companies##	Chairmanship of the Committees of other Companies##
<b>Whole Time Director</b> Atul Mahindru	24.03.2018	8	Nil	Nil
<b>Independent Director</b> Mr. Prem Rattan Khemka	27.10.2017	2	Nil	Nil
<b>Independent Director</b> Mr. Vishek Khemka	27.10.2017	3	Nil	Nil
<b>Independent Director</b> Mr. Sanjay Sethi	15.03.2018	1	Nil	Nil
<b>Independent Director</b> Ms. Shruti Jain	01.10.2018	1	Nil	Nil

#Foreign Companies, Alternate Directorships and Companies under Section 8 of the Companies Act, 2013 are excluded for the above purpose.

##includes only Audit Committee & Nomination and Remuneration Committee The number of directorships, Committee Memberships/ Chairmanships of all Directors is with respective limits prescribed under the Companies Act, 2013 and Listing Agreement.

#### DISCLOSURE OF RELATIONSHIP OF DIRECTORS INTERSE

None of the Directors have any pecuniary relationship interse.



**NUMBER OF BOARD MEETING CONDUCTED DURING THE YEAR UNDER REVIEW**

Minimum four prescheduled Board Meetings are held every year. The Company had 10 Board Meetings during the financial year under review.

The Board meets at regular intervals to discuss and decide on Company / Business policy and strategy apart from other Board business. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which is noted and confirmed in the subsequent Board meeting.

The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held in Delhi.

During the Financial Year ended 31st March, 2020, **TEN** times respectively on **20<sup>th</sup> April 2019, 20<sup>th</sup> May 2019, 21<sup>st</sup> May 2019, 30<sup>th</sup> May 2019, 31<sup>st</sup> May 2019, 05<sup>th</sup> September 2019, 10<sup>th</sup> September 2019, 13<sup>th</sup> November 2019, 01<sup>st</sup> January 2020 & 12<sup>th</sup> February 2020**. The maximum gap between any two meetings was less than one hundred and twenty days, as stipulated under Regulation 17 of the Listing Regulations and Secretarial Standards.

**SEPARATE INDEPENDENT DIRECTORS' MEETINGS**

The Independent Directors meet at least once in a year without the presence of Executive Directors or Management representatives, to discuss issues and concerns, if any and inter alia discussed:

- the performance of Non-Independent Directors and the Board as a whole;
- the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non- Executive Directors; and
- the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

In addition to these formal meetings, interactions outside the Board meetings also take place between the Independent Directors. For the financial year ended 31<sup>st</sup> March, 2020 the meeting was held on **13<sup>th</sup> November, 2019**.

**DIRECTORS' INDUCTION AND FAMILIARIZATION**

The provision of an appropriate induction programme for new Directors and ongoing training for existing Directors is a major contributor to the maintenance of high Corporate Governance standards of the Company. The Independent Directors, from time to time request management to provide detailed understanding of any specific project, activity or process of the Company. The management provides such information and training either at the meeting of Board of Directors or otherwise.

The induction process is designed to:

- a. provide an appreciation of the role and responsibilities of the Director;
- b. fully equip Directors to perform their role on the Board effectively; and;
- c. develop understanding of Company's people and its key stakeholder relationships.

Upon appointment, Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments.

The details of Director's induction and familiarization are available on the Company's website at [www.akscredits.in](http://www.akscredits.in)

### **BOARD MEMBERSHIP CRITERIA**

The Board of Directors is collectively responsible for selection of a member on the Board. The Nomination and Remuneration Committee of the Company follows defined criteria for identifying, screening, recruiting and recommending candidates for election as a Director on the Board. The criteria for appointment to the Board include:

- desired age and diversity on the Board;
- size of the Board with optimal balance of skills and experience and balance of Executive and Non-Executive Directors consistent with the requirements of law;
- professional qualifications, expertise and experience in specific area of business;
- balance of skills and expertise in view of the objectives and activities of the Company;
- avoidance of any present or potential conflict of interest
- availability of time and other commitments for proper performance of duties;
- personal characteristics being in line with the Company's values, such as integrity, honesty, transparency, pioneering mindset.

### **CONSTITUTION OF COMMITTEES**

With the change in composition of Board, various Committees of your Board have been constituted/re-constituted. The reconstituted committees are hereunder:

#### **AUDIT COMMITTEE**

The Company's Audit Committee comprises all the three Non-Executive Directors out of which three are Independent Directors.

The Audit Committee is headed by Mr. Vishek Khemka, as Chairman of the Committee.

#### **Audit Committee Composition**

Mr. Vishek Khemka - Chairman

Mr. Prem Rattan Khemka - Member

Mr. Sanjay Sethi- Member

#### **TERM OF REFERENCE**

**Term of Reference of Audit Committee cover all the areas mentioned under Section 177 of the Companies Act, 2013 and Regulation 18 read with part C of Schedule II of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015**

All the members of the Committee have relevant experience in financial matters.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and inter alia performs the following functions:

Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; reviewing and examination with management the quarterly financial results before submission to the Board, the annual financial statements before submission to the Board and the Auditors' Report thereon, management discussion and analysis of financial condition and results of operations, scrutiny of inter-corporate loans and investments made by the Company, reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company, approving the appointment of Chief Financial Officer after

assessing the qualifications, experience and background, etc. of the candidate, recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services; reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process; reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors; discussing with Statutory Auditors, before the audit commences, on the nature and scope of audit as well as having post-audit discussion to ascertain area of concern, if any; reviewing with management, Statutory Auditors and Internal Auditor, the adequacy of internal control systems; recommending appointment, remuneration and terms of appointment of Internal Auditor of the Company; reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues; evaluating internal financial controls and risk management systems; valuating undertaking or assets of the Company, wherever it is necessary; reviewing the functioning of the Whistle Blowing Mechanism; The Audit Committee also reviews the functioning of the Code of Business Principles and Whistle Blower Policy of the Company and cases reported thereunder.

The recommendations of audit committee were duly approved and accepted by the Board.

The meetings of Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors and Internal Auditor as special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed and confirmed in the next meeting of the Board.

The Audit Committee met **SIX** times during the Financial Year ended 31st March, 2020 on **20<sup>th</sup> May 2019, 21<sup>st</sup> May 2019, 30<sup>th</sup> May 2019, 10<sup>th</sup> September 2019, 13<sup>th</sup> November 2019 & 12<sup>th</sup> February 2020.**

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee comprises;

##### **Nomination Committee composition**

Mr. Prem Rattan Khemka - Chairman

Mr. Vishek Khemka- - Member

Mr. Sanjay Sethi- Member

In terms of Section 178 (1) of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, Nomination and Remuneration Committee was re-constituted and the Nomination and Remuneration Committee comprise of three Directors; all of whom are Non-Executive Directors and half of the Committee members are Independent Directors and Independent Director is acting as the Chairman of the Committee.

#### **TERM OF REFERENCE**

The role of Nomination and Remuneration Committee is as follows:

Determine/ recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board; Determine/ recommend the criteria for qualifications, positive attributes and independence of Director; Identify candidates who are qualified to become Directors and who may be appointed in the Management Committee and recommend to the

Board their appointment and removal; Formulate criteria and carryout evaluation of each Director's performance and performance of the Board as a whole;

The Nomination Committee met **THREE** times during the Financial Year ended 31st March, 2020 on **31<sup>st</sup> May 2019, 30<sup>th</sup> September 2019 & 01<sup>st</sup> January 2020.**

### **APPOINTMENT AND TENURE**

The Directors of the Company are appointed by members at the General Meetings. In accordance with the Articles of Association of the Company, all Directors, except the Managing Director and Independent Directors of the Company, step down at the Annual General Meeting each year and, if eligible, offer themselves for re-election.

The Whole Time Director of the Company is appointed for a term of five years as per the requirement of the statute. The Executive Directors on the Board serve in accordance with the terms of their contract of service with the Company.

As regards the appointment and tenure of Independent Directors, following is the policy adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Companies Act, 2013 and Listing Agreement.
- The Independent Directors will serve a maximum of two terms of five years each.
- The Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by provisions of the Companies Act, 2013.

### **BOARD EVALUATION**

The participation, attendance and contribution of Independent Directors not only during the proceeding of meeting but also beyond meeting hours were appreciated. The knowledge, experience and advise shared by the Independent Directors from time to time have ensured governance and good conduct, adherence to laws, mitigating risks and growth even during these difficult business environment. The overall outcome from the evaluation was that the Board and its individual directors were performing effectively.

### **LIMIT ON THE NUMBER OF DIRECTORSHIPS**

In compliance with the Listing Regulations, Directors of the Company do not serve as Independent Director in more than seven Listed Companies or in case he/she is serving as a Whole-Time Director in any Listed Company, does not hold such position in more than three Listed Companies.

### **SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Name	Designation	No. of Shares held as on 31.03.2020
Mr. Atul Mahindru	Whole Time Director/CFO	11,15,400 (10.14%)
Mr. Vishek Khemka	Independent Director	NIL
Mr. Prem Rattan Khemka	Independent Director	NIL

Mr. Sanjay Sethi	Independent Director	NIL
Ms. Shruti Jain	Woman Independent Director	NIL
Ms. Neha Srivastava	Company Secretary	NIL

#### **SITTING FEES TO DIRECTORS** (criteria of making payments to non-executive directors)

The Non Executive Directors and Whole Time Director does not receive sitting fee for attending meeting of Board and its Committee. None of the Directors had any pecuniary relationship or transaction with the Company during the year.

#### **DIRECTORS' ATTENDANCE RECORD**

The following table shows attendance of Directors at the Board and Committee meeting(s) for the year ended 31st March, 2020. Attendance is presented as number of meeting(s) attended, (including meetings attended through electronic mode) out of the number of meeting(s) required to be attended.

Name	Board Meeting	Audit Committee	Nomination and Remuneration Committee	Separate meeting of Independent Directors 13.11.2019	Whether attended AGM 2019
Mr. Atul Mahindru	10 of 10	NA	NA	NA	Yes
Mr. Vishek Khemka	10 of 10	6 of 6	3 of 3	YES	Yes
Mr. Prem Rattan Khemka	10 of 10	6 of 6	3 of 3	YES	Yes
Mr. Sanjay Sethi	10 of 10	6 of 6	3 of 3	YES	Yes
Ms. Shruit Jain	10 of 10	NA	NA	YES	Yes

#### **CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT OF THE COMPANY**

In accordance with the requirement of Corporate Governance, the Board of Directors of the Company has formulated a code of conduct for Directors and Senior Management of the Company, the Compliance of which have been affirmed by all Board Members and Senior Management of the Company. The required declaration to this effect signed by CEO, i.e. Managing Director is appended as a separate Annexure to this report as **Annexure-VII**

#### **DISCLOSURE ON COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN LISTING REGULATIONS**

The Company has complied with the requirements of Part C (Corporate Governance Report) of sub-paras (2) to (10) of Schedule V of the Listing Regulations.

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clause (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

#### **DETAILS OF NON-COMPLIANCE BY THE COMPANY**

AKS has complied with all the requirements of regulatory authorities. No penalties/strictures were imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority on any matter related to capital market during the last three years. Except the following:

- a. During the FY 2019-20, under regulation 6 (1) of SEBI (LODR) Regulations, 2015, there was a default of 1 month regarding Non-Appointment of Company Secretary as

Compliance Officer and in this regard, Penalty of Rs. 31000/- plus GST has been imposed by MSEI which has been duly paid by the company and thereafter, the company has also appointed the new CS w.e.f. 01st January, 2020.

- b. The trading in the securities of the Company has been suspended with Calcutta Stock Exchange and the revocation of the same with Calcutta Stock Exchange is under process.

### **COMPLIANCE WITH MANDATORY REQUIREMENTS AND NON MANDATORY REQUIREMENTS**

The Company has complied with all applicable mandatory requirements of the Listing Regulations. Quarterly Compliance Report on Corporate Governance, in the prescribed format, duly signed is submitted with the Stock Exchanges where the shares of the Company are listed.

### **ADOPTION OF DISCRETIONARY REQUIREMENTS**

#### **1) Maintenance of the Chairman's Office**

The Company maintains the office of Non-Executive Chairman and provides for reimbursement of expenses incurred in performance of his duties.

#### **2) Modified opinion(s) in Audit Report**

The Auditors have raised no qualifications on the financial statements of the Company.

#### **3) Reporting of Internal Auditors**

The Internal Auditors of the Company report directly to the Audit Committee.

### **COMPLIANCE WITH SECRETARIAL STANDARDS**

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

### **DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**

The Statutory Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made there under.

### **DETAILS OF COMPLAINTS RECEIVED FROM SHAREHOLDERS:**

No. of Complaints Remaining unresolved as on 01.04.2019	Nil
No. of Complaints received during the year	Nil
No. of Complaints resolved during the year	Nil
No. of complaints unresolved as on 31.03.2020	Nil

**INSIDER TRADING CODE:**

The Company has in place an Insider Trading Code for compliance with the Securities And Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

**EQUITY SHARES LISTING**

The Company's equity shares are listed on Metropolitan Stock Exchange of India Limited (MSEI) and Calcutta Stock Exchange (CSE) and the trading in the securities of the Company has been suspended with Calcutta Stock Exchange and the revocation of the same with Calcutta Stock Exchange is under process.

And the total paid up capital of the company is Rs. 11,00,00,000/- i.e. 1,10,00,000 Equity shares at Rs. 10/- per share and out of total paid equity shares, 13,60,306 equity shares allotted by the company are pending for listing at both the Stock Exchanges.

**POLICIES OF THE COMPANY**

The SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 mandated the formulation of certain policies. All our corporate governance policies are available on our website, which are reviewed periodically by the Board and updated based on need and new compliance requirement. In addition to the code of conducts and ethics, key policies that have been adopted by the Company are as follows:

<b>NAME OF THE POLICY</b>	<b>BRIEF DESCRIPTION</b>
<b>WHISTLE BLOWER MECHANISM (POLICY ON VIGIL MECHANISM)</b>	The Company has adopted a Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company. Employees can also send written communications to the Company. The employees are encouraged to voice their concerns by way of whistle blowing and all the employees have been given access to the Audit Committee. The Company Secretary is the designated officer for effective implementation of the policy and dealing with the complaints registered under the policy. All cases registered under the Code of Business Principles and the Whistle Blower Policy of the Company, are reported to the Committee of Executive Directors and are subject to the review of the Audit Committee.
<b>NOMINATION AND REMUNERATION POLICY</b>	This policy formulates the criteria for determining qualifications, competencies, positive attitudes and independence for the appointment of Director(Executive/Non Executive) and also for determining remuneration of Directors and Key Managerial Personnel
<b>POLICY ON DEALING WITH RELATED</b>	The Policy intends to ensure that proper reporting; approval and disclosure processes are in place for all



<b>PARTY TRANSACTIONS</b>	transactions between the Company and Related Parties.
<b>DOCUMENT PRESERVATION POLICY</b>	This policy attempts to preserve and maintain documents of the Organization. In order to preserve such documents, the Company needs to implement a well-considered, well-documented plan to ensure that they remain in good condition over a period of time.
<b>POLICY ON CRITERIA FOR DETERMINING MATERIALITY OF EVENT</b>	The objective of the Policy is to determine materiality of events or information of the Company and to ensure that such information is adequately disseminated in pursuance with the Regulations and to provide an overall governance framework for such determination of materiality.
<b>ARCHIVES MANAGEMENT POLICY</b>	The purpose of this policy is to establish the framework needed for effective records management at FIRL. This policy provides advice to FIRL employees on the creation and use of records, and sets standards for classifying, managing and storing those records. It therefore provides a framework for the management of information consistent with the Strategic Plan.
<b>INSIDER TRADING CODE</b>	The Company has in place an Insider Trading Code for compliance with the Securities And Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 for dealing with the Securities of the Company

#### **PREVENTION OF SEXUAL HARRASMENT AT WORKPLACE:**

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, your Company has constituted Internal Complaints Committees (ICC). During the year, no complaint with allegations of sexual harassment was filed with the Company and the same were investigated.

The following is a report pursuant to section 22 of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013:

1. No. of complaints of sexual harassment received during the year- **NIL**
2. No. of complaints disposed off during the year-**NIL**
3. No. of cases pending for more than 90 days- **NIL**
4. Nature of action taken by the employer-**NIL**

#### **WHISTLE-BLOWER POLICY / VIGIL MECHANISM**

The Company promotes ethical behavior in all its business activities and in line with the best international Governance practices, The Company has established a system through which Directors, employees and business associates may report unethical behavior, malpractices, wrongful conduct, fraud, violation of Company's Code of Conduct without fear of reprisal. The Company has set up a Direct initiative, under which all Directors, employees / business associates have direct access to the Chairman of the Audit Committee, and also to a three-member team established for this purpose.



**MEANS OF COMMUNICATION**

**Quarterly Financial Results:** Quarterly financial results; press releases etc. are circulated to the Stock Exchange Limited, where the equity shares of the Company are listed. The financial results- quarterly, half yearly and annual results and other statutory information are communicated to the shareholders by way of advertisement in an English newspaper and in a vernacular language newspaper.

The quarterly approved results are displayed on website of Stock Exchange and on the website of the Company i.e. [www.akscredits.in](http://www.akscredits.in)

**GENERAL SHAREHOLDERS' INFORMATION****AGM FOR FINANCIAL YEAR 2019-2020**

<b>Date</b>	<b>28<sup>th</sup> September, 2020</b>
<b>Mode</b>	Through VC/OAVM
<b>Time</b>	11.00 AM

**GENERAL BODY MEETINGS**

Details of last three Annual General Meetings and the summary of Special Resolutions passed therein are as under:

<b>Financial year ended</b>	<b>Venue</b>	<b>Date &amp; Time</b>	<b>Special Resolution Passed</b>
31 <sup>st</sup> March 2019	6081, IInd Floor, Room No. 201 Gali Batashan, Khari Baoli Delhi, New Delhi- 110009	30.09.2019,11.00 AM	Yes
31 <sup>st</sup> March, 2018	6081, IInd Floor, Room No. 201 Gali Batashan, Khari Baoli Delhi, New Delhi- 110009	31.08.2018,10.00 AM	Yes
31 <sup>st</sup> March, 2017	511/2/1, Village Rajokari New Delhi-110038	29.09.2017,12.30 PM	NA

**PLEDGE OF SHARES:**

No pledge has been created over the Equity Shares held by the promoters as on 31<sup>st</sup> March, 2020. The Company's shares are listed on the following Stock Exchanges and the Listing Fees have been paid to the Exchanges:

Name & Address of the Stock Exchanges	Stock Code / Scrip Code	ISIN Number for NSDL/CDSL (Dematerialized share)
<b>Calcutta Stock Exchange Limited</b> 7, Lyons Range, Kolkata-700001	SCRIP CODE: 011582	ISIN: <b>INE971C01010</b>
<b>Metropolitan Stock Exhnage of India</b> Vibgyor Towers, 4th floor, Plot No C 62, G - Block, Opp. Trident Hotel, Bandra Kurla Complex, Bandra (E), Mumbai - 400 098	MSEI Symbol: AKSCREDITS	ISIN: <b>INE971C01010</b>

#### **CALENDAR OF FINANCIAL YEAR ENDED 31ST MARCH, 2020**

The meetings of Board of Directors for approval of quarterly financial results during the Financial Year ended 31<sup>st</sup> March, 2020 were held on the following date:

First Quarter Results	10 <sup>th</sup> September, 2019
Second Quarter and Half yearly Results	13 <sup>th</sup> November, 2019
Third Quarter Results	12 <sup>th</sup> February, 2020
Fourth Quarter and Annual Results	25 <sup>th</sup> June, 2020
Book Closure date	22.09.2020 to 28.09.2020
Cut Off date	21.09.2020
E voting	25.09.2020 to 27.09.2020
Scrutinizer for E Voting	Shipra Khitha & Associates

#### **ADDRESS FOR CORRESPONDENCE**

All communication regarding share transactions, changes in address, bank mandates, nomination etc. should be addressed to Registrar and Share Transfer Agents of the Company.

<b>Mr. Vishek Khemka</b> Registered Office: 6081, IInd Floor, Room No. 201 Gali Batashan, Khari Baoli Delhi, New Delhi-110006 Tel. No.: 011-42547381 E-mail: akscreditslimited@gmail.com	<b>Registrar and Transfer Agent MAS Services Limited</b> T-34, 2nd Floor, Okhla Industrial Area, Phase - II, New Delhi - 110020 Ph: - 26387281/82/83 Email: - info@masserv.com Website: www.masserv.com Fax :- 26387384
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## Market Information

### i) SHARE TRANSFER SYSTEM

All share transfer and other communications regarding share certificates, change of address, etc should be addressed to Registrar and Transfer Agents. All share transfers are completed within statutory time limit from the date of receipt, provided the documents meet the stipulated requirement of statutory provisions in all respects.

### ii) DEMATERIALIZATION OF SHARES AND LIQUIDITY

Trading in equity shares of the Company in dematerialized form became mandatory from May 31, 1999. To facilitate trading in demat form, in India, there are two depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). FIRC has entered into agreement with both these depositories. Shareholders can open their accounts with any of the Depository Participant registered with these depositories.

Shares held in dematerialized form in CDSL	37,98,027	34.53%
Shares held in dematerialized form held in NSDL	61,75,877	56.14%
Physical	10,26,096	9.33%
<b>TOTAL</b>	<b>1,10,00,000</b>	<b>100.00%</b>

### iii) DEMATERIALIZATION OF SHARES - PROCESS

For convenience of shareholders, the process of getting the shares dematerialized is given hereunder:

- Demat account should be opened with a Depository Participant (DP).
- Shareholders should submit the Dematerialization Request Form (DRF) along with share certificates in original, to their DP.
- DP will process the DRF and will generate a Dematerialization Request Number (DRN).
- DP will submit the DRF and original share certificates to the Registrar and Transfer Agents (RTA), which is **MASS SERVICES LIMITED**.
- RTA will process the DRF and confirm or reject the request to DP/ Depositories.
- Upon confirmation of request, the shareholder will get credit of the equivalent number of shares in his demat account maintained with the DP.

The Company's shares are transferable through the depository system. However, shares in the physical form are processed by the Registrar & Transfer Agent.

### ELECTRONIC VOTING:

Pursuant to Section 108 of the Companies Act, 2013, Companies (Management and Administration) Rules, 2014 and as per Listing Regulation, the e-voting facility will be provided to its shareholders, in respect of all shareholders' resolutions, to be passed at General Meetings or through Postal Ballot. The Company shall utilize the service of CDSL to provide e-voting platform, which is in compliance with the conditions specified by the Ministry of Corporate Affairs, Government of India, from time to time and also mention the Internet Link of such e-voting platform in the notice to the shareholders.

**iv) NOMINATION FACILITY FOR SHAREHOLDING**

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

**v) PERMANENT ACCOUNT NUMBER (PAN)**

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates. The break-up of equity shares held in Physical and Dematerialised form as on March 31, 2020 is given

**Distribution of Shareholding as on March 31, 2020: BY SIZE**

No. of Shares held	Shareholders		Shares Held	
	Numbers	Percentage	Numbers	Percentage
Upto 5000	2183	98.91%	1105564	10.05%
5001-10000	2	0.10%	16500	0.15%
10001 & Above	22	0.99%	9877936	89.80%
<b>Total</b>	<b>2207</b>	<b>100.00%</b>	<b>11000000</b>	<b>100.00%</b>

**Top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) as on 31st March, 2020**

Sr. No.	Name of the Shareholders	No. of Shares	Percentage of Capital
1.	Shimpi Marketing Private Limited	7,19,550	6.54
2.	Pankaj Kumar Kasera	4,00,000	3.64
3.	Aruna Kasera	4,00,000	3.64
4.	Ashok Kumar Kasera	4,00,000	3.64
5.	Neelima Kasera	4,00,000	3.64
6.	Maa Vaishno Contractors and Builders Pvt Ltd	3,75,000	3.41
7.	Anil Varma	99,000	0.90
8.	Rashmi Varma	98,500	0.89
9.	Manish Kumar	98,500	0.89
10.	Satyal Pal Bhandula	98,000	0.89

**Categories of Shareholder as on: 31<sup>st</sup> March, 2020**

S. NO.	Category	No. of Shareholders	No. of Shares Held	% of Shareholding
1.	Promoter company	1	12,33,500	11.21
2.	Promoter Individual/HUF	3	48,57,309	44.16
3.	Directors	NIL	NIL	NIL

4.	Directors relative	NIL	NIL	NIL
5.	Mutual fund	NIL	NIL	NIL
6.	Foreign institutional investors	NIL	NIL	NIL
7.	Financial institutions	NIL	NIL	NIL
8.	Central govt./state govt.	NIL	NIL	NIL
9.	NRI	NIL	NIL	NIL
10.	Banks	NIL	NIL	NIL
11.	Resident Individuals			
	holding nominal share capital upto Rs. 2 lakh	2163	11,03,644	10.03
	holding nominal share capital in excess of Rs. 2 lakh	16	26,92,577	24.48
12.	Indian Body Corporate	18	11,04,770	10.05
13.	Overseas Body Corporate	NIL	NIL	NIL
14.	Trust	NIL	NIL	NIL
15.	Others: NRI	6	8,200	0.07
	<b>TOTAL</b>	<b>2207</b>	<b>1,10,00,000</b>	<b>100.00</b>

**vi) OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY**

Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity are not applicable on the company.

**vii) DISCLOSURES AND INFORMATION**

The Company has complied with the requirements of Stock Exchange/SEBI/ statutory authorities on all matters relating to Capital Market. No strictures being imposed by SEBI or Stock Exchanges during the year. The Board of Directors receives from time to time, disclosures relating to financial and commercial transactions from Key Managerial Personnel of the Company, where they and/or their relatives have personal interest. The particulars of transactions between the Company and its related parties are as per the Accounting Standard set out in the Audited financial reports. There were no instances of non compliances with the Company or any penalties or stricter imposed on the Company by Stock Exchange or SEBI.

**viii) MATERIAL CONTRACTS/TRANSACTIONS CONCERNING DIRECTOR'S INTEREST**

There has been no transaction of material, financial and commercial nature that may have a potential conflict with the interest of your Company during the period under review.

**DETAILS REGARDING SENIOR MANagements' MATERIAL FINANCIAL AND COMMERCIAL TRANSACTIONS**

There has been no transaction of material, financial and commercial nature having personal interest of the senior management that may have a potential conflict with the interest of the Company at large during the period under review.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

NIL, No presentations were made to institutional investors and analysts during the year. There have been no public issues, right issues or other public offering during the year.

**By Order of the Board of Directors  
For AKS Credits Limited**

**Place: New Delhi  
Date: 25<sup>th</sup> June, 2020**

**Sd/-  
VISHEK KHEMKA  
Chairman  
DIN: 07974442  
R/o House No.-C-5/2, II Floor Rana  
Pratap Bagh, Malka Ganj  
New Delhi 110007**

**ANNEXURE-III**

***ANNUAL CERTIFICATE UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATION, 2015***

**DECLARATION**

**To,**

**The Members**

**AKS Credits Limited**

**6081, IInd Floor, Room No. 201 Gali Batashan,**

**Khari Baoli Delhi, New Delhi-110009**

In accordance with Regulation 34(3) **READ WITH PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENT) REGULATION, 2015**, I hereby confirm that, all the directors and Senior Management personnel of the Company have affirmed compliance with the respective code of conducts, as applicable to them, for the financial year ended March 31, 2020.

**By and on behalf of Board of Directors**

**For AKS Credits Limited**

**Sd/-**

**Atul Mahindru**

**Whole Time Director**

**DIN: 00348086**

**R/o 351/15, Jacobpura**

**Gurgaon 122001 HR**

**Place: New Delhi**

**Dated: 25<sup>th</sup> June, 2020**

**ANNEXURE-IV**  
**CEO AND CFO CERTIFICATION**

To,  
**The Members**  
**AKS Credits Limited**  
**6081, IInd Floor, Room No. 201 Gali Batashan,**  
**Khari Baoli Delhi, New Delhi-110009**

In accordance with Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015, we hereby certify that:

A. We have reviewed the financial statements and the cash flow statement for the Financial Year ended 31<sup>st</sup> March, 2020 and based on our knowledge and belief:

- (i) These statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.
- (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

B. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.

C. We accept responsibilities for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated whatever applicable to the Auditor and Audit Committee,

- (i) significant changes, if any, in the internal control over financial reporting during the year;
- (ii) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
- (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

**By and on behalf of Board of Directors**  
**For AKS Credits Limited**

Sd/-  
**Atul Mahindru**  
**Whole Time Director/CFO**  
**DIN: 00348086**  
**R/o 351/15, Jacobpura**  
**Gurgaon 122001 HR**

**Place: New Delhi**  
**Dated: 25<sup>th</sup> June, 2020**



ANNEXURE-V

**PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

	Requirement of Rule 5(1)	Details
(i)	the ratio of remuneration of each director to the median remuneration of each employees of the Company for the financial year;	NA
(ii)	The percentage increase in the remuneration of each director, chief Financial Officer, Chief Executive Officer, Company Secretary or manager, if any, in the financial year;	NA
(iii)	The percentage increase in the median remuneration of employees in the financial year;	NA
(iv)	No. of permanent employees on the rolls of the Company	Ms. Anita Garg Mr. Niket Goenka Ms. Bhawana Parnami Ms. Tanvi Kasera
(viii)	Average percentile increase already made in the salaries of employees of the Company other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration	Salary increase of non managerial personnel- NA  Salary increase of managerial personnel- NA  There are no exceptional circumstances in increase in managerial personnel. Management person have availed of leave encashment during the year.
(xii)	Affirmation that remuneration is as per the policy of the Company	Remuneration paid during the year ended 31.03.2020 is as per the remuneration policy of the Company

**By Order of the Board of Directors  
For AKS Credits Limited**

Place: New Delhi  
Date: 25<sup>th</sup> June, 2020

Sd/-  
**VISHEK KHEMKA**  
Chairman  
DIN: 07974442  
R/o House No.-C-5/2, II Floor Rana  
Pratap Bagh, Malka Ganj  
New Delhi 110007

**ANNEXURE-VI****STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS**

The Independent Directors of the Company have given declaration that they undertake that they shall seek prior approval of the Board if and when they have any such relationship / transactions, whether material or non-material. If they fail to do so they shall cease to be an Independent Director from the date of entering in to such relationship / transactions.

Further, they do hereby declare and confirm that the information furnished in the declaration under Section 149 of the Companies Act, 2013 is true and correct to the best of their knowledge and they shall take responsibility for its correctness and shall be liable for fine if any imposed on the Company, its directors, if the same found wrong or incorrect in future.

They further undertake to intimate immediately upon changes, if any, to the Company for updating of the same.

**By Order of the Board of Directors  
For AKS Credits Limited**

**Place: New Delhi  
Date: 25<sup>th</sup> June, 2020**

**Sd/-  
VISHEK KHEMKA  
Chairman  
DIN: 07974442  
R/o House No.-C-5/2, II Floor Rana  
Pratap Bagh, Malka Ganj  
New Delhi 110007**

ANNEXURE-VIIParticulars of Conservation Of Energy, Technology Absorption and Foreign Exchange Earning / Outgo (Rule 8 Companies (Accounts) Rules, 2014)**(A) Conservation of Energy**

Particulars	Power
a. Steps taken or impact on conservation of energy	Nil
b. Steps taken for utilizing alternate sources of energy	Nil
c. Capital investment on energy conservation equipment's	Nil

**(B) Technology Absorption**

(i) Efforts made towards technology absorption	Nil
(ii) Benefits derived like product improvement, cost reduction, product development or import substitution	Nil
(iii) In case of imported technology (Imported during the last three years reckoned from the beginning of the financial year):	
(a) Details of technology imported	Nil
(b) Year of import	Nil
(c) Whether the technology been fully absorbed	Nil
(d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof; and	Nil
(iv) Expenditure incurred on research and development	Nil

**(C) Total Foreign Exchange Used and Earned**

Particulars	2019-20	2018-19
<b>Outgo (CIF Value of Imports)</b>	NIL	Nil
<b>Earning (FOB Value of Exports)</b>	NIL	Nil

By Order of the Board of Directors  
For AKS Credits Limited

Place: New Delhi  
Date: 25<sup>th</sup> June, 2020

Sd/-  
VISHEK KHEMKA  
Chairman  
DIN: 07974442  
R/o House No.-C-5/2, II Floor Rana  
Pratap Bagh, Malka Ganj  
New Delhi 110007

**CERTIFICATE ON CORPORATE GOVERNANCE**

**To the Members,  
AKS Credits Limited  
6081, IInd Floor, Room No. 201 Gali Batashan,  
Khari Baoli, New Delhi-110009**

I have examined the Compliance of conditions of Corporate Governance by **AKS Credits Limited** ("the Company") for the year ended 31<sup>st</sup> March, 2020, in terms of requirement of SEBI (Listing obligation And Disclosure Requirement)Regulation, 2015 read with other applicable provisions of law as and to the extent applicable during the aforesaid period.

The Compliance of conditions of corporate governance is the responsibility of management. My examination has been limited to a review of procedures and implementation thereof, adopted by the Company for ensuring Compliance with the conditions of the Corporate Governance. It is neither an Audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me and based on the representation made by the Directors and Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the said clause of above mentioned listing agreement/Regulation, except the following:

- a. During the FY 2019-20, under regulation 6 (1) of SEBI (LODR) Regulations, 2015, there was a default of 1 month regarding Non-Appointment of Company Secretary as Compliance Officer and in this regard, Penalty of Rs. 31000/- plus GST has been imposed by MSEI which has been duly paid by the company and thereafter, the company has also appointed the new CS w.e.f. 01st January, 2020.***

I further state that as per the records maintained by the Company as on 31<sup>st</sup> March, 2020, there was no investor complaint/grievance unattended for a period more than 30 days against the Company.

I further state that such compliances in neither an assurance as to the future viability of Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Shipra Khitha & Associates  
Company Secretaries**

Sd/-  
**Shipra Khitha**  
Proprietor  
CP No. 14648  
FCS No. 9217

Place: New Delhi  
Dated: 25<sup>th</sup> June 2020  
UDIN: F009217B000649681

**Form No. MR-3**  
**Secretarial Audit Report**

For the financial year ended March 31, 2020

[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,**  
**AKS Credits Limited**  
**6081, II<sup>nd</sup> Floor, Room No. 201 Gali Batashan,**  
**Khari Baoli, New Delhi-110009**

We were appointed by the Board of Directors of **M/s AKS Credits Limited** (hereinafter called "the Company") in the Board Meeting held on 08<sup>th</sup> June, 2020 to conduct the Secretarial Audit for the Financial Year 2019-20.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s AKS Credits Limited** (hereinafter called the Company) for the Financial Year 2019-20. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

**Management's Responsibility for Secretarial Compliances**

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

**Opinion**

Based on our verification of the books, papers, minute books, 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, 2020**, 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. The Companies Act, 2013 (the Act) and the Rules made thereunder, as applicable;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, 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, 1992;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; - effective from May 15, 2015;
  - d) Securities and Exchange Board of India (Issue of Capital and Disclosures Requirements) Regulations, 2009;
  - e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 in relation to Employee Stock Option Scheme;
  - f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - 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) Securities and Exchange Board of India (Delisting of Equity Shares) regulations, 2009; and
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- ii) The Listing Agreements entered into by the Company with Calcutta Stock Exchange & Metropolitan Stock Exchange of India.
- iii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 -effective from December 1, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We have relied on the representation obtained from the management of the Company and based on the report received, there has been due compliance with the laws and regulation as applicable to the Company.

We further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

**Based on Information received & records maintained, we further report that:**

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

2. 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, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, if any.

We further report that there is scope to improve the systems and processes in the company and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period, there were following events/ actions in pursuance of the above referred laws, rules, regulations, guidelines etc., having a major bearing on the company's affairs:

*(a) During the FY 2019-20, under regulation 6 (1) of SEBI (LODR) Regulations, 2015, there was a default of 1 month regarding Non-Appointment of Company Secretary as Compliance Officer and in this regard, Penalty of Rs. 31000/- plus GST has been imposed by MSEI which has been duly paid by the company and thereafter, the company has also appointed the new CS w.e.f. 01<sup>st</sup> January, 2020.*

*(b) The trading in the securities of the Company has been suspended with Calcutta Stock Exchange and the revocation of the same with Calcutta Stock Exchange is under process.*

**For Shipra Khitha & Associates  
Company Secretaries**

**Sd/-  
Shipra Khitha  
Proprietor  
C.P. No.14648  
FCS M. No. 9217**

**Place: New Delhi  
Date: 25<sup>th</sup> June, 2020**

**UDIN: F009217B000590391**

**Note: This report is to be read with our letter of even date, which is annexed as Annexure A and forms integral part of this report**

**To,  
The Members,  
AKS Credits Limited  
6081, IInd Floor, Room No. 201 Gali Batashan,  
Khari Baoli, New Delhi-110009**

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 we 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 verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. We have not checked the compliances of general law applicable to the Company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. 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.
7. 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 Shipra Khitha & Associates  
Company Secretaries**

**Sd/-  
Shipra Khitha  
Proprietor  
C.P. No.14648  
FCS M. No. 9217**

**Place: New Delhi  
Date: 25<sup>th</sup> June, 2020**

**UDIN: F009217B000590391**





**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF AKS CREDITS LIMITED**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of **AKS Credits Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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 March 31, 2020, the profit and loss, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**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 below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
<b>Revenue Recognition</b>	
The total expected cash flows of the instrument over the life of the instrument must be substantially based on the profit or loss, change in the recognized net assets or fair value of the recognized and un recognized net assets of the entity over the life of the instrument. Profit or loss and the change in the recognized net assets shall be measured in accordance with relevant accounting principles generally accepted in India.	Our procedures included, amongst others, data analysis of the expected flows of revenue transactions and performing testing over transactions that deviated from our expectations.



<p><b>Transition to Ind AS accounting framework</b></p> <p>The company has adopted Ind AS from 1 April 2018 with an effective date of 1 April 2017 for such transition. For periods up to and including the year ended 31.03.2018, the company had prepared and presented its financial statements in accordance with the erstwhile generally accepted accounting principles in India (Indian GAAP). To give effect of the transition to Ind AS, these financial statements for the year ended 31 March 2019, together with the comparative financial information for the previous year ended 31 March 2018 and the transition date Balance Sheet as at 1 April 2017 have been prepared under Ind AS.</p> <p>The Transition has involved significant change in the Company's policies and process for financial reporting, including generation of supportable information and applying estimates to inter alia determine impact of Ind AS on accounting and disclosure requirements prescribed under extant Reserve Bank of India (RBI) directions.</p> <p>In view of the complexity involved, Ind AS transition and the preparation of financial statements subsequent to the transition date have been area of key focus in our audit.</p>	<p>Read the Ind AS impact assessment performed by the management and the result changes made to the accounting policies considering the requirements of the new framework.</p> <p>Evaluated the exemptions and exceptions allowed by the Ind AS and applied by the Management in applying the first time-adoption principles of the Ind AS 101 in respect of fair valuation of assets and liabilities as at transition date.</p> <p>Tested the accounting adjustments posted as at the transition date and in respect of the previous year to convert the financial information reported under erstwhile Indian GAAP to Ind AS.</p> <p>Tested the disclosures prescribed under Ind AS.</p>
<p><b>Information Technology</b></p> <p><b>IT System and Controls</b></p> <p>The Company's key financial accounting &amp; reporting processes are highly dependent on the automated controls in information system such that there exist a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated. The Company primarily uses these systems for its overall financial reporting.</p> <p>We have focused on user access management, change management, segregation of duties, system application controls over key financial accounting and reporting systems.</p>	<p>Our audit procedure to access the IT system access management included the following:</p> <p><b>General IT controls/user access management</b></p> <ul style="list-style-type: none"> <li>• We tested a sample of key controls operating over the information technology in relation to financial accounting and reporting system, including system access and system change management, program development and computer operations.</li> <li>• We tested the design and operating effectiveness of key controls over user access management which includes granting access right, new user creation, removal of user rights and preventative controls designed to enforce segregation of duties.</li> <li>• For a selected group of key controls over financial and reporting system, we independently performed procedures to determine that these controls remained unchanged during the year or were changed following the standard change management process.</li> <li>• Evaluating the design, implementation and effectiveness of the significant accounts related IT automated controls which are relevant to the accuracy of system calculations, and the consistency of data transmission.</li> </ul>





- |  |  |
|--|--|
|  | <ul style="list-style-type: none"><li>• Other areas that were independently assessed included password policies, system configurations, system interface controls, controls over changes to applications and databases and that business users, developers and production support did not have access to change applications, the operating system or databases in the production environment.</li></ul> |
|--|--|

### **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 standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the 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 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, 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 are 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 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 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 standalone financial statements.



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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements 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 financial statements.

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 including Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standard specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 A”. 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 the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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, as amended 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 of pending litigations, if any, on its financial position in its standalone financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the company for the financial year ended March 31, 2020.

2. As required by the Companies (Auditors Report) Order, 2016 (“the order”) issued by the central government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraph 3 and 4 of the Order.

**For STRG & Associates**

**Chartered Accountants**

**FRN : 014826N**

**CA Rakesh Gupta**

**M No. 094040**

**UDIN :- 20094040AAAACV5343**

**Place : New Delhi**

**Date : 25.06.2020**

## **“Annexure A” to the Auditors’ Report**

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

We have audited the internal financial controls over financial reporting of **AKS Credits Limited** (“the Company”) as of 31st March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For STRG & ASSOCIATES  
CHARTERED ACCOUNTANTS**

FRN: 014826N

  
**CA Rakesh Gupta**  
Partner

M. No.: 094040

**Place : New Delhi  
Date : 25.06.2020**

**“Annexure B” to the Independent Auditors’ Report**

**Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of M/S AKS CREDITS LIMITED  
For the year ended March 31, 2020:**

- i. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.

According to the information and explanations given to us and on the basis of our examination of the records of the company, the company does not own any immovable property.

- ii. The Company does not own any inventory during the year; accordingly the provisions of clause 3(ii) of the Order are not applicable to the company.
- iii. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company during the year has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, during the year the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.
- v. In our opinion and according to the information and explanations given to us, The Company has not accepted any deposits in contravention of provisions of the Companies Act 2013 during the year.
- vi. In our opinion and according to the information & explanations received from the management, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- vii. (a) According to information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally





regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues (*except on few occasions where the dues were paid late with interest and TDS demad of Rs. 6115/- which has not yet been paid*) with the appropriate authorities; to the extent applicable to the company. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.

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

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan from the government and has not issued any debentures.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, we report that managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013 by the company during/for the year.
- xii. According to information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii. As per information & explanations given to us, the transactions with the related parties and the company is in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year



under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.

- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- xvi. As per the information & explanations given to us, we report that the company is registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

**For STRG & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**FRN: 014826N**



**CA Rakesh Gupta**

**Partner**

**M. No.: 094040**

**UDIN :- 20094040AAAACV5343**

**Place: New Delhi**

**Date: 25.06.2020**



**AUDITOR'S REPORT**

To Board of Directors

**AKS Credits Limited**

Dear Sir,

We have audited the Balance sheet of **AKS Credits Limited** as at 31<sup>st</sup> March, 2020 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date.

As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2008 updated vide notification no. DNBS (PD) CC No. 334/03.02.001/2013-14 dated 01st July, 2013 issued by Reserve Bank of India (RBI), we give hereunder our report on matters specified in paragraphs 3(A) and (C) of the said Directions.

- (1) The Company is engaged in the business of non-banking financial institution and has accordingly obtained a Certificate of Registration as provided in Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
- (2) In our opinion the company is complying with the asset/income pattern as at 31.03.2020 and is entitled to hold the aforesaid Certificate of Registration issued by the Reserve Bank of India.
- (3) The Company is not an Assets Finance Company in terms of criteria set forth by the bank in circular No. DNBS.PD.CC No. 85 / 03.02.089 / 2006-07 Dated 6th December 2006.
- (4) The company is not as NBFC-MFI in terms of criteria set forth by the bank in Notification Viz. NBFC-MFI (Reserve Bank) Direction, 2011 dated December 02, 2011.
- (5) The Board of Directors has passed a resolution for the non-acceptance of any public deposits.



- (6) The Company has not accepted any public deposits during the relevant year.
- (7) The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015.
- (8) The Company is not a systemically important non deposit taking NBFC defined in para 2(1) (xxvi) of aforesaid directions.

**For STRG & Associates  
Chartered Accountants  
FRN 014826N**



**Rakesh Gupta  
Partner**

**M. No. 094040  
UDIN : 20094040AAAADE5419**

**Place: New Delhi  
Date: 15th July, 2020**

# AKS Credits Limited

Regd Off : 6081, IInd Floor, Room No. 201, Gali Batashan, Khari Baoli, New Delhi-110006  
CIN-L65921DL1991PLC043544

## Balance Sheet as at March 31,2020

(Amount in Rs.)

	Particulars	Note No.	Figures as at the end of March 31,2020	Figures as at the end of March 31,2019	Figures as on April 1, 2018
	<b>ASSETS</b>				
(1)	<b>Financial Assets:</b>				
	(a) Cash and Cash Equivalents	2	15,38,089	17,87,885	17,99,640
	(b) Bank Balance other than (a) above		-	-	-
	(c) Receivables				
	(i) Trade Receivables		-	-	-
	(ii) Other Receivables		-	-	-
	(d) Loans	3	1746,03,809	1936,20,254	2144,87,691
	(e) Investments		-	-	-
	(f) Other Financial Assets	4	32,91,391	24,94,576	14,71,924
(2)	<b>Non-Financial Assets:</b>				
	(a) Current Tax Assets (Net)	5	-	-	2,00,000
	(b) Deferred Tax Assets (Net)		-	-	-
	(c) Property Plant & Equipment	6	6,689	18,158	-
	(d) Intangible Assets under Development		-	-	-
	(e) Goodwill		-	-	-
	(f) Other Intangible Assets		-	-	-
	(g) Assets held for sale		-	-	-
	(h) Other Non-Financial Assets		-	-	-
	<b>Total Assets</b>		<b>1794,39,978</b>	<b>1979,20,873</b>	<b>2179,59,255</b>
	<b>LIABILITIES AND EQUITY</b>				
	<b>LIABILITIES</b>				
(1)	<b>Financial Liabilities</b>				
	(a) Derivative Financial Instruments		-	-	-
	(b) Payables		-	-	-
	(l) Trade Payables				
	(i) total outstanding dues of micro enterprises and small enterprises		-	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	7	60,93,157	1,29,907	1,07,992
	(c) Debt Securities				
	(d) Borrowings (other than Debt Securities)	8	648,14,245	932,07,978	1145,38,154
	(e) Deposits		-	-	-
	(f) Subordinated Liabilities		-	-	-
	(g) Other Financial Liabilities	9	75,000	1,22,500	2,68,500
(2)	<b>Non-Financial Liabilities</b>				
	(a) Current Tax Liabilities (Net)	10	10,73,578	5,16,191	5,86,901
	(b) Provisions	11	4,39,410	25,53,274	8,57,951
	(c) Deferred Tax Liabilities (Net)		-	-	-
	(d) Other Non-Financial Liabilities	12	10,29,671	7,09,202	6,63,717
(3)	<b>EQUITY</b>				
	(a) Equity Share Capital	13	1100,00,000	1100,00,000	1100,00,000
	(b) Other Equity	14	(40,85,083)	(93,18,179)	(90,63,960)
	<b>Total Liabilities &amp; Equity</b>		<b>1794,39,978</b>	<b>1979,20,873</b>	<b>2179,59,255</b>

Significant accounting policies  
The notes referred to above form an integral part of the financial assets

1

As per our report of even date attached  
**For STRG & Associates**  
**Chartered Accountants**  
**(Firm Reg. No. 014826N)**

**For and on Behalf of the Board of Directors**  
**AKS Credits Limited**

**Sd/-**  
**Rakesh Gupta**  
**Partner**  
**Membership No.: 094040**  
**UDIN: 20094040AAAACV5343**

**Sd/-**  
**Vishek Khemka**      **Sd/-**  
**Director**              **Neha Srivastava**  
**DIN : 07974442**      **Company Secretary**  
**FQOPS0190A**

**Place : New Delhi**  
**Dated : 25.06.2020**

**Sd/-**  
**Atul Mahindru**  
**Whole Time Director/Chief Financial Officer**  
**DIN : 00348086**

# AKS Credits Limited

Regd Off : 6081, IInd Floor, Room No. 201, Gali Batashan, Khari Baoli, New Delhi-110006

CIN-L65921DL1991PLC043544

## Statement of Profit and Loss for the year ended 31st March, 2020

(Amount in Rs.)

S.No	Particulars	Note No.	For the year ended March 31,2020	For the year ended March 31,2019
I	<b>Revenue</b>			
	Revenue from Operations	15	295,38,017	144,15,221
	Other Incomes	16	76,66,881	11,52,926
<b>Total (I)</b>			<b>372,04,898</b>	<b>155,68,147</b>
II	<b>Administrative Expenses</b>			
	Purchases	17	103,24,183	-
	Provisions & Contingencies	18	8,416	16,95,323
	Depreciation & Amortisation	19	11,469	12,223
	Employee Benefit Expenses	20	36,60,879	20,85,839
	Finance Charges	21	81,92,498	80,50,758
	Other Expenses	22	87,00,780	34,62,031
<b>Total (II)</b>			<b>308,98,225</b>	<b>153,06,174</b>
III	<b>Profit before Exceptional and Extraordinary Items and Tax (I - II)</b>		<b>63,06,673</b>	<b>2,61,973</b>
IV	Exceptional Items		-	-
V	<b>Profit before Extraordinary Items and Tax (III - IV)</b>		<b>63,06,673</b>	<b>2,61,973</b>
VI	Extraordinary Items		-	-
VII	<b>Profit before Tax (V - VI)</b>		<b>63,06,673</b>	<b>2,61,973</b>
VIII	<b>Tax Expenses</b>			
	Current Tax		10,73,578	5,16,191
	Deferred Tax		-	-
	<b>Profit (Loss) for the year (VII - VIII)</b>		<b>52,33,095</b>	<b>(2,54,218)</b>
	<b>Other Comprehensive Income</b>			
	Items that will not be reclassified to profit or loss		-	-
	Remeasurement of the defined benefit liability/(asset)		-	-
	Income Tax relating to items that will not be reclassified to profit or loss		-	-
	<b>Net Other Comprehensive Income</b>		-	-
	<b>Total Comprehensive Income for the year</b>		<b>52,33,095</b>	<b>(2,54,218)</b>
	<b>Profit for the year</b>		<b>52,33,095</b>	<b>(2,54,218)</b>
	<b>Earning Per Equity Share</b>			
	Basic		0.48	(0.02)
	Diluted		0.48	(0.02)
Significant Accounting Policies & notes form part of the financial statements		1		

As per our report on even date  
For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)

For and on Behalf of the Board of Directors  
AKS Credits Limited

Sd/-  
Rakesh Gupta  
Partner  
Membership No.: 094040  
UDIN: 20094040AAAACV5343

Sd/-  
Vishek Khemka  
Director  
DIN : 07974442

Sd/-  
Neha Srivastava  
Company Secretary  
FQOPS0190A

Place : New Delhi  
Dated : 25.06.2020

Sd/-  
Atul Mahindru  
Whole Time Director/Chief Financial Officer  
DIN : 00348086

# AKS Credits Limited

Regd Off : 6081, IInd Floor, Room No. 201, Gali Batashan, Khari Baoli, New Delhi-110006  
CIN-L65921DL1991PLC043544

## Cash Flow Statement for the year ended 31st March, 2020

(Amount in Rupees)

	PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
<b>A.</b>	<b>Cash Flow From Operating Activities</b>		
	Net Profit Before Taxation	63,06,673	2,61,973
	Adjustments for :		
	Add:Mat credit Entitlement	-	-
	Add: Provision for Non-Performing Assets/Standard assets/Other losses	-	-
	Add: Depreciation on Assets	11,469	12,223
	<b>Operating profits before Working Capital Changes</b>	<b>63,18,142</b>	<b>2,74,196</b>
	Adjusted For:		
	Decrease/(Increase) in Loans	190,16,445	208,67,437
	Decrease/(Increase) in Asset held for sale	-	-
	Decrease/(Increase) in Investments	-	-
	Decrease/(Increase) in Other Financial Assets	(7,96,815)	(8,22,654)
	Decrease/(Increase) in Other Non-Financial Assets	-	-
	Increase/(Decrease) in Trade Payables	59,63,250	21,914
	Increase/(Decrease) in Provisions	(15,56,477)	16,24,613
	Increase/(Decrease) in Other Financial Liabilities	(47,500)	(1,46,000)
	Increase/(Decrease) in Other Non-Financial Liabilities	3,20,469	45,485
	<b>Cash Generated From Operations</b>	<b>292,17,513</b>	<b>218,64,991</b>
	Less: Tax paid	10,73,578	5,16,191
	<b>Net Cash From Operating Activities(A)</b>	<b>281,43,935</b>	<b>213,48,800</b>
<b>B.</b>	<b>Cash Flow From Investing Activities</b>		
	(Purchase)/ Sale of Fixed Assets	-	(30,382)
	<b>Net Cash From Investing Activities(B)</b>	<b>-</b>	<b>(30,382)</b>
<b>C.</b>	<b>Cash Flow From Financing Activities</b>		
	Increase in / (Repayment) of Borrowings	(283,93,733)	(213,30,176)
	Increase / (Decrease) in share capital	-	-
	Increase in Securities Premium	-	-
	<b>Net Cash From Financing Activities(C)</b>	<b>(283,93,733)</b>	<b>(213,30,176)</b>
<b>D.</b>	<b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents(A+B+C)</b>	<b>(2,49,796)</b>	<b>(11,756)</b>
	Cash & Cash Equivalents at Beginning of the year	17,87,885	17,99,641
	<b>Cash &amp; Cash Equivalents at end of the year</b>	<b>15,38,089</b>	<b>17,87,885</b>
	<b>Components of Cash and Cash Equivalents at the end of the year</b>		
	Current Account with Banks	3,36,002	17,70,846
	Cash & Cheques in Hand	12,02,087	17,039
	<b>Total</b>	<b>15,38,089</b>	<b>17,87,885</b>

As per our report on even date

For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)

For and on Behalf of the Board of Directors  
AKS Credits Limited

Sd/-  
Rakesh Gupta  
Partner  
Membership No.: 094040  
UDIN: 20094040AAAACV5343

Sd/-  
Vishek Khemka  
Director  
DIN : 07974442

Sd/-  
Neha Srivastava  
Company Secretary  
FQOPS0190A

Place : New Delhi  
Dated : 25.06.2020

Sd/-  
Atul Mahindru  
Whole Time Director/Chief Financial Officer  
DIN : 00348086

**AKS Credits Limited**

Regd Off : 6081, IInd Floor, Room No. 201, Gali Batashan, Khari Baoli, New Delhi-110006  
CIN-L65921DL1991PLC043544

Statement of Changes in Equity  
for the year ended March 31, 2020

**A Equity Share Capital:**

Particulars	Amount (Rs.)
Balance as at April 1, 2019	1100,00,000
Add: Issued during the year	-
Balance as at March 31, 2020	1100,00,000

**B Other Equity:**

Particulars	Reserve and Surplus				Total
	Equity share capital suspense	Statutory Reserve	Capital Reserve	Retained Earnings	
Balance as at April 1, 2019	-	2,07,977	-	(95,26,155)	(93,18,178)
Add: Transfer during the year	-	10,46,619	-	-	10,46,619
Add: Profit during the year	-	-	-	52,33,095	52,33,095
Less: Other Comprehensive Income (Net Of Tax)	-	-	-	-	-
Less: Transfer to Statutory Reserve Fund	-	-	-	10,46,619	10,46,619
Balance as at March 31, 2020	-	12,54,596	-	(53,39,679)	(40,85,083)

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)

For and on Behalf of the Board of Directors  
AKS Credits Limited

Sd/-  
Rakesh Gupta  
Partner  
Membership No.: 094040  
UDIN: 20094040AAAACV5343

Sd/-  
Vishek Khemka  
Director  
DIN : 07974442

Sd/-  
Neha Srivastava  
Company Secretary  
FQOPS0190A

Place : New Delhi  
Dated : 25.06.2020

Sd/-  
Atul Mahindru  
Whole Time Director/Chief Financial Officer  
DIN : 00348086



## Notes to and forming Part of Balance Sheet as at 31st March, 2020

### **Background**

AKS Credits Limited ('The Company') was incorporated in India on 19th March 1991. The accompanying financial statement reflects the result of the activities undertaken by the company from the period 1st April 2019 to 31st March 2020.

### **1. Significant Accounting Policies**

#### **1.1 Basis of preparation of Accounts**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) and the provisions of the Companies Act, 2013 ('the Act'). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Company's financial statements are presented in Indian Rupees (INR), which is also its functional currency.

#### **1.2 Basis of Accounting**

The preparation of the financial statement is in conformity with Ind AS requires the Management to make Estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known/materialise.

#### **1.3 Property, Plant and Equipment**

All Property, Plant and Equipment are stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditures directly attributable to the acquisition of the asset.

Subsequent expenditures related to an item of Property, Plant and Equipment are added back to its book value only if they increase the the future benefits from the existing assets beyond its previously assessed standard of performance.

Depreciation is provided on a pro-rata basis on the Written down value method (WDV) over the estimated useful lives of the assets specified in the Schedule II of the Companies Act, 2013.

The assets' residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

The estimated useful lives of Property, Plant and Equipment are as stated below:

Computer- End user Device	3 Years
---------------------------	---------

As per our report of even date attached

**For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)**

**Sd/-  
Rakesh Gupta  
Partner  
Membership No.: 094040  
UDIN: 20094040AAAACV5343**

**Place : New Delhi  
Dated : 25.06.2020**

**For and on Behalf of the Board of Directors  
AKS Credits Limited**

**Sd/-  
Vishek Khemka  
Director  
DIN : 07974442**

**Sd/-  
Atul Mahindru  
Whole Time Director/Chief Financial Officer  
DIN : 00348086**

**Sd/-  
Neha Srivastava  
Company Secretary  
FQOPS0190A**

#### 1.4 Taxation

Provision for current tax is determined as the amount of tax payable in respect of estimated taxable income for the year and in accordance with the provisions of Income Tax Act, 1961.

#### 1.5 Earnings Per Share

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax. The number of shares used in computing basic & diluted EPS is the weighted average number of shares outstanding during the period.

#### 1.6 Revenue Recognition

Revenue is recognized to the extent that it can be reliably measured and is probable that the economic benefits will flow to the company.

#### 1.7 Expenditure

Expenditures are recognized on accrual basis.

#### 1.8 Employee Benefits

No provision of gratuity and leave encashment benefits has been made by the company as the company does not have a policy of a encashing leaves of employees and no gratuity has been payable to the company during the previous year.

#### 1.9 Provisions & Contingencies

A provision is recognized when the company has a present obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. Contingent Liabilities and Contingent Assets are neither recognized nor disclosed in the financial statements.

#### 1.10 Cash & Cash Equivalents

Cash and cash equivalents comprises Cash, Cheque in Hand and Bank Balance.

#### 1.11 Inventories

The Company does not have any kind of inventory during the Year.

#### 1.12 Provision for Loan Portfolio

The provisioning for Loans & Advances are based on as prescribed in the provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2007 as amended from time to time.

Asset Classification	Arrear Period	Provision (%)
Standard Asset	Overdue for less than 3 months	0.25
Substandard Asset	Overdue for 3-12 months	10
Doubtful Asset	Overdue over 12 months	20
	Overdue over 12-36 months	30
	Overdue over 36 months	50
Loss Assets		100

Further accelerated provisioning shall be adopted as per the RBI direction on requirement basis.

As per our report of even date attached

**For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)**

**For and on Behalf of the Board of Directors  
AKS Credits Limited**

**Sd/-  
Rakesh Gupta  
Partner  
Membership No.: 094040  
UDIN: 20094040AAAACV5343**

**Sd/-  
Vishek Khemka  
Director  
DIN : 07974442**

**Sd/-  
Neha Srivastava  
Company Secretary  
FQOPS0190A**

**Place : New Delhi  
Dated : 25.06.2020**

**Sd/-  
Atul Mahindru  
Whole Time Director/Chief Financial Officer  
DIN : 00348086**

Note No.	Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>2</b>	<b>Cash &amp; Cash Equivalents</b>			
	Cash on Hand	65,888	17,039	1,34,381
	Cheque in Hand	11,36,199	-	-
	Balance with Bank in current accounts	3,36,002	17,70,845	16,65,261
	<b>Total</b>	<b>15,38,089</b>	<b>17,87,885</b>	<b>17,99,640</b>
<b>3</b>	<b>Loans</b>			
	<b>Term Loans to Borrowers at Amortised Cost</b>			
	Unsecured, Considered Goods	1746,03,809	1936,20,254	2144,87,691
	Less: Allowance for Impairment Loss	-	-	-
	<b>Total</b>	<b>1746,03,809</b>	<b>1936,20,254</b>	<b>2144,87,691</b>
<b>4</b>	<b>Other Financial Assets</b>			
	<b>Other Receivables</b>			
	Income Tax Refund	11,41,250	10,78,513	14,71,924
	TDS Receivable	21,30,807	14,16,063	-
	GST Input	19,334	-	-
	<b>Total</b>	<b>32,91,391</b>	<b>24,94,576</b>	<b>14,71,924</b>
<b>5</b>	<b>Non-Financial Asset</b>			
	Current Tax Asset			
	Advance Tax	-	-	2,00,000
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,00,000</b>
<b>7</b>	<b>Trade Payables</b>			
	Total outstanding dues of micro enterprises and small enterprises	-	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	60,93,157	1,29,907	1,07,992
	<b>Total</b>	<b>60,93,157</b>	<b>1,29,907</b>	<b>1,07,992</b>

As per our report on even date  
For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)

For and on Behalf of the Board of Directors  
AKS Credits Limited

Sd/-  
Rakesh Gupta  
Partner  
Membership No.: 094040  
UDIN: 20094040AAAACV5343

Sd/-  
Vishek Khemka  
Director  
DIN : 07974442

Sd/-  
Neha Srivastava  
Company Secretary  
FQOPS0190A

Place : New Delhi  
Dated : 25.06.2020

Sd/-  
Atul Mahindru  
Whole Time Director/Chief Financial Officer  
DIN : 00348086

(Amount in Rs.)

6	<b>Property , Plant &amp; Equipment</b>				
		<u>Opening Balance</u>	<u>Addition</u>	<u>Deletion</u>	<u>Closing Balance</u>
	<b>Gross Block</b>				
	<b>Tangible Assets</b>				
	Printer	3,814	-	-	3,814
	Computer	26,568	-	-	26,568
	<b>Total</b>	<b>30,381</b>	<b>-</b>	<b>-</b>	<b>30,381</b>
	<b>Depreciation Block</b>				
	<b>Tangible Assets</b>				
	Printer	1,604	1,396	-	3,000
	Computer	10,620	10,073	-	20,693
	<b>Total</b>	<b>12,224</b>	<b>11,469</b>	<b>-</b>	<b>23,692</b>
	<b>Net Block</b>		<b>Current Year</b>		<b>Last Year</b>
	<b>Tangible Assets</b>				
	Printer		814		3,814
	Computer		5,875		26,568
	<b>Total</b>		<b>6,689</b>		<b>30,381</b>

As per our report on even date

For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)

For and on Behalf of the Board of Directors  
AKS Credits Limited

Sd/-  
Rakesh Gupta  
Partner  
Membership No.: 094040  
UDIN: 20094040AAAACV5343

Sd/-  
Vishek Khemka  
Director  
DIN : 07974442

Sd/-  
Neha Srivastava  
Company Secretary  
FQOPS0190A

Place : New Delhi  
Dated : 25.06.2020

Sd/-  
Atul Mahindru  
Whole Time Director/Chief Financial Officer  
DIN : 00348086

Note No.	Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
<b>8</b>	<b>Borrowings</b>			
	Unsecured considered good	648,14,245	932,07,978	1145,38,154
	<b>Total</b>	<b>648,14,245</b>	<b>932,07,978</b>	<b>1145,38,154</b>
<b>9</b>	<b>Other Financial Liability</b>			
	Audit fee payable	75,000	88,500	88,500
	Other Payables	-	34,000	1,80,000
	<b>Total</b>	<b>75,000</b>	<b>1,22,500</b>	<b>2,68,500</b>
<b>10</b>	<b>Current Tax Liabilities</b>			
	Provision for Tax	10,73,578	5,16,191	5,86,901
	<b>Total</b>	<b>10,73,578</b>	<b>5,16,191</b>	<b>5,86,901</b>
<b>11</b>	<b>Provisions</b>			
	Provision for standard asset	4,39,410	4,30,994	8,57,951
	Provision for substandard asset	-	21,22,280	-
	<b>Total</b>	<b>4,39,410</b>	<b>25,53,274</b>	<b>8,57,951</b>
<b>11.1</b>	<b>Movement of Provision of Standard Assets</b>			
	As per the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016, Company has created provisions for Standard Assets. Details are as per the table below :-			
	<b>Particulars</b>	<b>As at March 31, 2020</b>	<b>As at March 31, 2019</b>	<b>As at April 1, 2018</b>
	<b>Provision for Standard Assets</b>			
	Standard assets	1757,64,061	1723,97,458	2144,87,691
	<b>Provision at the beginning of the year</b>			
	As per RBI prudential norms	4,30,994	8,57,951	4,64,058
	<b>Addition provision made/ (Reversed) during year</b>			
	As per RBI prudential norms	8,416	(4,26,957)	3,93,893
	<b>Provision at the close of the year</b>			
	As per RBI prudential norms	4,39,410	4,30,994	8,57,951
<b>12</b>	<b>Other Non-Financial Liabilities</b>			
	Statutory Dues Payable	10,29,671	7,09,202	6,63,717
	<b>Total</b>	<b>10,29,671</b>	<b>7,09,202</b>	<b>6,63,717</b>

As per our report of even date  
For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)

For and on Behalf of the Board of Directors  
AKS Credits Limited

Sd/-  
Rakesh Gupta  
Partner  
Membership No.: 094040  
UDIN: 20094040AAAACV5343

Sd/-  
Vishek Khemka  
Director  
DIN : 07974442

Sd/-  
Neha Srivastava  
Company Secretary  
FQOPS0190A

Place : New Delhi  
Dated : 25.06.2020

Sd/-  
Atul Mahindru  
Whole Time Director/Chief Financial Officer  
DIN : 00348086

## Notes to and forming Part of Balance Sheet as at 31st March, 2020

(Amount in Rs.)

Note No.	Particulars	As at 31st March 2020		As at 31st March 2019	
		No. of Shares	Amount	No. of Shares	Amount
13 13.1	<b>Share Capital:</b>				
	<u>Authorised:</u> Equity shares of Rs. 10/- each	110,00,000	1100,00,000	110,00,000	1100,00,000
	<u>Issued, Subscribed and Paid up:</u> 1,10,00,000 Equity Shares of Rs 10/= each fully paid up (Previous Year 1,10,00,000 Equity Shares of Rs 10/=each Equity Shares at the beginning of Accounting Period	110,00,000	1100,00,000	110,00,000	1100,00,000
	Equity Shares at the end of Accounting Period	<b>110,00,000</b>	<b>1100,00,000</b>	<b>110,00,000</b>	<b>1100,00,000</b>
13.2	<u>Terms/Rights attached to Equity Shares</u> The company had only one class of equity shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.				
13.3	<u>Shareholders holding more than 5% shares in the company along with number of shares.</u>				
		As at 31.03.2020		As at 31.03.2019	
	<b>Name of the Share Holder</b>	<b>No. of Shares</b>	<b>% of Holdings</b>	<b>No. of Shares</b>	<b>% of Holdings</b>
	Ashok Mahindru	25,16,159	22.87	29,60,836	26.92
	Ashutosh Mahindru	12,25,750	11.14	12,25,750	11.14
	Atul Mahindru	11,15,400	10.14	11,15,400	10.14
	Sakar Portfolio Private Limited	12,33,500	11.21	12,33,500	11.21
Shimpi Marketing Private Limited	7,19,550	6.54	7,19,550	6.54	
<b>Total</b>	<b>68,10,359</b>	<b>61.91</b>	<b>72,55,036</b>	<b>65.95</b>	
14	<b>Other Equity</b>	As at 31.03.2020		As at 31.03.2019	
	Statutory Reserve (Pursuant to Sec 45-IC of RBI Act, 1934)				
	At the beginning of Accounting Period		2,07,977		2,58,821
	Addition during the year		10,46,619		(50,844)
	<b>At the end of Accounting Period</b>		<b>12,54,596</b>		<b>2,07,977</b>
	Reserve & Surplus				
	At the beginning of Accounting Period		(95,26,156)		(93,22,782)
	Addition during the year (Balance in statement of Profit & Loss A/c)		41,86,476		(2,03,374)
	<b>At the end of Accounting Period</b>		<b>(53,39,679)</b>		<b>(95,26,156)</b>
	<b>Total</b>		<b>(40,85,083)</b>		<b>(93,18,179)</b>

As per our report of even date  
For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)

For and on Behalf of the Board of Directors  
AKS Credits Limited

Sd/-  
Rakesh Gupta  
Partner  
Membership No.: 094040  
UDIN: 20094040AAAACV5343

Sd/-  
Vishek Khemka  
Director  
DIN : 07974442

Sd/-  
Neha Srivastava  
Company Secretary  
FQOPS0190A

Place : New Delhi  
Dated : 25.06.2020

Sd/-  
Atul Mahindru  
Whole Time Director/Chief Financial Officer  
DIN : 00348086

Note No.	Particulars	As at March 31, 2020	As at March 31, 2019
<b>15</b>	<b><u>Revenue from Operation</u></b>		
	Sale of Goods	103,00,257	-
	Interest Income	192,37,760	144,15,221
	<b>Total</b>	<b>295,38,017</b>	<b>144,15,221</b>
<b>16</b>	<b><u>Other Income</u></b>		
	Commission	52,18,250	10,54,800
	Interest on Income tax refund	58,595	260
	Professional Fees	-	50,000
	Discount Received	2,54,256	-
	Provision for substandard asset written off	21,22,280	-
	Other Income	13,500	47,866
	<b>Total</b>	<b>76,66,881</b>	<b>11,52,926</b>
<b>17</b>	<b><u>Purchases</u></b>		
	Purchases of Goods	103,24,183	-
	<b>Total</b>	<b>103,24,183</b>	<b>-</b>
<b>18</b>	<b><u>Provisions &amp; Written Off</u></b>		
	Provision for Standard Assets	8,416	16,95,323
	<b>Total</b>	<b>8,416</b>	<b>16,95,323</b>
<b>19</b>	<b><u>Depreciations</u></b>		
	Depreciations on Assets	11,469	12,223
	<b>Total</b>	<b>11,469</b>	<b>12,223</b>
<b>20</b>	<b><u>Employee Benefit Expenses</u></b>		
	Salary to Director	12,00,000	12,00,000
	Salary to Staff	24,13,906	8,85,839
	Staff Welfare Expenses	46,973	-
	<b>Total</b>	<b>36,60,879</b>	<b>20,85,839</b>
<b>21</b>	<b><u>Finance Cost</u></b>		
	Interest Expense on loan	81,92,498	80,50,758
	<b>Total</b>	<b>81,92,498</b>	<b>80,50,758</b>

As per our report of even date  
For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)

For and on Behalf of the Board of Directors  
AKS Credits Limited

Sd/-  
Rakesh Gupta  
Partner  
Membership No.: 094040  
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Sd/-  
Vishek Khemka  
Director  
DIN : 07974442

Sd/-  
Neha Srivastava  
Company Secretary  
FQOPS0190A

Place : New Delhi  
Dated : 25.06.2020

Sd/-  
Atul Mahindru  
Whole Time Director/Chief Financial Officer  
DIN : 00348086

22	<u>Other Expenses</u>		
	Annual Fees	53,100	55,000
	Advertisement Expenses	18,760	-
	Audit Fees	75,000	88,500
	Bank Charges	530	1,915
	CIC Registration Charges	60,000	-
	Commission Expenses	49,01,000	-
	Conveyance	24,000	18,070
	Digital Signature Fees	-	1,500
	Interest on TDS	31,380	27,984
	Late Filing Fee of GSTR	380	-
	Legal & Professional Expenses	-	56,640
	Miscellaneous Expenses	47,721	15,262
	Office Expenses	-	1,612
	Printing & Stationary Expenses	35,830	16,660
	Professional Fees Expenses	30,84,500	18,47,250
	Postage & Photocopy Expense	1,410	1,220
	Rent Expenses	1,68,000	1,44,000
	Registration Charges	5,085	-
	ROC Fees	19,200	20,553
	Short & Excess	5,253	-
	Stock Exchange Listing Expense	55,000	11,49,950
	Stock Exchange Penalty	96,000	-
	Telephone Expenses	12,632	9,915
	Webdesigning Exp	6,000	6,000
<b>Total</b>		<b>87,00,781</b>	<b>34,62,031</b>

**As per our report of even date**  
**For STRG & Associates**  
**Chartered Accountants**  
**(Firm Reg. No. 014826N)**

**For and on Behalf of the Board of Directors**  
**AKS Credits Limited**

**Sd/-**  
**Rakesh Gupta**  
**Partner**  
**Membership No.: 094040**  
**UDIN: 20094040AAAACV5343**

**Sd/-**  
**Vishek Khemka**  
**Director**  
**DIN : 07974442**

**Sd/-**  
**Neha Srivastava**  
**Company Secretary**  
**FQOPS0190A**

**Place : New Delhi**  
**Dated : 25.06.2020**

**Sd/-**  
**Atul Mahindru**  
**Whole Time Director/Chief Financial Officer**  
**DIN : 00348086**



<u>Other Disclosures</u>		As at 31st March, 2020	As at 31st March, 2019
1. (a)	<u>Contingent Liabilities</u>	NIL	NIL
1. (b)	<u>Capital Commitments</u>	NIL	NIL
1. (c)	<u>Other Commitments</u>	NIL	NIL
2	<u>Details of Remuneration to Auditor</u>		
(a)	As Statutory Auditor	75,000	88,500
(b)	For Other Services	22,500	-
(c)	Out of Pocket Expenses	-	-
3	Expenditure in Foreign Currency	NIL	NIL
4	<u>Earning Per Share</u>		
	<b>Particulars</b>	<b>As at 31st March, 2020</b>	<b>As at 31st March, 2019</b>
	Net Profit/(Loss) after tax (in Rs)	52,33,095	(2,54,218)
	Weighted Average No. of Equity Shares	110,00,000	110,00,000
	Earning Per Share (in Rs) Basic	0.48	(0.02)
	Earning Per Share (in Rs) Diluted	0.48	(0.02)
	Nominal Value per equity share (in Rs)	10	10
5	<u>Amount due to Micro, Small and medium Enterprises:</u> There are no Micro and Small Scale Business Enterprises to whom the company overdues, which are outstanding for more than 45 days as at 31st March, 2020. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company. Therefore, the prescribed disclosures for liability of interest on overdue payment have not been given.		
6	In the opinion of the management of the company, the current assets and loans & advances have realization value in the ordinary course of business at least equal to the figures stated in the balance sheet and provisions for all the known liabilities have been made.		

**For STRG & Associates**  
**Chartered Accountants**  
**(Firm Reg. No. 014826N)**

**For and on Behalf of the Board of Directors**  
**AKS Credits Limited**

**Sd/-**  
**Rakesh Gupta**  
**Partner**  
**Membership No.: 094040**  
**UDIN: 20094040AAAACV5343**

**Sd/-**  
**Vishek Khemka**  
**Director**  
**DIN : 07974442**

**Sd/-**  
**Neha Srivastava**  
**Company Secretary**  
**FQOPS0190A**

**Place : New Delhi**  
**Dated : 25.06.2020**

**Sd/-**  
**Atul Mahindru**  
**Whole Time Director/Chief Financial Officer**  
**DIN : 00348086**

7	<b>Related Party Transaction</b>		
	Related party Disclosure as required under Indian Accounting Standard (Ind AS) -24 Related Party Disclosures :		
A.	<b>Name of Related Party &amp; Transaction</b>		
	<b>a) Key Managerial Personnel</b>	<b>Designation</b>	<b>Date of Appointment</b>
			<b>Date of Resignation</b>
	Mr. Atul Mahindru	WTD/CFO	24.03.2018
	Mr. Ashok Mahindru	Director	05.01.1999
	Mr. Prem Rattan Khemka	Director	27.10.2017
	Mr. Vishek Khemka	Director	27.10.2017
	Mr. Sanjay Sethi	Director	15.03.2018
	Ms. Shruti Jain	Director	01.10.2018
	Miss. Riya Jain	Company Secretary	01.04.2017
	Miss. Neha Srivastava	Company Secretary	01.01.2020
	<b>b) Entity under common control of Key Managerial Person</b>		
	M/s Advance Finvest Private Limited		
	M/s Advance Home & Personal Care Limited		
	M/s Sugarkart Technologies Private Limited		
B.	<b>Transaction with Related Party during the Year</b>		
	<b>Nature of Transaction</b>	<b>Party Name</b>	<b>Current year(Rs.)</b>
			<b>Previous Year(Rs.)</b>
	Salary	Mr. Vishek Khemka	6,00,000
	Salary	Mr. Prem Rattan Khemka	5,76,000
	Advances Given	Mr. Vishek Khemka	5,00,000
	Received back	Mr. Vishek Khemka	5,00,000
	Salary	Miss. Riya Jain	73,906
	Salary	Miss. Neha Srivastava	45,000
	Received back	M/s Advance Finvest Private Limited	212,22,796
			5,79,500
			5,81,000
			-
			-
			4,68,909
			-
			13,00,000
C.	<b>Balances Outstanding With Related Party at year end</b>		
	<b>Party Name</b>	<b>Current year(Rs.)</b>	<b>Previous Year(Rs.)</b>
	M/s Advance Finvest Private Limited	-	212,22,796

For STRG & Associates  
Chartered Accountants  
(Firm Reg. No. 014826N)

For and on Behalf of the Board of Directors  
AKS Credits Limited

Sd/-  
Rakesh Gupta  
Partner  
Membership No.: 094040  
UDIN: 20094040AAAACV5343

Sd/-  
Vishek Khemka  
Director  
DIN : 07974442

Sd/-  
Neha Srivastava  
Company Secretary  
FQOPS0190A

Place : New Delhi  
Dated : 25.06.2020

Sd/-  
Atul Mahindru  
Whole Time Director/Chief Financial Officer  
DIN : 00348086

# AKS Credits Limited

## Schedule to the

### Balance Sheet of a non-deposit taking Non-Banking Financial Company

As required in terms of paragraph 13 of "Non-Systemically Important Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015".

(Rs. In INR)

Particulars			
<b>Liabilities side :</b>			
(1)	<b>Loans and advances availed by the non- banking financial company inclusive of interest accrued thereon but not paid:</b>	Amount outstanding	Amount overdue
	(a) Debentures : Secured	-	-
	: Unsecured	-	-
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-corporate loans and borrowing	6,28,53,370	-
	(e) Commercial Paper	-	-
	(f) Other Loans (specify nature)	19,60,875 (Unsecured)	-
	* Please see Note 1 below		

Assets side :			
		Amount outstanding	
(2)	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>		
	(a) Secured	-	
	(b) Unsecured	17,46,03,809	
(3)	<b>Break up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>		
	(i) Lease assets including lease rentals under sundry debtors :	Not applicable	
	(a) Financial lease		
	(b) Operating lease		
	(ii) Stock on hire including hire charges under sundry debtors:	Not applicable	
	(a) Assets on hire		
	(b) Repossessed Assets		

	(iii) Other loans counting towards AFC activities  (a) Loans where assets have been repossessed (b) Loans other than (a) above	Not applicable
(4)	<b><u>Break-up of Investments :</u></b>	
	<u>Current Investments :</u> 1. <u>Quoted :</u>  (i) Shares : (a) Equity (b) Preference  (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify)  2. <u>Unquoted :</u>  (i) Shares : (a) Equity (b) Preference  (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify)  <u>Long Term investments :</u>  1. <u>Quoted :</u>  (i) Shares : (a) Equity (b) Preference  (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify)  2. <u>Unquoted :</u>  (i) Shares : (a) Equity (b) Preference  (ii) Debentures and Bonds (iii) Units of mutual funds (iv) Government Securities (v) Others (please specify)	Not applicable
		Not applicable

(5)	<b>Borrower group-wise classification of assets financed as in (2) and (3) above :</b>			
	Please see Note 2 below			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties **			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	73,27,311	73,27,311
	(c) Other related parties	-	-	-
	2. Other than related parties	-	-	-
	<b>Total</b>	-	-	-
(6)	<b>Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):</b>			
	Please see note 3 below			
	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	
	1. Related Parties **			
	(a) Subsidiaries	-	-	
	(b) Companies in the same group	-	-	
	(c) Other related parties	-	-	
	2. Other than related parties	-	-	
	<b>Total</b>	-	-	

\*\* As per Accounting Standard of ICAI (Please see Note 3)

**(7) Other information**

Particulars		Amount
(i)	Gross Non-Performing Assets	Not Applicable
	(a) Related parties	
	(b) Other than related parties	
(ii)	Net Non-Performing Assets	Not Applicable
	(a) Related parties	
	(b) Other than related parties	
(iii)	Assets acquired in satisfaction of debt	Not Applicable

Notes:

1. As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
2. Provisioning norms shall be applicable as prescribed in Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 or Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 whichever is applicable.
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (4) above.

**For and on Behalf of Board of Directors**

**For AKS Credits Limited**

**Sd/-  
Vishek Khemka  
Director  
DIN : 07974442**

**Sd/-  
Neha Srivastava  
Company Secretary  
PAN: FQOPS0190A**

**Sd/-  
Atul Mahindru  
Whole Time Director/Chief Financial Officer  
DIN : 00348086**

**Place: New Delhi  
Date: 25th June, 2020**