

NOTICE

NOTICE is hereby given that the 11th Annual General Meeting of the members of Afcom Holdings Limited will be held on 15th July 2024 Monday at 10:00 AM IST at the Corporate Office of the Company situated at 3rd Floor, Indiqube Palmyra Plot No. 16 (NP), SIDCO Industrial Estate, Ekkattuthangal, Guindy, Chennai – 600032 to transact the following business:

ORDINARY BUSINESS:

ITEM 1:

To receive, consider, approve and adopt the audited financial statements and Directors' Report, and Auditors' Report for the financial year ended 31st March 2024.

“RESOLVED THAT the audited financial statements for the financial year ended 31st March 2024 and the Reports of the Directors and Auditors thereon, be and are hereby received, considered and adopted.”

ITEM 2:

To appoint a director in place of Mr. Jagannohan Manthana (DIN: 03139809), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 at this Annual General Meeting and being eligible, offers himself for re-appointment.

“RESOLVED THAT pursuant to the provisions of section 152 (6) of the Companies Act, 2013, Mr. Jagannohan Manthana (DIN: 03139809), Director, who retires by rotation at this annual general meeting, and being eligible has offered himself for reappointment, be and is hereby re-appointed as Director of the company, whose place of office shall be liable to be determined by rotation.”

ITEM 3:

To re-appoint M/s. PPN and Company, (FRN: 013623S & Peer Review Certificate No.:013578) as statutory auditors of the Company for the term of two years to hold office from the conclusion of the 11th Annual General Meeting up to the conclusion of 13th Annual General Meeting and authorise the board to fix the remuneration.

“RESOLVED THAT pursuant to the provisions of Sections 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. PPN and Company, (FRN: 013623S & Peer Review Certificate No.:013578), be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of 11th Annual General Meeting until the conclusion of the 13th Annual General Meeting of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorized to finalize the terms and conditions of appointment, including remuneration and other fees payable to the Statutory Auditors, based on the recommendations of the Audit Committee.



AFCOM HOLDINGS LIMITED

Regd. Office :

No.2, LIC Colony, Dr.Radhakrishnan Nagar, Thiruvanniyur, Chennai - 600041, India.

Corporate Office :

3rd Floor, Indiqube Palmyra Plot No. 16 (NP), SIDCO Industrial Estate, Ekkattuthangal, Guindy, Chennai - 600032, India.

Airport Office :

Integrated Air Cargo Complex, Phase-III, 2nd Floor, Meenambakkam, Chennai – 600027, India.

CIN : L51201TN2013PLC089652

GSTIN : 33AALCA3603M1ZQ

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RESOLVED FURTHER THAT any of the directors of the Company be and is hereby authorised severally to do all such acts, deeds and things, as may in their absolute discretion deem necessary or desirable including filing of the forms, returns, documents with statutory authorities.”

By Order of the Board
For **AFCOM HOLDINGS LIMITED**



DEEPAK PARASURAMAN
Chairman and Managing Director
DIN: 00699855

Place : Chennai
Date : 19th June 2024

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. Proxies in order to be effective must be deposited at the registered office of the Company, duly completed and signed not less than 48 (forty-eight) hours before the Annual General Meeting. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority, as applicable.
2. All documents referred to in the accompanying notice are open for inspection at the registered office of the Company during the office hours on all working days up to the date of the Annual General Meeting (AGM).
3. Members are requested to affix their signature at the space provided for in the attendance slip and handover the same at the entrance of the venue of this AGM.
4. Corporate member(s) intending to send their authorised representatives to attend are requested to send a certified copy of board resolution authorising such representative to attend and vote on its behalf at this AGM.
5. As per the requirement of secretarial standards – 2 notified under the Companies Act, 2013, Route Map to the venue of this AGM is annexed to this notice. Landmark: Layalee Grande Hotel

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ROUTE MAP FOR THE VENUE OF 11th ANNUAL GENERAL MEETING TO BE HELD ON 15th JULY 2024, ON MONDAY AT 10:00 AM AT 3RD FLOOR, INDIQUBE PALMYRA PLOT NO. 16 (NP), SIDCO INDUSTRIAL ESTATE, EKKATTUTHANGAL, GUINDY, CHENNAI – 600032



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Attendance Slip

Shareholders attending the meeting in person are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at 11th Annual General Meeting of the Company at 3rd Floor, Indiqube Palmyra Plot No. 16 (NP), SIDCO Industrial Estate, Ekkattuthangal, Guindy, Chennai – 600032 at 10:00 AM on Monday, the 15th July 2024.

.....
Full name of the shareholder
(in block capitals)

.....
Signature

Folio No.



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FORM MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: U51201TN2013PLC089652

Name of the Company: AFKOM HOLDINGS LIMITED

Registered office: No.2, LIC Colony, Dr. Radhakrishnan Nagar, Thiruvanmiyur, Chennai- 600 041

Name of the member(s):.....

Registered Address:.....

Email Id:.....

Folio No/Client Id:.....

DP ID:.....

I/We, being the Member (s) of shares of AFKOM HOLDINGS LIMITED (the above named Company), hereby appoint

1. Name:.....
Address:.....
E-mail Id:.....
Signature:....., or failing him

2. Name:.....
Address:.....
E-mail Id:.....
Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 11th Annual General Meeting of the Company, to be held on 15th July 2024, Monday at 10:00 AM at 3rd Floor, Indiqube Palmyra Plot No. 16 (NP), SIDCO Industrial Estate, Ekkattuthangal, Guindy, Chennai – 600032 and at any adjournment thereof in respect of such resolutions as given in the notice.

Signed this..... day of..... 2024.

Signature of Shareholder

Signature of Proxy holder(s)

Affix Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



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CORPORATE INFORMATION

Registered Office

Afcom Holdings Limited
CIN: U51201TN2013PLC089652
2, LIC Colony DR. Radhakrishnan Nagar,
Thiruvanmiyur, Chennai,
Tamil Nadu, India, 600041
Telephone: +91-9841019204
E-mail: corporate@afcomcargo.com
Investor grievance id:
investcare@afcomcargo.com
Website: https://afcomcargo.com

Corporate Office

Afcom Holdings Limited
3rd Floor, Indiqube Palmyra,
Plot No.16(NP), SIDCO Industrial Estate,
Ekkattuthangal, Guindy,
Chennai – 100032
Telephone: 044-22213333

Afcom Holdings Limited
Second Floor, Phase-III,
Integrated Air Cargo Complex,
AAICLAS, Chennai Airport,
Chennai- 600027
Telephone: +91 44 2950 0285

Board of Directors

Capt. Deepak Parasuraman
Chairman & Managing Director

Mr. Kannan Ramakrishnan
Whole time Director

Wg. Cdr Jagan Mohan Manthena (Retd.)
Non-Executive Non-Independent Director

Dr. Lalit Gupta
Independent Director

Mr. Srinivasan Natarajan
Independent Director

Ms. Rashmi Prithviraj
Independent Director

Chief Financial Officer

Mr. P K Raghunathan
E-mail: raghu@afcomcargo.com
Telephone: +91-9884900046

Company Secretary and Compliance Officer

Ms. Sneka S Seshadri
E-mail: investcare@afcomcargo.com
Telephone: +91-7708378797

Audit Committee

Mr. Srinivasan Natarajan
Chairperson
Dr. Lalit Gupta
Member
Wg. Cdr Jagan Mohan Manthena (Retd.)
Member

Nomination and Remuneration Committee

Mr. Srinivasan Natarajan
Chairperson
Ms. Rashmi Prithviraj
Member
Wg. Cdr Jagan Mohan Manthena (Retd.)
Member

Stakeholder's Relationship Committee

Mr. Srinivasan Natarajan
Chairperson
Mr. Deepak Parasuraman
Member
Mr. Kannan Ramakrishnan
Member

Statutory and Peer Review Auditor

M/s. PPN and Company
No.2, 4th Cross Street, Sterling Road,
Nungambakkam, Chennai-600034
Tel No: +91 9884448912
Email Id: info@ppnaco.com
Contact Person: D. Hitesh
Peer Review No.: 013578
Firm Registration No.: 013623S



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Bankers to our Company

Indusind Bank Limited

No.2, Cathedral Chennai Office,
Steeple Reach Block, No.25-14 Cathedral Road,
Kasturi Estate, Teynampet, Chennai- 600018

Telephone: +91 8939817095

Facsimile: N.A.

Email ID: usha.krishnamoorthy@indusind.com

Website: www.indusind.com

Contact Person: Usha Krishnamurthy

Bankers to our Company

HDFC Bank Limited

Mahindra World City Branch,
The Canopy, I Floor, Paralur Railway Station Road,
Natham, Chennai- 603002

Telephone: +91 6380907652

Facsimile: N.A.

Email ID: murugaaperumal.s@hdfcbank.com

Website: www.hdfcbank.com

Contact Person: Murugaperumal M

Senior Management Personnel

Mr. SN Ashok

General Manager – Cargo Operations

Capt Anirvan Chakravarti

Director Flight Operations – Chief Pilot

Mr. Kochat Narendran

President

Mr. PK Raghunathan

Chief Operating Officer (Head- Strategic Projects)

Mr. Sunil Chandrasekhar

Chief Commercial Officer

Registrar to the Issue

Link Intime India Private Limited

C-101, 1st Floor, 247 Park, Lal Bahadur Shastri
Marg, Vikhroli (West), Mumbai – 400 083,
Maharashtra, India

Telephone: +91-022-810 811 4949

Fax No: +91-022-49186060

E-mail: afcomholdings.ipo@linkintime.co.in

Investor Greivance ID:

afcomholdings.ipo@linkintime.co.in

SEBI Registration: INR000004058



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BOARD'S REPORT

Dear Members,

The Board of Directors (“**Board**”) are pleased to present the Company’s Eleventh Annual Report together with the Audited Financial Statements and the Auditor’s Report for the financial year ended 31st March 2024.

FINANCIAL SUMMARY AND HIGHLIGHTS:

The audited financial results for the financial year ended 31st March 2024 is attached to this report.

CONVERSION TO PUBLIC LIMITED COMPANY:

The company obtained the approval of the shareholders for conversion of the Company into a public limited Company on 27th March 2023 and thereafter made an application for the same to the Registrar of Companies, Chennai in e-form INC-27 on 09th June 2023. The Registrar of Companies, Chennai had approved the application made in e-form INC-27 on 11th July 2023 and has issued fresh certificate of incorporation pursuant to name change on 11th July 2023.

REVIEW OF BUSINESS OPERATIONS:

The company has been operating Cargo Flights to the ASEAN countries like Singapore, Indonesia and Brunei, particularly to Singapore. Our promoters and our senior management team have extensive experience in the Cargo logistics and forwarding business, which positions us well to capitalize on future growth opportunities, and your company has performed well for the financial year 2023-2024.

The company is looking forward to grow business through acquisition of aircrafts on dry lease basis, which will add to our current Boeing 737-800 aircraft. The company is in the process of acquiring additional aircrafts through the proceeds of the Initial Public Offer (IPO), and the company intend to increase the number of aircrafts to cater to the growing demands of this sector and facilitate growth.

Our current fleet of aircraft include 2 Boeing 737-800 BCF. These aircrafts (listed below) are on Dry Lease basis:

No.	Model Name	Manufacture Serial Number (MSN)	Brief Description	Registry	Name and Address of Lessor	Lease Period
1.	Boeing 737-800 (BCF)	28617	Boeing 737-800 converted freighter - 22 tonnage cargo capacity	VT-AFO	Spectre Air Capital, LLC, Riverside One, Sir Rogerson’s Quay, Dublin2, Ireland	96 Months from March 11th, 2024
2.	Boeing 737-800 (BCF)	30160	Boeing 737-800 converted freighter - 22 tonnage cargo capacity	VT-AFC	Spectre Air Capital, LLC, Riverside One, Sir Rogerson’s Quay, Dublin2, Ireland	96 Months from March 11th, 2024



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DIVIDEND:

The Board has decided that it is in the best interest of the company to retain earnings to strengthen cash reserves of the company. Considering the current financial landscape and to ensure the sustainability of the operations, the Board has decided to retain funds with the company to ensure long-term value creation and financial health for the company.

MATERIAL CHANGES AND COMMITMENTS:

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year of the Company to which the financial statements relate and the date of this report.

Further we like to bring to your attention to the fact that the company's equity shares are proposed to be listed on the SME Platform of BSE Limited ("BSE"). Our Company has made an application on 03rd April 2024 and awaiting 'in-principle' approval from BSE for listing the company's equity shares on the SME Platform of BSE.

CHANGE IN NATURE OF BUSINESS:

There was no change in the nature of business activity of the Company during the year under review.

TRANSFER TO RESERVES:

The Company has not transferred any amount to general reserve during the period under review.

DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

Your Company does not have any subsidiary companies, joint ventures and associate companies during the year under review.

DEMATERIALIZATION OF SHARES:

Dematerialisation is a significant milestone in our efforts to streamline operations and enhance shareholder convenience. During the previous financial year, the company had admitted its shares in CDSL and NSDL and had obtained International Securities Identification Number (ISIN). Thereafter during the financial year 2023-2024, all the shareholders had dematerialised their holdings in the Company.

ISSUE OF EQUITY SHARES WITH DIFFERENTIAL VOTING RIGHTS:

The Company has not made any issue of equity shares with differential voting rights during the year under review.

ISSUE OF SWEAT EQUITY SHARES:

The Company has not made any issue of sweat equity shares.

DETAILS OF EMPLOYEE STOCK OPTION SCHEME:

The Company does not have any ESOP.

DEPOSITS:

The Company has neither accepted nor renewed any deposits during the year under review.



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CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. MR. KANNAN RAMAKRISHNAN:

- ❖ Mr. Kannan Ramakrishnan was appointed as a Whole-time director of the Company at the 10th Annual General Meeting held on 30th September 2023 for a period of 5 years commencing from 01st October 2023 till 30th September 2028.

B. CAPT. DEEPAK PARASURAMAN:

- ❖ Mr. Deepak Parasuraman was appointed as a Managing director of the Company at the 10th Annual General Meeting held on 30th September 2023 for a period of 5 years with effect from 1st October 2023 till 30th September 2028.
- ❖ The board of directors in their meeting held on 12th February 2024, had appointed Mr. Deepak Parasuraman as Chairman of the company.

C. DR. LALIT GUPTA:

Dr. Lalit Gupta was appointed as an Independent Director of the company at the 10th Annual General Meeting held on 30th September 2023 for a period of 5 (five) years with effect from 1st October 2023 till 30th September 2028.

D. MR. SRINIVASAN NATARAJAN:

Mr. Srinivasan Natarajan was appointed as an Independent Director of the company at the 10th Annual General Meeting held on 30th September 2023 for a period of 5 (five) years with effect from 1st October 2023 till 30th September 2028.

E. MS. RASHMI PRITHVIRAJ:

Ms. Rashmi Prithviraj was appointed as an Independent Director of the company at the Extra Ordinary General (EGM) meeting held on 27th December 2023 for a period of 5 (five) years with effect from 28th December 2023 till 27th December 2028.

F. MR. P.K. RAGHUNATHAN:

Mr. P.K. Raghunathan was appointed as Chief Financial Officer of the company as per the provisions of section 203 of the Companies Act, 2013 at the board meeting held on 12th February 2024 with effect from 1st February 2024.

NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:

The Company has conducted 9 Board meetings during the financial year under review. The dates on which board meetings were held and the attendance of the directors is tabled below:

Sl no.	Dates of meeting	Deepak Parasuraman	Kannan Ramakrishnan	Jaganmohan Manthena	Lalit Gupta	Rashmi Prithviraj	Natarajan Srinivasan
1	13-Apr-2023	P	P	A	A	NA	NA
2	07-Aug-2023	P	P	A	A	NA	NA
3	29-Sep-2023	P	P	P	P	NA	NA
4	09-Oct-2023	P	P	A	P	NA	P



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Sl no.	Dates of meeting	Deepak Parasuraman	Kannan Ramakrishnan	Jaganmohan Manthena	Lalit Gupta	Rashmi Prithviraj	Natarajan Srinivasan
5	20-Dec-2023	P	P	A	P	NA	P
6	19-Jan-2024	P	P	A	P	P	P
7	12-Feb-2024	P	P	A	P	P	P
8	20-Mar-2024	P	P	P	P	P	P
9	22-Mar-2024	P	P	P	P	P	P

The number of meetings attended by each of the directors are as follows:

NAME OF THE DIRECTORS	DESIGNATION	NUMBER OF BOARD MEETINGS ATTENDED
Deepak Parasuraman	Chairman and Managing Director	9
Kannan Ramakrishnan	Whole-time Director	9
Jaganmohan Manthena	Non-executive non independent Director	3
Lalit Gupta	Independent Director	7
Rashmi Prithviraj	Independent Director	4
Natarajan Srinivasan	Independent Director	6

DISCLOSURE OF COMPOSITION OF VARIOUS COMMITTEES AS PER COMPANIES ACT 2013:

A) AUDIT COMMITTEE:

Pursuant to the conversion into a public limited company, and since the paid up capital exceeds Rupees Ten crores, **the board of directors on 12th February 2024 constituted** an Audit Committee as per the provisions of section 177 of the Companies Act, 2013.

Composition of the Audit Committee:

Name of the Member	Designation in Committee
Srinivasan Natarajan	Chairperson
Dr. Lalit Gupta	Member
Jaganmohan Manthena	Member

Your Company has in place Whistle Blower Policy approved by Board of Directors in compliance with provisions of Section 177 (10) of the Companies Act, 2013.

B) NOMINATION AND REMUNERATION COMMITTEE (NRC):

Pursuant to the conversion into a public limited company, and since the paid-up capital exceeds Rupees Ten crores, **the board of directors on 12th February 2024 constituted** Nomination and Remuneration Committee as per the provisions of section 178 of the Companies Act, 2013.



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Composition of NRC:

Name of the Member	Designation in Committee
Srinivasan Natarajan	Chairperson
Rashmi Prithviraj	Member
Jaganmohan Manthena	Member

C) STAKEHOLDER'S RELATIONSHIP COMMITTEE (SRC):

Pursuant to the conversion into a public limited company, the board of directors on 12th February 2024 constituted Stakeholder's Relationship Committee as per the provisions of section 178(5) of the Companies Act, 2013.

Composition of SRC:

Name of the Member	Designation in Committee
Srinivasan Natarajan	Chairperson
Deepak Parasuraman	Member
Kannan Ramakrishnan	Member

COMMITTEE MEETINGS:

During the Financial Year 2023-2024, the Audit Committee met once on 20th March 2024. The date and the attendance of committee is tabled below:

S. No	Date of Meeting	Mr. Srinivasan Natarajan (Chairperson)	Dr. Lalit Gupta (Member)	Wg Cdr Retd Jaganmohan Manthena (Member)
1	20.03.2024	P	P	P

DECLARATION OF INDEPENDENT DIRECTORS:

All independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 of the Companies Act, 2013.

MEETING OF THE INDEPENDENT DIRECTORS:

As required under Clause VII of Schedule IV of the Companies Act, 2013, the Independent Directors held a Meeting on 30th March 2024, without the attendance of Non-Independent Directors and members of Management.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

All Directors including Independent Directors are made familiar with their rights, roles and responsibilities in the company at the time of appointment and also on a recurring basis.

OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR:

In the opinion of the Board, the Independent Directors appointed during the year possess requisite qualifications, proficiency, expertise, track record, integrity, independence and good experience.



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GSTIN : 33AALCA3603M1ZQ

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WEBLINK FOR THE ANNUAL RETURN:

The Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 and Notification of the Ministry of Corporate Affairs dated 28th August, 2020 bearing Notification Number S.O. 2920(E) 432 and G.S.R. 538(E) will be available in the website of the company at <https://afcomcargo.com/> within sixty days from the conclusion of the 11th Annual General Meeting.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

A. Conservation of Energy, Technology Absorption:

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the Company during the year under review.

B. Foreign Exchange earnings and outgo:

Particulars	Details
Earnings in Foreign Exchange	Rs. 1,35,69,64,376 /-
Expenditure in Foreign Exchange	Rs. 99,39,98,978/-

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY:

Key Business Risks are identified by the company and reviewed by the Board of directors. In addition, the Board of Directors and audit committee review the key risks identified and the mitigation plan initiated by the company from time to time. The Board of Directors has formulated a Risk Management Policy identifying the object and purpose of the policy. The risk management policy of the company is available on the website of the Company at <https://afcomcargo.com/investor-info>.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES:

As the amount to be spent by the company towards CSR initiatives doesn't exceed Rs.50 Lakhs and no unspent CSR amount pending for the year under review, constitution of CSR committee was not applicable for the company. In line with the CSR Policy, the company has transferred Rs. 13,62,582/- to PM Cares fund. The brief outline of the CSR policy, CSR spends, and other mandatory disclosures are annexed to this report as **Annexure A**.

COMPANY'S POLICY RELATING TO DIRECTOR'S APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:

Pursuant to Section 178(3) of the Companies Act, 2013, the Board of Directors had framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the company. The policy also lays down the criteria for selection and appointment of Board Members. The Nomination and Remuneration Policy of the company is available on the website of the Company at <https://afcomcargo.com/investor-info>.



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PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

Loans:

There were no loans made by the company under Section 186 of the Companies Act, 2013 during the year under review.

Guarantees:

There were no guarantees made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

Investments:

There were no investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

The details of the related party transactions as required under Section 134(3)(h) read with Rule 8 of the Companies (Accounts) Rules, 2014, is attached as “Annexure-B”.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS:

- i) There were no qualifications, reservations or adverse remarks made by the Auditors in their report.
- ii) The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS:

No significant and material orders have been passed by the regulators, Courts, tribunals impacting the going concern status and Company’s operations in future.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors confirm:

- i) that in the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ending 31st March 2024 and of the profit of the company for that period;
- iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) that the directors had prepared the annual accounts on a going concern basis;
- v) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



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DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE TO BE REPORTED TO THE CENTRAL GOVERNMENT:

There are no such instances reported under sub-section 12 of section 143, by the auditors of the company.

MAINTENANCE OF COST RECORDS:

The Company is not required to maintain cost records as per sub-section (1) of 148 of the Companies Act, 2013.

INTERNAL COMPLAINTS COMMITTEE:

The Company has in place a policy for prevention of sexual harassment in accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The Company did not receive any complaint during the year 2023-2024.

COMPLIANCE WITH SECRETARIAL STANDARDS:

The company has complied with the provisions of Secretarial Standards issued by the Institute of Company Secretaries of India in respect of Meetings of the Board of Directors and General Meetings held during the year.

STATUTORY AUDITORS:

During the year M/s. PPN And Company, Chartered Accountants, were appointed as statutory auditors of the company to fill the casual vacancy caused by resignation of M/s. Guru & Ram LLP at the EGM held on 27th December 2023 for audit of records for the period 2023-2024 and that they shall hold office up to the conclusion of this ensuing annual general meeting. Upon recommendation of the audit committee, the board has proposed to appoint them for a period of two years from the conclusion of this 11th AGM till the conclusion of the 13th AGM of the company.

INTERNAL FINANCIAL CONTROLS:

The Company has maintained, in all material respects, adequate internal financial controls over financial reporting with reference to the financial statement as on March 31, 2024 and such internal financial controls over financial reporting with reference to the financial statements is operating effectively.

PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the year under review, the Company has not filed any application under Insolvency and Bankruptcy Code, 2016 and there are no pending proceedings.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND WHILE TAKING LOAN:

During the period under review, the Company has not opted for any one-time settlement Hence disclosure under this clause is not applicable for the Company.



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ACKNOWLEDGMENT:

Your Directors take this opportunity to place on record their appreciation and gratitude for the cooperation and support extended by all employees, associates, clients, Bankers and Central and State Governments.

Place: CHENNAI
Date: 19th JUNE 2024

On behalf of the Board of Directors of **AFCOM HOLDINGS LIMITED**

	
DEEPAK PARASURAMAN	KANNAN RAMAKRISHNAN
CHAIRMAN AND MANAGING DIRECTOR	WHOLE-TIME DIRECTOR
DIN: 00699855	DIN: 08202306



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Annexure A

CORPORATE SOCIAL RESPONSIBILITY REPORT

1	Brief outline on CSR Policy of the Company	The Company has adopted Schedule VII of Companies Act, 2013. The Company shall undertake CSR initiatives in any of the activities listed in Schedule VII to Companies Act, 2013
2	Composition of CSR Committee	As the amount to be spent by a company towards CSR doesn't exceed Rs.50 Lakhs and no unspent CSR amount pending for the year under review, constitution of Corporate Social Responsibility committee shall not be applicable for the company.
3	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company	https://afcomcargo.com/
4	Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable	Impact Assessment is applicable for companies having average CSR obligation of Rs. Ten crores or more in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years. Since the Company's average CSR obligation does not exceed Rs. Ten crores for immediately preceding financial years, Impact Assessment applicability does not arise.
5	a) Average net profit of the company as per section 135(5)	Rs.6,81,29,114/-
	b) Two percent of average net profit of the company as per section 135(5)	Rs. 13,62,582/-
	c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	Nil
	d) Amount required to be set off for the financial year, if any	Nil
	e) Total CSR obligation for the financial year ((b)+(c)-(d))	Rs. 13,62,582/-
6	a) Amount spent on CSR Projects (both ongoing project and other than ongoing project)	Nil
	b) Amount spent in Administrative Overheads	Nil
	c) Amount spent on Impact Assessment, if applicable	Nil



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d) Total amount spent for the Financial Year [(a)+(b) +(c)]	Nil
e) CSR amount spent or unspent for the Financial Year	Rs. 13,62,582/-

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
13,62,582	Nil	Nil	NA	NA	NA

f) Excess amount for set off, if any:

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	13,62,582/-
(ii)	Total amount spent for the Financial Year	Rs. 13,62,582
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Not applicable
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7 Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under sub section (6) of section 135 (In Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to a fund as specified under Schedule VII as per section 135(5), if any		Amount remaining to be spent in succeeding financial years. (in Rs.)	Deficiency, if any
					Amount (in Rs.)	Date of transfer		
NIL								



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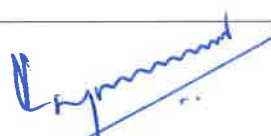
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8	Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year – Yes/No	No
	If yes, enter the number of Capital assets created/ acquired	NA
	Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year	NA

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered Address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

9	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub section (5) of section 135:	Not applicable
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FOR AND ON BEHALF OF THE BOARD OF DIRECTORS AFCOM HOLDINGS LIMITED		
PLACE: CHENNAI		
DATE: 19.06.2024	DEEPAK PARASURAMAN CHAIRMAN AND MANAGING DIRECTOR DIN: 00699855	KANNAN RAMAKRISHNAN WHOLE-TIME DIRECTOR DIN: 08202306



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FORM NO. AOC.2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. The Company has not entered into any contract/arrangement with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 which are not at arms length basis.


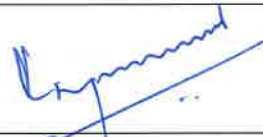
2. Details of material contracts or arrangement or transactions at arm's length basis

S. NO	PARTICULARS	DETAILS
(a)	Name(s) of the related party and nature of relationship	Shreshtha Business Solutions LLP Enterprise having common director.
(b)	Nature of contracts/arrangements/ transactions	Procurement of services
(c)	Duration of the contracts/arrangements/transactions	As and when the requirement arises
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	Rs. 4,02,000/-
(e)	Date(s) of approval / taken note by the Board, if any:	The transactions are at arm's length basis and in the ordinary course of business. Hence approval of the Board is not required.
(f)	Amount paid as advances, if any:	Nil

Date: 19th June 2024

Place: Chennai

On behalf of the Board of Directors of **AFCOM HOLDINGS LIMITED**

Signature		
Name	Deepak Parasuraman	Kannan Ramakrishnan
Designation	Chairman and Managing Director	Whole-time Director
DIN	00699855	08202306


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PPN AND COMPANY

CHARTERED ACCOUNTANTS

No.2, IV Cross Street, Sterling Road, Nungambakkam, Chennai - 600 034.

(Near to Loyola College) Ph: 044-2828 0033, Cell: 98844 48912.

E-mail: info@ppnaco.com | Web: www.ppnaco.com | www.ppnaco.co.in

INDEPENDENT AUDITOR'S REPORT

To the Members of
AFCOM Holdings Limited.,

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of **AFCOM Holdings Limited** (Formerly known as **AFCOM Holdings Private Limited**) (the "Company"), which comprise the Balance Sheet as at 31st March, 2024, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31st March, 2024, and profit, and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

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



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

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's Board Report including Annexures but does not include the financial statements and our auditor's report thereon.
6. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
8. If, based on the work we have performed, we conclude that there is no material misstatement of this other information, we are required to report that fact and we have nothing to report in this regard.

Management's Responsibility for the Financial Statements:

9. 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
10. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
11. The Board of Directors are also responsible for overseeing the Company's financial reporting process.



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

12. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole or free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
13. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - i. Identify and assess the risks of material misstatement of the 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.
 - ii. Obtain an understanding of internal control 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 with reference to financial statements in place and the operating effectiveness of such controls.
 - iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.
 - v. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



14. Materiality is the magnitude of misstatements in the 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.
15. 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.
16. 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.

Report on Other Legal and Regulatory Requirements:

17. As required by the **Companies (Auditor's Report) Order, 2020 ("the Order")**, issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, based on our audited financial statements, we give in "**Annexure - A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
18. As required by Section 143(3) of the Act, we report that:
 - i. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - ii. 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.
 - iii. The Balance Sheet, the Statement of Profit and Loss, and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - iv. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with the Rule 7 of Companies (Accounts) Rules, 2014, as amended.
 - v. On the basis of the written representation received from the directors as on March 31, 2024, taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2024, from being appointed as a Director in terms of Section 164(2) of the Act.



- vi. Reporting with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial control over financial reporting.
- vii. 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/provided by the Company to its directors during the period is in accordance with the provisions of section 197 read with Schedule V to the Act.
- viii. 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 on its financial position in its financial statements – Refer Note No.25 (Other Notes to Accounts) to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;



- c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company did not declare or paid any dividend during the period.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules,2014 is applicable from 1 April 2023. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

For P P N And Company

Chartered Accountants

Firm's Registration No: 013623S

Peer Review Certificate No.013578



D. Hitesh

D. Hitesh

Partner

M. No: 231991

UDIN: 24231991BKEXFM7572

Place: Chennai

Date: 19-06-2024

Annexure - A to the Independent Auditor's Report

(Referred to in paragraph 17 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the period ended 31st March, 2024 we report that:

- i. In respect of the Company's Property, Plant and Equipment.
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (b) According to the information and explanation given to us, all Property, Plant and Equipment have been physically verified by the management during the year, however, there is a regular planned programme of periodical physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every period. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
 - (c) The title deeds of all the immovable properties of the Company are held in the name of the Company.
 - (d) The Company has not revalued any of its Property, Plant and Equipment during the year ended 31st March 2024.
 - (e) There are no proceedings initiated or pending against the Company or are pending against the company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.
- ii. The management has conducted physical verification of inventory at reasonable intervals during the year, except for inventory lying with third parties. In our opinion, the coverage and procedure of such verification by the management is appropriate and no significant discrepancies were noticed. In respect of inventory lying with third parties, these have substantially been confirmed by the third parties. Discrepancies of 10% or more in aggregate for each class of inventories were not noticed on such physical verification and in respect of such confirmations.
- iii. In respect of investments in, or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to any company, firm, LLP, or other parties,
 - (a) The Company has not made investments in, or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to any company, firm, LLP, or other parties during the period, and hence reporting under clause 3(iii)(a) to (f) of the Order is not applicable.



- iv. The Company has not made any loans, investments, guarantees and security on which the provisions of Sections 185 and 186 of the Act are applicable. Therefore the provisions of clause 3(IV) of the said order are not applicable to the company.
- v. According to the information and explanations given to us, the Company has not accepted deposits and does not have any unclaimed deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of the clause 3 (v) of the Order are not applicable.
- vi. Company does not require to maintain cost records as prescribed by the Central Government under section 148(1) of the Act from the reporting period. Accordingly, paragraph 3 (vi) of the Order is not applicable.
- vii. In respect of statutory dues:
- (a) According to the information and explanations given to us and according to the records as produced and examined by us, in our opinion, the Company is regular in depositing with appropriate authorities the undisputed statutory dues including income tax, goods and service tax, duty of customs, duty of excise, cess and other statutory dues applicable to it and there are no arrears of outstanding statutory dues as at 31st March, 2024 for a period of more than six months.
- (b) According to the information and explanations given to us, there were no dues in respect of income tax, goods and service tax, duty of custom, duty of excise, cess and other statutory dues which have not been deposited on account of any dispute. However, the demand in dispute is disclosed under contingent liabilities (Refer Point 1 (A) in Note: 25 Other Notes on Accounts)
- viii. According to the information and explanation given to us and on the basis of our examination of the records, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3 (viii) of the Order is not applicable.
- ix. In respect of loans and other borrowings:
- (a) The Company has not defaulted in repayments of loans or other borrowings or in the payment of interest thereon from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared a wilful defaulter by any bank or financial institution or any other lender.
- (c) The Company has taken term loan and the same were applied for the purpose for which the loans were obtained.
- (d) On examination of the financial statements of the Company, Company has not raised any funds on short term basis which has been used for long-term purposes hence reporting under clause 3(ix)(d) of the Order is not applicable.



- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of hence reporting on clause 3(ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans on the pledge of securities held in its subsidiaries, associate companies during the period and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. In respect of public offer:
- (a) The Company has not raised any money by way of initial public offer during the year.
- (b) During the year, the Company has made preferential allotment of shares and the requirements of section 42 and section 62 of the Companies Act, 2013 has been complied with and the funds raised have been used for the purpose for which the funds were raised.
- xi. In respect of Fraud:
- (a) According to the information and explanations given to us, during the period. Company has not noticed any fraud by the Company or on the Company.
- (b) No reportable fraud has been committed by the Company hence Form ADT-4 has not been filed by the auditors as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) During the period Company has not received any whistle-blower complaints to be considered by the auditors.
- xii. Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. The transactions entered by the Company with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been properly disclosed in the financial statements as required by the applicable accounting standards.
- xiv. In respect of internal audit system:
- (a) The Applicability of Internal Audit do not arise as per sec 138 of the companies act 2013 for the reporting period.
- (b) As Internal audit not applicable for the company, paragraph 3(xiv) of the Order for reporting about the internal audit is not applicable.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order for reporting the provisions of section 192 of the Companies Act is not applicable.
- xvi. Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) (a), & (b) of the Order is not applicable and Company is



not a Core Investment Company and there is no core investment company within the group. Accordingly, paragraph 3(xvi) (c) & (d) of the Order is not applicable.

- xvii. The Company has not incurred any cash loss during the financial period covered by our audit and immediately preceding financial period.
- xviii. During the year, the previous Statutory Auditor M/s. Guru & Ram LLP, tendered their resignation due to other professional engagements on 16th October 2023. Subsequently we were appointed as the Statutory Auditors of the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one period from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one period from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us, company is liable to adhere Corporate Social Responsibility compliance under section 135 of the Companies Act, 2013 for the FY23-24. The company has contributed Rs 13,88,717/- for the FY23-24. (Refer Point-18 in Notes to accounts)
- xxi. Company doesn't have subsidiaries or associate entities to prepare Consolidated Financial Statement. Accordingly, reporting under Paragraph 3(xxi) of the order is not applicable for the period.

Place: Chennai
Date: 19-06-2024

For P P N And Company
Chartered Accountants
Firm's Registration No: 013623S
Peer Review Certificate No.013578



D. Hitesh
D. Hitesh
Partner
M. No: 231991
UDIN: 24231991BKEXFM7572

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 14(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report)

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

We have audited the internal financial controls over financial reporting of **AFCOM Holdings Limited** (the “Company”) as of **March 31, 2024** 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. 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, 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 authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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 P P N And Company
Chartered Accountants**

Firm's Registration No: 013623S

Peer Review Certificate No.013578



**D. Hitesh
Partner**

M. No: 231991

UDIN: 24231991BKEXFM7572

Place: Chennai

Date: 19-06-2024

AFCOM HOLDINGS LIMITED
(Formerly Known as AFCOM HOLDINGS PRIVATE LIMITED)
CIN : U51201TN2013PLC089652
No. 2 LIC Colony, Dr. Radhakrishnan Nagar, Thiruvanniyur, Chennai - 600 041

Balance Sheet as at March 31, 2024

(All amounts are in ₹. lakhs unless stated)

Particulars	Note No.	As at March 31,	As at March 31,
		2024	2023
I. EQUITY AND LIABILITIES			
1 SHAREHOLDERS' FUNDS			
(a) Share Capital	1	1,802.13	1,760.38
(b) Reserves and Surplus	2	8,522.80	5,573.61
2 NON-CURRENT LIABILITIES			
(a) Long-Term Borrowings	3	18.36	-
(b) Long-Term Provisions	4	34.05	10.35
3 CURRENT LIABILITIES			
(a) Short-Term Borrowings	5	1,829.17	47.60
(b) Trade Payables	6		
(i) Total outstanding dues to Micro, Small & Medium Enterprises		0.30	-
(ii) Total outstanding dues other than Micro, Small & Medium Enterprises		389.19	147.21
(c) Other Current Liabilities	7	274.06	379.91
(d) Short-Term Provisions	8	889.81	365.98
TOTAL EQUITY AND LIABILITIES		13,759.87	8,285.04
II. ASSETS			
1 NON-CURRENT ASSETS			
(a) Property, Plant & Equipment and Intangible Assets			
(i) Property, Plant & Equipment	9	41.65	25.99
(ii) Intangible Asset			
(iii) Capital work-in-progress		1,222.04	1,222.04
(b) Deferred Tax Assets (Net)	10	6.44	2.21
(c) Other Non-Current Assets	11	606.38	529.51
2 CURRENT ASSETS			
(a) Inventories	12	1,569.16	920.91
(b) Trade Receivables	13	2,262.82	1,432.28
(c) Cash & Cash Equivalents	14	309.63	671.26
(d) Short-Term Loans and Advances	15	2,932.03	-
(e) Other Current Assets	16	4,809.72	3,480.84
TOTAL ASSETS		13,759.87	8,285.04

Company overview, Significant Accounting Policies & Other notes on accounts **24 & 25**

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board of Directors of
AFCOM HOLDINGS LIMITED
(Formerly Known as Afcom Holdings Private Limited)

As per our Report on even date
For P P N AND COMPANY
Chartered Accountants
Firm Reg No: 013623S
Peer Review Certificate No. 013578


Deepak Parasuraman
Managing Director
DIN: 00699855





Kannan Ramakrishnan
Director
DIN: 08202306




D Hitesh
Partner
M.No: 231991
UDIN: 24231991BKEXFM7572

Place: Chennai
Date: 19-06-2024


Sneka Seshadri
Company Secretary cum Compliance Officer
M. No. A41789


P.K. Raghunathan
Chief Financial Officer

Place: Chennai
Date: 19-06-2024

AFCOM HOLDINGS LIMITED
(Formerly Known as AFCOM HOLDINGS PRIVATE LIMITED)
CIN : U51201TN2013PLC089652
No. 2 LIC Colony, Dr. Radhakrishnan Nagar, Thiruvanmiyur, Chennai - 600 041

Statement of Profit and Loss for the Period ended March 31, 2024

(All amounts are in ₹. lakhs unless stated)

Particulars	Note No.	For the year ended	For the year ended
		March 31, 2024	March 31, 2023
I Revenue From Operations	17	14,754.55	8,414.42
II Other Income	18	63.72	82.92
III Total Income (I+II)		14,818.27	8,497.34
IV Expenses			
Cost of Consumption & Other Direct Expenses	19	10,183.33	5,622.62
Employee Benefits Expense	20	634.15	657.13
Finance Costs	21	197.35	94.29
Depreciation & Amortisation Expenses	22	7.98	5.67
Other Expenses	23	363.57	297.55
Total Expenses (IV)		11,386.37	6,677.26
V Profit Before Exceptional and Extraordinary Items and Tax (III-IV)		3,431.90	1,820.08
VI Exceptional Items		-	-
VII Profit before extraordinary items and tax (V-VI)		3,431.90	1,820.08
VIII Extraordinary items		-	-
Prior Period Item		3.41	-
IX Profit before tax (VII-VIII)		3,428.49	1,820.08
X Tax Expense:			
(1) Current Tax		(888.20)	(452.80)
(2) Deferred Tax		3.88	2.30
XI Profit (Loss) for the period from continuing operations (IX-X)		2,544.16	1,369.59
XII Profit (Loss) for the period from discontinuing operations		-	-
XIII Tax expenses of discontinuing operations		-	-
XIV Profit (Loss) for the period from discontinuing operations (after tax) (XII-XIII)		-	-
XV Profit/(Loss) For The Period (XI+XIV)		2,544.16	1,369.59
XVI Earnings per equity share: (In ₹ Per share)			
Pre Bonus Issue			
(1) Basic		14.38	8.01
(2) Diluted		14.38	8.01
Post Bonus Issue			
(1) Basic		14.38	8.01
(2) Diluted		14.38	8.01

Significant Accounting Policies, Overview & Other notes on accounts 24 & 25

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board of Directors of
AFCOM HOLDINGS LIMITED
(Formerly Known as Afcocom Holdings Private Limited)

As per our Report on even date
For P P N AND COMPANY
Chartered Accountants
Firm Reg No: 013623S
Peer Review Certificate No. 013578


Deepak Parasuraman
Managing Director
DIN: 00699855




Kannan Ramakrishnan
Director
DIN: 08202306




D Hitesh
Partner
M.No: 231991
DIN: 24231991BKEXFM7572

Place: Chennai
Date: 19-06-2024


Sneka Seshadri
Company Secretary cum Compliance Officer
M. No. A41789


P.K. Raghunathan
Chief Financial Officer

Place: Chennai
Date: 19-06-2024

AFCOM HOLDINGS LIMITED
(Formerly Known as AFCOM HOLDINGS PRIVATE LIMITED)
CIN : U51201TN2013PLC089652
No. 2 LIC Colony, Dr. Radhakrishnan Nagar, Thiruvanmiyur, Chennai - 600 041

Statement of Cash Flow for the Period ended March 31, 2024

(All amounts are in ₹. lakhs unless stated)

Particulars	As at March 31. As at March 31.	
	2024	2023
A CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Profit Before Tax	3,431.90	1,820.08
Adjustments for:		
Depreciation	7.98	5.67
Provision for Gratuity	24.56	10.35
Interest Expenses	174.08	86.58
Bonus shares issued	-	(1,440.31)
Intangible Assets Written Off	-	0.28
Unrealised Forex gain/loss	(29.34)	-
Interest Income	(7.25)	(0.02)
Operating Profit before working capital changes:	3,601.93	482.64
Adjustments for changes in working capital:		
(Increase)/Decrease in Trade Receivables	(830.54)	123.91
(Increase)/Decrease in Inventories	(648.25)	(920.91)
(Increase)/Decrease in Other Current assets	(1,299.55)	(1,989.47)
Decrease/(Increase) in Short term loans and advances	(2,932.03)	(1,099.27)
Increase/(Decrease) in Trade and Other payables	242.28	32.49
Increase/(Decrease) in Other Current Liabilities & provisions	(105.85)	234.40
Cash generated from Operations	(1,972.00)	(3,136.22)
Less: Income Taxes	(368.99)	(136.33)
NET CASH FROM OPERATING ACTIVITIES (A)	(2,340.99)	(3,272.55)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Interest Received	7.25	0.02
Acquisition of Property, Plant & Equipment	(23.64)	(1,227.49)
(Increase)/Decrease in Other Non Current assets	(76.87)	(50.00)
NET CASH USED IN INVESTING ACTIVITIES (B)	(93.26)	(1,277.47)
C CASH FLOWS FROM FINANCING ACTIVITIES		
Interest Paid	(174.08)	(86.58)
Proceeds from Issuance of Share capital	446.78	5,210.60
Increase/(Decrease) in Long-Term Borrowings	18.36	-
Increase/(Decrease) in Short Term Borrowings	1,781.56	43.77
NET CASH USED IN FINANCING ACTIVITIES (C)	2,072.63	5,167.80
Exchange difference on Realized (Loss)/Gain	-	-
D NET INCREASE IN CASH AND CASH EQUIVALENT (A+B+C)	(361.63)	617.78
Opening Cash and Cash Equivalents	671.26	53.49
CLOSING CASH AND CASH EQUIVALENT	309.63	671.26
Reconciliation of Cash and Cash Equivalents with the Balance Sheet:		
Cash & Cash Equivalent as per Balance Sheet	309.63	671.26
Cash & Cash Equivalent at the End of the Period	309.63	671.26

For and on behalf of the Board of Directors of
AFCOM HOLDINGS LIMITED
(Formerly Known as Afcom Holdings Private Limited)

As per our Report on even date
For P P N AND COMPANY
Chartered Accountants
Firm Reg No: 013623S
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Deepak Parasuraman
Managing Director
DIN: 00699855




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Director
DIN: 08202306




D Hitesh
Partner
M.No: 231991
UDIN: 24231991BKEXFM7572

Place: Chennai
Date: 19-06-2024


Sneka Seshadri
Company Secretary cum Compliance Officer
M. No. A41789


P.K. Raghunathan Place: Chennai
Chief Financial Officer Date: 19-06-2024

AFCOM HOLDINGS LIMITED

Notes to Financial Statements for the Period ended March 31, 2024

(All amounts are in ₹. lakhs unless stated)

Note: 1 Share Capital

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
a) Number and Amount of Equity Shares Authorised #	2,50,00,000	2,500.00	2,40,00,000	2,400.00
b) (i) Number and Amount of Equity Shares Issued, Subscribed and Paid-Up @	1,80,21,306	1,802.13	1,76,03,751	1,760.38
(ii) Number and Amount of Equity Shares Subscribed but not fully Paid-Up	-	-	-	-
Total b (i) + b (ii)	1,80,21,306	1,802.13	1,76,03,751	1,760.38
c) Par value per Equity share (in ₹ each)	10		10	

Note

Authorised capital was increased from 2,40,00,000 equity shares to 2,50,00,000 equity shares vide members resolution and approval on 30/09/2023

Particulars	As at March 31,	As at March 31,
	2024	2023
Shares outstanding at the beginning of the year	1,76,03,751	24,98,776
Shares Issued for consideration during the year*	4,17,555	7,01,906
Shares issued through bonus during the year **	-	1,44,03,069
Shares bought back during the year	-	-
Shares outstanding at the end of the year	1,80,21,306	1,76,03,751

Notes:

*For the FY23-24, 417555 equity shares issued through preferential allotment for consideration vide allotment dated 19-01-2024.

** 14,40,30,069 equity shares were allotted as fully paid bonus shares by capitalisation of securities premium by the company as on 28-03-2023. The company has allotted Bonus Shares on 21-04-2023 in the ratio of 18 shares for every 4 shares held vide its members resolution passed in EGM 28-03-2023.

a) Details of shareholders holding more than 5% of shares:

Name of the Shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of Shares held	% of Holding	Number of Shares held	% of Holding
Deepak Parasuraman	44,10,422	24.47%	45,40,426	25.79%
Jaganmohan Manthena	13,27,183	7.36%	15,91,432	9.04%
Manjula Annamalai	35,57,175	19.74%	32,92,926	18.71%
Thiagaraja Annamalai	10,85,106	6.02%	10,85,106	6.14%
Shreshtha Business Solutions LLP	-	0.00%	10,29,639	5.85%
Rajasthan Global Securities Pvt Ltd	-	0.00%	10,34,908	5.88%
Total	1,03,79,886	57.60%	1,25,74,436	71.41%

b) Shareholding of Promoters

Promoter Name	No. of Shares at the end of the Period	No. of Shares at the beginning of the year
Deepak Parasuraman	44,10,422	45,40,426
Jaganmohan Manthena	13,27,183	15,91,432
Manjula Annamalai	35,57,175	32,92,926
Kannan Ramakrishnan	2,42,325	-
Total	95,37,105	94,24,784

Note: 2 Reserves and Surplus

Particulars	As at March 31,	As at March 31,
	2024	2023
(a) Security Premium		
Opening Balance	4,533.95	2,254.16
Add: Additions during the year	405.03	3,720.10
Less: Bonus Shares issued	-	(1,440.31)
Closing Balance	4,938.98	4,533.95
(b) Surplus		
Opening Balance	1,039.66	(329.93)
Add: Additions during the Year	2,544.16	1,369.59
Less: Transferred to General Reserves	-	-
Closing Balance	3,583.82	1,039.66
Total	8,522.80	5,573.61

DPK



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AFCOM HOLDINGS LIMITED
Notes to Financial Statements for the Period ended March 31, 2024

(All amounts are in ₹. lakhs unless stated)

*Note : Adjustments due to prior period errors

Particulars	As at March 31,	As at March 31,
	2024	2023
Adjustments in Reserves due to Adjustments in Deferred Tax Calculation	0.36	-
Adjustments in Reserves due to Provision of Gratuity	0.78	-
Adjustments in Reserves due to Provision for Taxation	(4.55)	-
Total	(3.41)	-

Note: 3 Long-Term Borrowings

Particulars	As at March 31,	As at March 31,
	2024	2023
Secured		
a) From NBFC (Refer Note)	18.36	-
Unsecured		
a) From Directors	-	-
Total	18.36	-

*Note

The Below loan was obtained from Mahindra & Mahindra Financials services for purchase car -XUV 700 by hypothecation of car. The Charge was not created for the loan by the company.

Particulars	Terms of Repayment (in months)	Rate of Interest (p.a.)	No of O/S Instalments (in months)	Instalment Amount (Rs. In Lakhs)	Starting Date	Closing Balance as at 31-03-24 (Amount in Lakhs)
Mahindra & Mahindra Financial Services Limited	60	8.99%	51	0.53	15-08-2023	22.88
Less: Current Maturities classified under Short Term Borrowings						4.52
Long Term Borrowings						18.36

Note: 4 Long-Term Provisions

Particulars	As at March 31,	As at March 31,
	2024	2023
a) Provision for Gratuity	34.05	10.35
Total	34.05	10.35

Note: 5 Short-Term Borrowings

Particulars	As at March 31,	As at March 31,
	2024	2023
Secured		
a) Bank Overdraft	199.94	-
b) Current Maturities of Long-term borrowings - From NBFC	4.52	2.06
Unsecured		
c) Loan repayable on Demand		
From related parties	604.65	45.54
From Bank	6.39	-
From NBFC & Other Corporates*	1,013.65	-
Total	1,829.17	47.60

*Note

A Loan was availed against the Personal Guarantee of Director and Properties of the Promoters of the Company.

Nature of Facility	Name of Institution/Banks	Rate of Interest	-	-	Nature of Security
Cash credit	HDFC Bank	11.25%			Current assets, FD and PG of Promoters
Term Loan	Share India Fincap Private limited	16.00%			Personal Guarantee of Capt. Deepak Parasuraman and Mr Kannan Ramakrishnan and Properties*

The Company also has Sales bill discounting facility of Rs 2000 lakhs with HDFC Bank and Rs 1200 Lakhs with indusind Bank.

* Property 1: Survey no 1580/1, area 1 acre 64 cent land, located at Tuticorin district

* Property 2: Survey no 1569, area of 2 acre 58 cent land, located at Tuticorin district

Note: 6 Trade Payables

Particulars	As at March 31,	As at March 31,
	2024	2023
(a) Total outstanding dues of Micro, Small & Medium Enterprises	0.30	-
(b) Total outstanding dues other than Micro, Small & Medium Enterprises	389.19	147.21
Total	389.49	147.21



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AFCOM HOLDINGS LIMITED

Notes to Financial Statements for the Period ended March 31, 2024

(All amounts are in ₹. lakhs unless stated)

Ageing Schedule**a) Trade Payables ageing schedule For the period ended March 31, 2024**

Particulars	Outstanding for following periods			Total
	0 - 1 year	1 - 2 Years	More than 2 Years	
(i) MSME	0.30	-	-	0.30
(ii) Others	385.49	3.70	-	389.19

b) Trade Payables ageing schedule For the year ended March 31, 2023

Particulars	Outstanding for following periods			Total
	0 - 1 year	1 - 2 Years	More than 2 Years	
(i) MSME	-	-	-	-
(ii) Others	146.56	0.65	-	147.21

Disclosure required as per MSMED Act, 2006

Particulars	As at March 31, 2024
(a) Dues remaining unpaid to any supplier at the end of each accounting year	
-Principal	0.30
-Interest on the above	0.00
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	
(d) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	

Note : Based on the information available with the Company, there are no dues to Small and Micro enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006. The information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Note: 7 Other Current Liabilities

Particulars	As at March 31,	As at March 31,
	2024	2023
a) ESI & PF Payable	1.61	0.83
b) TDS & TCS Payable	86.23	158.56
c) GST Payable	-	163.14
d) Salary Payable	163.68	46.14
e) Audit Fees Payable	20.25	11.25
f) Professional Tax Payable	-	-
g) Other Payables	2.29	-
Total	274.06	379.91

Note: 8 Short-Term Provisions

Particulars	As at March 31,	As at March 31,
	2024	2023
a) Provision for Tax	889.72	365.98
b) Provision for Gratuity	0.09	-
Total	889.81	365.98

Note: 9 (i) Property, Plant & Equipment Attached Separately**Note: 10 Deferred Tax Assets (Net)**

Particulars	As at March 31,	As at March 31,
	2024	2023
Opening Balance	2.21	(0.09)
Prior Period Adjustment	0.34	-
Add: Deferred Tax Expense for the Year	3.88	2.30
Total	6.44	2.21

Note: 11 Other Non-Current Assets

Particulars	As at March 31,	As at March 31,
	2024	2023
a) Fixed Deposits with banks*	106.54	50.02
b) Rental Deposit	499.84	479.49
Total	606.38	529.51

*Lien marked in favour of HDFC Bank Ltd, against Cash Credit Limit



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AFCOM HOLDINGS LIMITED

Notes to Financial Statements for the Period ended March 31, 2024

(All amounts are in ₹. lakhs unless stated)

Note: 12 Inventories

Particulars	As at March 31,	As at March 31,
	2024	2023
Spares/Rotables/Consumables	1,569.16	920.91
Total	1,569.16	920.91

Note: 13 Trade Receivables

Particulars	As at March 31,	As at March 31,
	2024	2023
a) Trade receivable considered good – Unsecured	2,262.82	1,432.28
Total	2,262.82	1,432.28

Ageing Schedule

A. Trade Receivables ageing schedule For the period ended March 31, 2024

Particulars	Outstanding for following periods from due date of payment				Total
	< 6 Months	6 Months - 1 Year	1 - 2 Years	More than 2 Years	
(i) Undisputed Trade Receivables - Considered good	2,262.78	-	0.04	-	2,262.82
Total:	2,262.78	-	0.04	-	2,262.82

A. Trade Receivables ageing schedule For the year ended March 31, 2023

Particulars	Outstanding for following periods from due date of payment				Total
	< 6 Months	6 Months - 1 Year	1 - 2 Years	More than 2 Years	
(i) Undisputed Trade Receivables - Considered good	1,427.84	0.32	4.12	-	1,432.28
Total:	1,427.84	0.32	4.12	-	1,432.28

Note: 14 Cash & Cash Equivalents

Particulars	As at March 31,	As at March 31,
	2024	2023
a) Balance with Banks	302.11	671.17
b) Cash in hand	7.52	0.09
Total	309.63	671.26

Note: 15 Short-Term Loans and Advances

Particulars	As at March 31,	As at March 31,
	2024	2023
a) GST Input	32.02	-
b) Prepaid Expense	2,900.01	-
Total	2,932.03	-

Note: 16 Other Current Assets

Particulars	As at March 31,	As at March 31,
	2024	2023
a) TDS & TCS Receivable	21.86	10.45
b) Other Short Term Advances	361.52	636.20
c) Trade/Security Deposits and Other Deposits	4,361.58	2,834.19
d) Prepaid Insurance	64.77	-
Total	4,809.72	3,480.84

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AFCOM HOLDINGS LIMITED
CIN : U51201TN2013PLC089652

Note to Financial Statements of the Period ended March 31, 2024
Changes in the carrying amounts of each class of assets for the Period ended March 31, 2024

Note: 9 (i) Property, Plant & Equipment Attached Separately

Particulars	Depreciation Schedule For the period 31st March 2024										Net Block Closing Balance for the period ended 31st March 2024
	Gross Block					Accumulated Depreciation					
	April 1, 2023	Additions for the Period 31st March 2024	Deletions for the Period 31st March 2024	Closing Balance for the period ended 31st March 2024	April 1, 2023	Depreciation for the Period till 31st March 2024	Accumulated Depreciation on deletion	Closing Balance for the period ended 31st March 2024			
Office Equipment	7.97	-	-	7.97	4.44	1.26	-	5.70			2.28
Computer and Computer Software	9.07	2.27	-	11.34	4.88	2.35	-	7.22			4.12
Furniture and Fittings	17.33	-	-	17.33	3.30	1.65	-	4.95			12.38
Motor Vehicle - Motor car	7.45	21.37	-	28.82	4.01	2.62	-	6.62			22.20
Motor Vehicle - Motor cycle	1.17	-	-	1.17	0.39	0.11	-	0.50			0.67
Sub Total	43.00	23.64	-	66.65	17.02	7.98	-	25.00			41.65
Capital Work In Progress	1,222.04	-	-	1,222.04	-	-	-	-			1,222.04
TOTAL (A)	1,265.04	23.64	-	1,288.69	17.02	7.98	-	25.00			1,263.69



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AFCOM HOLDINGS LIMITED

Notes to Financial Statements for the Period ended March 31, 2024

(All amounts are in ₹. lakhs unless stated)

Note: 17 Revenue From Operations

Particulars	For the year ended	For the year ended
	March 31,	March 31,
	2024	2023
Sale of Services		
(a) Local	1,184.91	213.42
(b) Export	13,569.64	8,201.00
Total	14,754.55	8,414.42

Note: 18 Other Income

Particulars	For the year ended	For the year ended
	March 31,	March 31,
	2024	2023
Interest income from FD	7.25	0.02
Net Foreign Exchange Gain	45.80	58.75
Other Non-operating Income	10.67	24.14
Total	63.72	82.92

Note: 19 Cost of Consumption & Other Direct Expenses

Particulars	For the year ended	For the year ended
	March 31,	March 31,
	2024	2023
Cost of operations	-	-
Purchases of Stock in Trade	-	-
Water Expense	-	-
Power and Fuel	-	-
Changes in Inventories	-	-
Total - Cost of Consumption (i)	-	-

Other Direct Expenses

Particulars	For the year ended	For the year ended
	March 31,	March 31,
	2024	2023
Aircraft Charter Fee	9,884.40	5,494.29
Rental Charges Paid- AAI	36.91	29.84
Cargo management software charges	69.47	91.33
Professional and technical services charges	192.54	7.16
Consumption of materials and spares(Refer note below)	-	-
Total - Other Direct Expenses (ii)	10,183.33	5,622.62

Consumption of Materials Spares & Consumables

Particulars	For the year ended	For the year ended
	March 31,	March 31,
	2024	2023
Opening Stock of Spares and Consumables	920.91	-
Add: Purchases of Spares and Consumables for Aircraft Maintenance	648.25	920.91
Less: Closing Stock	(1,569.16)	(920.91)
Total - Consumption of Material Spares and Consumables (iii)	-	-
Grand Total (i+ii+iii)	10,183.33	5,622.62

Note: 20 Employee Benefits Expense

Particulars	For the year ended	For the year ended
	March 31,	March 31,
	2024	2023
Salaries & Wages	572.75	622.87
Employee Gratuity	24.56	10.35
Employer Contribution to PF	7.92	1.74
Staff Welfare	28.93	22.17
Total	634.15	657.13

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AFCOM HOLDINGS LIMITED

Notes to Financial Statements for the Period ended March 31, 2024

*(All amounts are in ₹. lakhs unless stated)***Note: 21 Finance Costs**

Particulars	For the year ended	For the year ended
	March 31,	March 31,
	2024	2023
Interest Expenses -Borrowings	100.26	13.68
Interest Expenses -Statutory	73.72	12.05
Interest Expenses -Others	0.10	60.85
Bank Charges	23.26	7.71
Total	197.35	94.29

Note: 22 Depreciation & Amortisation Expenses

Particulars	For the year ended	For the year ended
	March 31,	March 31,
	2024	2023
Depreciation on Tangible Assets	7.98	5.67
Total	7.98	5.67

Note: 23 Other Expenses

Particulars	For the year ended	For the year ended
	March 31,	March 31,
	2024	2023
Advertisement Expenses	8.36	21.15
Audit Fees	17.50	12.50
Electricity Charges	4.42	6.56
Other Expenses	20.18	21.75
Printing and Stationery	3.00	2.35
Bad Debts	4.30	-
Management Consultancy & Other Professional Charges	126.47	109.90
Rates and Taxes	19.96	6.96
CSR Expenses Paid	13.89	-
Insurance Expenses	1.82	-
Office Rental Expense	62.15	33.22
Repairs & Maintenance	2.66	6.11
Travelling, Boarding & Lodging Expenses	77.36	75.98
Vehicle Maintenance	1.49	1.08
Total	363.57	297.55



S. Sankar



AFCOM HOLDINGS LIMITED
(Formerly Known as AFCOM HOLDINGS PRIVATE LIMITED)
CIN : U51201TN2013PLC089652

No. 2 LIC Colony, Dr. Radhakrishnan Nagar, Thiruvanniyur, Chennai - 600 041

Notes to Standalone Financial Statements for the Period Ended March 31, 2024

24. Company Overview & Significant Accounting Policies

I Company Overview

AFCOM Holdings Private Limited having CIN:U51201TN2013PTC089652 was incorporated on February 15, 2013 under the provisions of the Companies Act 1956, and is having its registered office at 2, LIC Colony, Dr. Radhakrishnan Nagar, Thiruvanniyur, Chennai 600041, Tamil Nadu, India and having its corporate offices at 3rd Floor, Indiqube, Plot No 16(NP), SIDCO Industrial Estate, Ekkatuthangal, Guindy, Chennai - 600032 and at Integrated Air Cargo Complex, Phase III, 2 nd floor, Meenambakkam, Chennai-600027. Subsequently, Company was converted into Public Limited Company vide special resolution passed by our shareholders at the Extra Ordinary General Meeting held on 27/03/2023 and the name of the Company was changed to AFCOM Holdings Limited ("the Company" or the "Issuer") pursuant to issuance of Fresh Certificate of Incorporation dated 11/07/2023 under Companies Act 2013 by Registrar of Companies, Chennai with Corporate Identification Number U51201TN2013PLC089652.

1) To establish organize, manage, run, charter, conduct, contract, develop, handle, own and operate all types of aircrafts, air buses, aeroplanes, seaplanes, flying boats, hover crafts, helicopters, and other crafts used in air transport for the carriage of passengers, goods, mails and other items on all routes and lines on national and international level, subject to the laws in force and to act as commission agents, booking agents, indenting agents, travel agents, fleet owners, garage owners service station owners, cargo superintendents, cargo owners, loading and unloading contractors, couriers, liasioners, charters, package tour operators, and to do all incidental acts and things necessary for the attainment of the above objects.

2)To invest, promote, establish, administer, maintain Special Purpose Vehicles in the form of corporate entities, Limited Liability Partnerships or any other form of known business structures with the object of carrying on business of the Company.

II Significant Accounting Policies

I Basis of Preparation:

The Financial Statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards prescribed by the Companies (Accounting Standards) Rules, 2021.

2 Revenue Recognition:

Company derives revenue primarily from Air Cargo Freight income and other value-added services income are accounted when the shipment is delivered net off deductions by parties with necessary provisions for all known liabilities and losses. Revenue is recognised to the extent it is realisable. The Company recognises revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service(asset) to a customer.

Company recognizes revenue in an amount that reflects the consideration Company expects in exchange for satisfying performance obligations to transfer the goods or services promised in contracts with customers. An asset is transferred when (or as) the customer obtains control of that asset. This is in accordance with the following steps:

"Step 1: Identify the contract(s) with a customer.

Step 2: Identify the performance obligations in the contract.

Step 3: Determine the transaction price.

Step 4: Allocate the transaction price to the performance obligations in the contract.

Step 5: Recognize revenue when (or as) Company satisfies a performance obligation."

The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time at the inception of the contract.

"For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.



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AFCOM HOLDINGS LIMITED
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No. 2 LIC Colony, Dr. Radhakrishnan Nagar, Thiruvanniyur, Chennai - 600 041

Notes to Standalone Financial Statements for the Period Ended March 31, 2024

The Company transfers control of a good or service over time and therefore satisfies a performance obligation and recognises revenue over a period of time if one of the following criteria is met:"

- (a) the customer simultaneously consumes the benefit of the Company's performance or
- (b) the customer controls the asset as it is being created/enhanced by the Company's performance or
- (c) there is no alternative use of the asset and the Company has either explicit or implicit right of payment considering legal precedents."

In all other cases, performance obligation is considered as satisfied at a point in time.

Revenue from subsidiaries is recognised based on transaction price which is at arm's length.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is received from customer or due, whichever is earlier. Contract liabilities are recognised as revenue when the Company performs under the contract.

Incremental costs of obtaining a contract and costs to fulfill a contract are recognized as assets when the Company expects to recover these costs. The incremental costs of obtaining a contract are those costs that would not have been incurred if the contract had not been obtained. Costs to fulfill a contract are those costs that are directly related to a contract or to an anticipated contract and that generate or enhance resources for Company to satisfy its performance obligations. Company applies a practical expedient and recognizes the incremental costs of obtaining a contract as an expense when incurred if the amortization period of the asset that would have been recognized is one year or less.

Revenue is recognized net of any taxes collected from customers and subsequently remitted to governmental authorities.

Freight

Freight income and other value added services income are accounted when the shipment is delivered net off claims & deductions by parties with necessary provisions for all known liabilities and losses. Revenue is recognised to the extent it is realisable wherever there is certainty in the ultimate collection. Freight charges i.e. Vehicle hire charges is accounted on completion of the trip.

Claims

Year-end liability in respect of claims for loss and damages is provided as calculated by claims recovery agents.

Interest Income : Revenue is recognized on the time proportion basis after taking into account the amount outstanding and the rate applicable.

Other Income : Other items of income and expenditure are recognized on accrual basis and as a going concern basis, and the accounting policies are consistent with the generally accepted accounting policies.

3 Property Plant and Equipment Including Intangible Assets:

Property Plant and Equipments are stated at cost, less accumulated depreciation. Cost includes cost of acquisition including material cost, freight, installation cost, duties and taxes, and other incidental expenses, incurred up to the installation stage, related to such acquisition. Property Plant and Equipments purchased in India in foreign currency are recorded in Rupees, converted at the exchange rate prevailed on the date of purchase. Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss.

Capital work-in-progress represents property, plant and equipment that are not yet ready for their intended use as at the balance sheet date. The Capital WIP includes special tools, materials and ground handling equipments purchased for Dry lease mode of operation which is yet to commence. Therefore identified as not yet ready for their intended use as the date of balance sheet.

4 Depreciation & Amortisation:

The Company has applied the estimated useful lives as specified in Schedule II of the Companies Act 2013 and calculated the depreciation as per the Straight Line Method (SLM). Where a significant component (in terms of cost) of an asset has an economic useful life shorter than that of its corresponding assets, the component is depreciated over its shorter life. Depreciation on new assets acquired during the year is provided on pro rata basis from the date of such additions. Depreciation on asset sold, discarded or demolished during the year is being provided upto the date in which such assets are sold, discarded or demolished. Depreciation in respect of property / plant and equipment costing less than Rs.5000/- is provided at 100%.



S. Srinika



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No. 2 LIC Colony, Dr. Radhakrishnan Nagar, Thiruvanniyur, Chennai - 600 041

Notes to Standalone Financial Statements for the Period Ended March 31, 2024

Intangible assets are amortised on a straight-line basis over the estimated useful life as specified in Schedule II of the Companies Act 2013. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss. In respect of the assets sold during the year, amortisation is provided from the beginning of the year till the date of its disposal.

The estimated useful lives of assets are as follows:

Useful Life of Property, Plant and Equipments

Category	Schedule - II Part 'C'	Useful life
Computer & Accessories	XII (ii)	3 years
Furniture & Fittings	V (i)	10 years
Office Equipments	XI	5 Years
Plant & Machinery	IV (i) (a)	10 years
Vehicles	VI (3)	8 years
Vehicles	VI (1)	10 years

5 Impairment of Assets:

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognised wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. Reversal of impairment loss is recognised immediately as income in the profit and loss account.

6 Use of Estimates:

The preparation of the financial statements in conformity with Generally Accepted Accounting Principles requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, income taxes, post - sales customer support and the useful lives of Property Plant and Equipments and intangible assets.

7 Inventories:

Inventory of consumables/spares and loose tools are valued at lower of cost and net realisable value. The cost is calculated at purchase price and expenditure directly attributable to the acquisition of such inventories for bringing them to their present location.

8 Trade Receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

9 Foreign Currency Transactions:

Domestic Operation:

I. Initial Recognition :

A foreign currency transactions are recorded, on initial recognition in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

II . Measurement :

Foreign currency monetary items are reported using the closing rate.

Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction

Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.



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AFCOM HOLDINGS LIMITED
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CIN : U51201TN2013PLC089652

No. 2 LIC Colony, Dr. Radhakrishnan Nagar, Thiruvanimyur, Chennai - 600 041

Notes to Standalone Financial Statements for the Period Ended March 31, 2024

III . Treatment of Foreign Exchange :

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian Rupee (INR), which is the Company's functional and presentation currency. Foreign currency transactions are translated into functional currency using the exchange rates at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit and loss.

10 Employee Benefits:

A. Short - Term Employee Benefits:

Leave Encashment:

The leave encashment liability upon retirement would not arise as the accumulated leave is reimbursed every year and accounted at actual.

Post-Employment Benefits:

Defined Benefit Plan:

Gratuity liability is a defined benefit obligation and is unfunded. The Company accounts for liability for future gratuity benefits based on the actuarial valuation using Projected Unit Credit Method carried out as at the end of each financial year.

Defined Contribution Plan:

Provident Fund: Eligible employees receive benefit from provident fund covered under the Provident Fund Act. Both the employee and the company make monthly contributions. The employer contribution is charged off to Profit & Loss Account as an expense.

11 Taxes on Income:

Income Tax expense is accounted for in accordance with AS-22 "Accounting for Taxes on Income" for both Current Tax and Deferred Tax stated below:

A. Current Tax:

Provision for current tax is made in accordance with the provisions of the Income Tax Act, 1961.

B. Deferred Tax:

Deferred tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income and accounting income computed for the current accounting year using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carried forward losses, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

12 Provisions and Contingent Liabilities:

A provision is recognised if, as a result of past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are determined by the best estimate of outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Provisions are not operating for future operating losses.

13 Earnings Per Share:

Basic Earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.



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No. 2 LIC Colony, Dr. Radhakrishnan Nagar, Thiruvanniyur, Chennai - 600 041

Notes to Standalone Financial Statements for the Period Ended March 31, 2024

14 Current and Non Current classification:

"An asset shall be classified as current when it satisfies any of the following criteria:

(a) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is expected to be realized within twelve months after the reporting date: or

it is Cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current."

"An operating cycle is the time between the acquisition of assets for processing and their realization in Cash or cash equivalents. Where the normal operating cycle cannot be identified, it is assumed to have a duration of twelve months."

"A liability shall be classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in the company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within twelve months after the reporting date; or

(d) the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities shall be classified as non-current."

15 Cash and Cash Equivalents:

Cash and cash equivalents comprise cash and cash deposits with banks. The Company considers all highly liquid investments with a original maturity at a date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

16 Cash Flow Statement:

Cash flows are reported using indirect method, whereby net profit/loss before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

17 Prepaid Expenses

The Company has planned to diversify its mode of operation from wet lease where the aircrafts are hired as a package inclusive of fuel,crew,pilot etc to Dry lease arrangement where the company hires only Aircraft with all other necessary requirements to operate the aircraft and do the service to be taken care by the company itself from hiring Pilot,crew members, fuel, maintainence etc to leverage from the limitations of wet lease mode of operation. However the company spent expenses related to Dry lease arrangement such as hiring Aircraft, rent, hiring pilot and crew,maintainence but the operation relating to Dry lease mode of operation yet to be started as the company is awaiting approval from Aviation authorities. Therefore the Expenses relating to Dry Lease arrangements are accounted as Prepaid Expenses considering Matching priniple.

18 Corporate Social Responsibility (CSR):

The applicability towards CSR has commenced from the financial year 2022-2023 onwards and the company has contributed Rs 13,88,717/- in Financial year 2023-2024 towards CSR compliance as per provisions of Section 135 of the Companies Act,2013.

25. Other Notes to Accounts

1 Contingent Liabilities and Commitments (to the extent not provided for):

A. Contingent Liabilities

(All amounts are in ₹. lakhs)

Particulars	As at March 31,	As at March 31,
	2024	2023
Claims against the company not acknowledged as debt*		
(a) TDS demand	29.78	-
(b) Income Tax demand	757.31	-
(c) GST Act 2017	11.31	-
Bank Guarantees - Related to performance guarantee in various contracts		
Other money for which the company may be contingently liable		
Total	798.40	-

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Notes to Standalone Financial Statements for the Period Ended March 31, 2024

***Notes**

(a) TDS demand

The Company has TDS demand as per TRACES due to interest and late fees for the total demand amount of Rs.29,77,770/-. However the company has plans to file rectification against the outstanding TDS with the appropriate authorities.

(b) Income Tax demand

The Company has Income tax demand of Rs.7,57,31,325 as per order passed by Assessing officer dated 07-03-2024 and the Company submitted the Appeal against the order as on 03/04/2024 and the proceedings are pending before the Commissioner of Income Tax (Appeals).

(c) GST Act 2017

The Company has been served a Notice for the difference in the ITC availed for the FY 21-22 for Rs 11,31,141/- and The proceedings are pending before the appropriate Assessing Officer.

2 Proposed Dividend Details:

The Company has not declared dividend during the period under review.

3 The Company issued equity shares of 4,17,555 shares for working capital purpose by the Company during the reporting year dated 31-03-2024

4 The assets other than Property, Plant and Equipment, Intangible Assets and non-current investments have value on realization in the ordinary course of business equal to the amount at which they are stated

5 Details of Benami Property Held:

There are no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988).

6 The Company has made borrowings from the banks on the basis of security of current assets, and the statements of current assets as required to be filed by the Company with any the banks or financial institutions are done periodically.

7 Willful Defaulter:

The company is not declared as willful defaulter by any bank or financial institution or other lender.

8 Relationship with Struck off Companies:

The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013.

9 Compliance with Number of Layers of Companies:

The Company has no subsidiaries hence layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable.

10 Compliance with Approved Scheme(s) of Arrangements:

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

11 Utilisation of Borrowed Funds and Share Premium:

A. The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

B. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or



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Notes to Standalone Financial Statements for the Period Ended March 31, 2024

(ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

12 Payment to the Auditor:

(All amounts are in ₹. lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Statutory Audit Fees	12.50	10.00
Tax Audit Fees	5.00	2.50
Total	17.50	12.50

13 No amounts have been set aside or proposed to be set aside to reserve to meet any specific liability, contingency or commitment known to exit at the date as at which balance sheet made up.

14 Undisclosed Income:

There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

There is no previously unrecorded income and related assets have been recorded in the books of account during the year.

15 Details of Crypto Currency or Virtual Currency:

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

16 Dues to Micro, Small and Medium Enterprise (MSME):

The dues towards micro, small and medium enterprises have been disclosed in the schedules to balance sheet.

17 Disclosure of related parties/related party transactions pursuant to Accounting Standard (AS) - 18 "Related Party Disclosures":

A. Transactions with related parties

(All amounts are in ₹. lakhs)

Particulars	For the Period Ended 31-March-2024	For the Year Ended 31-March-2023
Transaction during the period/year		
Purchase of service		
Payment for services rendered		
M/s Shreshtha Business solutions LLP	4.02	3.26
Sale of service		
Service Income		
M/s FLY SBS Aviation private limited	-	119.63
Key Managerial Personal Remuneration Paid to*		
Mr Deepak Parasuraman	60.00	60.00
Mr Kannan Ramakrishnan	30.00	30.00
Trade Deposit		
M/s AAR Indamer Technics Private Limited	-	195.00
Outstanding as on year/period ended		
Receivable from		
M/s FLY SBS Aviation private limited	-	306.81
M/s Shreshtha Business solutions LLP	2.60	-
M/s Chryseum corporate services private limited	-	4.90

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Notes to Standalone Financial Statements for the Period Ended March 31, 2024

Payable to		
M/s Shreshtha Business solutions LLP	-	74.24
V Sridhar	10.00	10.00
M/s FYS SBS Aviation private limited	311.60	-
M/s Chryseum corporate services private	283.05	-

18 Income Taxes:

I. Minimum Alternate Tax

Company has opted for special rate of tax of the Income Tax Act, 1961. Hence, MAT asset is not recognised.

II. Current Tax

(All amounts are in ₹. lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Current Tax	888.20	452.80
Add: Tax Adjustment for earlier years	-	-
Net Current Tax	888.20	452.80

19 Exchange Difference:

(All amounts are in ₹. lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Exchange Difference Gain/(Loss)*	45.80	58.75
Total	45.80	58.75

*Net forex Gain/loss is disclosed.

20 Employee Benefit (Incurred in India):

Gratuity - The Present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method. This method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation.

Interest Cost: It is the increase in the Plan liability over the accounting period resulting from the operation of the actuarial assumption of the interest rate.

Current Service Cost: is the discounted present value of the benefits from the Plan's benefit formula attributable to the services rendered by employees during the accounting period.

Actuarial Gain or Loss: occurs when the experience of the Plan differs from that anticipated from the actuarial assumptions. It could also occur due to changes made in the actuarial assumptions.

(i) Reconciliation of Opening and Closing Balance of Gratuity Obligations:

(All amounts are in ₹. lakhs)

Particulars	As at March 31,	As at March 31,
	2024	2023
Net Liability as at the Beginning of the Period	9.58	1.73
Net Expenses in P/L A/c	24.56	7.85
Benefits Paid	-	-
Net Liability as at the End of the Period	34.14	9.58
Present Value of Gratuity Obligation (Closing)	34.14	9.58

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Notes to Standalone Financial Statements for the Period Ended March 31, 2024

(ii) Expenses Recognised in Statement of Profit and Loss during the Year:

(All amounts are in ₹. lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Interest Cost	0.72	0.13
Current Service Cost	21.56	4.96
Past Service Cost	-	-
Expected Return on Plan Assets	-	-
Curtailement Cost (Credit)	-	-
Settlement Cost (Credit)	-	-
Net Actuarial (gain) / loss	2.28	2.76
Net Expenses to be Recognized in P&L	24.56	7.85
Total	24.56	7.85

(iii) Changes in Benefit Obligations:

(All amounts are in ₹. lakhs)

Particulars	As at March 31,	As at March 31,
	2024	2023
Opening Defined benefit Obligation	9.58	1.73
Current service Cost	21.56	4.96
Interest Cost for the Year	0.72	0.13
Actuarial Losses (gains)	2.28	2.76
Benefits Paid	-	-
Closing Defined benefit Obligation	34.14	9.58
Total	34.14	9.58

Actuarial Assumptions:

(All amounts are in ₹. lakhs)

Particulars	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Rate of Discounting	7.22%	7.53%
Salary Escalation	10.00%	10.00%
Attrition Rate	10.00%	10.00%
Mortality rate during employment Indian	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

21 Cash Flow Statement:

- (1) The amount of significant cash and cash equivalent balances held by the enterprise as at March 31, 2024 was Rs.3,09,63,229.37/- that are available for use by Company.
- (2) Company does not have undrawn borrowing facilities that may be available for future operating activities.
- (3) The Company has appropriate amount of Cash Flows that are required to maintain operating capacity.
- (4) Company is investing adequately in the maintenance of its operating capacity.
- (5) There are no non cash transactions happened in investing and financing activities to be excluded from Cash Flow Statement.

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Notes to Standalone Financial Statements for the Period Ended March 31, 2024

Additional Disclosures:	(All amounts are in ₹. lakhs)	
I. Components of Cash and Cash Equivalents:	For the year ended	For the year ended
	March 31, 2024	March 31, 2023
Cash on Hand	7.52	0.09
Balance with Banks	302.11	671.17
Total Components of Cash and Cash Equivalents:	309.63	671.26

22 Changes in Accounting Estimates:

There are no changes in Accounting Estimates made by the Company for the period ended 31st March 2024.

23 Changes in Accounting Policies:

There are no changes in Accounting Policy made by the Company for the period ended 31st March 2024.

24 Disclosures on Property, Plant and Equipment and Intangible Assets:

I. Property, Plant and Equipment

- (1) There is no restriction on the title of Property, Plant and Equipment, subject to only those which are under hypothecation/ charge.
- (2) Company has no contractual commitments for the acquisition of Property, Plant & Equipment.
- (3) Company has no Impairment loss during the period for Property, Plant & Equipment.
- (4) Assets are periodically checked for active usage and those which are retired are written off.
- (5) There are no temporarily idle property, plant and equipment.
- (6) Intangible asset is amortised as per Schedule II.
- (7) The carrying amount and remaining amortization period of any individual intangible asset are not material to the financial statements of the enterprise as a whole.
- (8) There are no amounts of intangible assets whose title is restricted and the carrying amounts of intangible assets pledged as security for liabilities.

25 Investments:

I. Profits and Losses with Regard to Investments have been Disclosed as under:

- a) Profits and losses on disposal of current investments
- b) Profits and losses on changes in the carrying amount of current investments
- c) Profits and losses on disposal of long-term investments
- d) Profits and losses on changes in the carrying amount of long-term investments

26 Segment Reporting:

The Company does not have reportable segment.

27 Earnings Per Share:

Particulars	(All amounts are in ₹. lakhs)	
	As at March 31, 2024	As at March 31, 2023
1. Profit attributable to equity shareholders before extraordinary items (A)	2,544.16	1,369.59
2. Profit attributable to equity shareholders after extraordinary items (B)	2,544.16	1,369.59
3. Weighted average number of equity shares outstanding during the year including bonus shares (C) (in numbers)	1,76,87,034	1,71,04,004
4. Effect of potential equity shares on employee stock options outstanding	-	-
5. Effect of any other items of potential Equity Shares eg.Convertible Debentures, Convertible Preference Shares	-	-
6. Weighted average number of potential equity shares outstanding during the year for the purpose of computing Diluted Earnings Per Share (D)	1,76,87,033.83	1,71,04,004.44
7. Basic earnings per share before extraordinary items of face value of ₹ 10 (A/C)	14.38	8.01
8. Basic earnings per share after extraordinary items of face value of ₹ 10 (B/C)	14.38	8.01
9. Diluted earnings per share before extraordinary items of face value of ₹ 10(A/D)	14.38	8.01
10. Diluted earnings per share after extraordinary items of face value of ₹ 10 (B/D)	14.38	8.01

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Notes to Standalone Financial Statements for the Period Ended March 31, 2024

28 Balance shown under head Sundry Debtors, Creditors and Advances are subject to confirmation.

29 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification.

30 Ratios:

(All amounts are in ₹. lakhs)

S.No	RATIOS	Current year Numerator (Rs in lakhs)	Current year Denominator (Rs in lakhs)	For the Period ended March 31, 2024	For the Year ended March 31, 2023
a.	Current Ratio Current Assets / Current liabilities	11,883.37	3,382.52	3.51	6.92
b.	Debt-Equity Ratio Total Outside Liabilities / Total Shareholder's Equity	1,847.53	10,324.93	0.18	0.01
c.	Return on Equity Ratio (Net Profit After Taxes - Preference Dividend if any) / Net Worth	2,544.16	8,830.02	0.29	0.29
d.	Trade Receivables Turnover Ratio Credit Sales / Average Trade Receivables	14,754.55	1,847.55	7.99	5.63
e.	Net Capital Turnover Ratio Sales / Net Assets	14,754.55	7,032.72	2.10	1.77
f.	Net Profit (after tax) Ratio Net Profit (after tax) / Total Sales * 100	2,544.16	14,754.55	17.24%	16.28%
g.	Return on Capital Employed (EBIT / Capital Employed) * 100	3,629.25	12,172.46	29.82%	26.10%

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Notes to Standalone Financial Statements for the Period Ended March 31, 2024

31 Variance:

S.No	RATIOS	Variance for the period ended March 31, 2024	
		Variance	Reason for variance
a.	Current Ratio Current Assets / Current liabilities	(49.20%)	Increase in Debtors
b.	Debt-Equity Ratio Total Outside Liabilities / Total Shareholder's Equity	(26.57)	Increase in borrowings
c.	Return on Equity Ratio (Net Profit After Taxes - Preference Dividend if any) / Net Worth	0.00	Increase in operating expcncse
d.	Trade Receivables Turnover Ratio Credit Sales / Average Trade Receivables	0.42	Increase in Turnover
e.	Net Capital Turnover Ratio Sales / Net Assets	0.19	Increase in Net Assets
f.	Net Profit (after tax) Ratio Net Profit (after tax) / Total Sales * 100	0.06	Decrease in profit
g.	Return on Capital Employed (EBIT / Capital Employed) * 100	0.14	Decrease in profit

For and on behalf of the Board of Directors of
AFCOM HOLDINGS LIMITED
(Formerly Known as Afcom Holdings Private Limited)


Deepak Parasuraman
Managing Director
DIN: 00699855





Kannan Ramakrishnan
Director
DIN: 08202306



As per our Report on even date
For P P N AND COMPANY
Chartered Accountants
Firm Reg No: 013623S
Peer Review Certificate No. 013578


D Hitesh
Partner
M.No: 231991
UDIN: 24231991BKEXFM7572

Place: Chennai
Date: 19-06-2024


Sneka Seshadri
Company Secretary cum Compliance Officer
M. No. A41789


P.K. Raghunathan
Chief Financial Officer

Place: Chennai
Date: 19-06-2024