

ANNUAL REPORT 2022

Dear Valued Shareholders,

On behalf of the Board of Directors, I am pleased to present to you AKI's annual report for the financial year ended 31 March 2022 ("FY 2021-22").

Keeping Agile To Seize Opportunities After Crisis

Following the large-scale rollout of vaccination programmes and easing of COVID-19 restrictions, the global economy is gradually rebounding from the 2020 COVID-19 recession. In line with this, we have seen a broad-based recovery in most of our market segments.

Our diversified business model, both in terms of suppliers and customers, has proven robust. Through our agility, AKI was able to seize opportunities as the global economy recovered, and our business was elevated to a new level. Our net profit after tax achieved a 84.59 % growth year-on-year to a record level of Rs. 1.64 Cr. in FY 2022, higher than pre- COVID-19 levels.

Back On Growth Track

For FY 2022, AKI recorded a revenue of Rs. 63.61 Cr., an increase of 32.98% as compared to the Rs. 47.83 Cr. recorded in the previous financial year ended 31 March 2021. This was largely due to higher sales volume and prices from improved business sentiments and recovery in demand. Geographically, growth in sales was broad-based across the various markets recording the largest improvements over FY 2021.

Total operating expenses (excluding finance cost) increased marginally year-on-year, largely due to higher employee remuneration in line with better performance, higher transport charges in line with higher sales, net foreign exchange loss, as well as higher depreciation of right-of-use assets. The increase was partially offset by lower fair value loss from forward exchange contract.

The balance sheet remained sound, with cash and bank balances of Rs. 1.27 Cr. as at 31 March 2022, as compared to Rs. 1.15 Cr. as at 31 March 2021. Overall, our financial discipline has enabled us to maintain a healthy financial position, providing us with financial flexibility.

Dawn Of A New Growth Cycle

As the global economy is gradually recovering from the COVID-19 recession, we are optimistic that this signals the dawn of a new growth cycle for the economy, leather industry and AKI.

However, we are mindful of the ongoing macro volatilities, such as the possibility of further waves of infections from COVID-19 variants, tightening of monetary policies in several economies, rising interest and inflation rates, and war between Russia and Ukraine, that continue to create uncertainties. Barring any unforeseen circumstances, the Group is well poised to capitalise on the growth cycle to elevate our business further.



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We will strive to enhance our product offerings and provide value-added one-stop solutions to all our customers, to better manage the supply chain disruptions together. Besides our strong customer centricity, we will leverage on our diversified business model, track record of operational excellence and good financial discipline to bring about long-term value to our stakeholders.

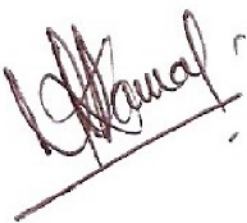
Sustainability

AKI has always regarded sustainability as one of our priorities in creating sustainable long-term value for our stakeholders. We will continue to put sustainability at the forefront of our business, balancing between economic objectives and social responsibility to the best of our abilities.

Words of appreciation

I would like to thank the management team, staff, bankers and business associates for their support and hard work that has enabled us to come this far. I would also like to extend my gratitude to my fellow directors for their contributions to the Group and counsel. Last but not least, I would like to show appreciation to our shareholders for their constant support.

In this dawn of a new growth cycle, I believe that AKI is well-positioned to seize new opportunities as we arise by leveraging on our strengths and comprehensive product range to provide customers with one-stop solutions. We will continue to focus on the execution of our Asia-centric strategy and strive towards a more sustainable specialty chemicals business for our customers.



Asad K Iragi

C.E.O.

ANNUAL REPORT 2022

NOTICE

NOTICE is hereby given that the 28TH Annual General Meeting of the Members of AKI INDIA LIMITED will be held on FRIDAY, 30TH SEPTEMBER, 2022 at 03.30 P.M at the Registered office of the Company situated at 9/6(II) Jajmau, Kanpur-208010 (U.P.) to transact the following businesses:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended on 31st March, 2022 and the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon for the financial year ended March 31, 2022 and the report of Auditors thereon and, in this regard, to consider and if thought fit, to pass, with or without modification (s), the following resolutions as Ordinary Resolutions:
 - (a) "RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted."
 - (b) "RESOLVED THAT the audited consolidated financial statement of the Company for the financial year ended March 31, 2022 and the report of Auditors thereon, as circulated to the members, be and are hereby considered and adopted."
2. To re-appoint Mr. ASLAM SAEED (DIN: 00996483), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment

DATE : 07-09-2022

PLACE: KANPUR

Registered Office:

**9/6(II) Asharfabad,Jajmau
Kanpur-208010**

**By Order of the Board
For AKI INDIA LIMITED**

**SD/-
[SAMEENA ASAD IRAQI]
WHOLE-TIME DIRECTOR
DIN: 01668732**

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NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE MEMBER OF THE COMPANY. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A 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 a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.

2. In terms of the provisions of Section 152 of the Companies Act 2013, Mr. Aslam Saeed, Director(s) retire by rotation at the Meeting. The Nomination and Remuneration Committee and the Board of Directors of the Company commend his respective re-appointments.

None of the directors were interested in the said resolution

3. Institutional/Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution/Power of Attorney(POA)/ Authorization Letter together with the specimen signature(s) of the representative(s) authorized under the said Board Resolution/Power of Attorney (POA)/ Authorization Letter to attend and vote on their behalf at the Meeting
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting
5. The Company has notified closure of Register of Members and Share Transfer Books from Saturday the 24th September, 2022 to Friday the 30th September 2022 (both days inclusive)
6. In compliance with the MCA Circulars and SEBI Circular dated January 15, 2021 read with Circular dated May 12, 2020, Notice of the AGM along-with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose e-mail address is registered with the Company/ Depository Participants. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.groupaki.com , website of the Stock Exchange's, that is, BSE Limited at www.bseindia.com

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7. For receiving all communication (including Annual Report) from the Company electronically:
 - (a) Members holding shares in physical mode and who have not registered / updated their e-mail address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at info@groupaki.com or to the Registrar at www.linkintime.com .
 - (b) Members holding shares in dematerialized mode are requested to register / update their e-mail address with the relevant Depository Participant.
8. Attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto. The Annual Report, Notice of Annual General Meeting, Proxy Form and Attendance Slip are also available at the Company's website at www.groupaki.com
9. Pursuant to section 91 of the Companies Act, 2013 read with Companies (Management & Administration) Rules 2014 and Regulation 42 of the SEBI (LODR) Regulations 2015, The Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2022 to Friday the 30th September 2022 (both days inclusive)
10. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in Physical form can submit their PAN details to the RTA i.e Link intime India Private Limited or to the Company.
11. Brief resume of Directors/persons proposed to be appointed/re-appointed, as stipulated under regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and Secretarial Standards issued by The Institute of Company Secretaries of India is provided after the explanatory statement to this notice.
12. All documents referred to in accompanying Notice shall be open for inspection at the Registered Office of the Company during the office hours on all working days between 10.00 AM to 4.00 PM up to the date of conclusion of Annual General Meeting.

DATE : 07-09-2022

PLACE: KANPUR

**Registered Office:
9/6 (11),
Asharfabad Jajmau
Kanpur-208010**

**By Order of the Board
For AKI INDIA LIMITED**

SD/-

**[SAMEENA ASAD IRAQI]
WHOLE-TIME DIRECTOR
DIN: 01668732**

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Additional Information of Directors seeking Re-appointment at the Annual General Meeting as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of Director	ASLAM SAEED
Director's Identification No. (DIN)	00996483
PAN	ACYPS0467K
Date of Birth	05/05/1955
Date of First Appointment	09-12-2017
Educational Qualification	Graduate
Expertise in Specific Functional Areas	He is a Graduate, he is having over 30 years experience in the Field of Leather & Leather Goods
Chairmanship/ Membership of Committees in this Company	A. Audit Committee () B. Nomination & Remuneration Committee (Member)
Directorship in Other Companies	He presently holds directorship(s) in the following companies: 1 HABIB TANNERY PVT. LTD.
Chairmanship/ Membership of Committees in other Public Limited Companies	None
Shareholding as on 31 st March, 2021	NIL
Seeking Appointment/ Re-Appointment	Retire by Rotation and seeking Re-appointment
Relationship with other Directors	None

DATE : 07-09-2022

PLACE: KANPUR

Registered Office:

**9/6 (11), Asharfabad Jajmau
Kanpur-208010**

**By Order of the Board
For AKI INDIA LIMITED
SD/-**

**[SAMEENA ASAD IRAQI]
WHOLE-TIME DIRECTOR
DIN: 01668732**

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Statement Containing Information as required Under Section II(B)(iv) of Part II of Schedule V of The Companies Act, 2013 and Informing Part of the Notice of Annual General Meeting.

1. **Nature of Industry:**

MANUFACTURING, TRADE AND COMMERCIAL ESTABLISHMENT.

2. **Date or expected date of Commencement of Commercial**

Production: Not Applicable

3. **In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not Applicable

4. **Financial Performance based on given indicators: (Amount in Rs.)**

Financial Year ended	31-03-2022	31-03-2021
Gross Revenue and other income	63,61,02,502.93	47,83,21,626.93
Profit Before Tax	1,74,71,811.11	1,70,63,408.47
Profit After Tax	1,64,63,955.11	89,19,079.47
Equity Share Capital	10,29,70,000.00	10,29,70,000.00
Reserve and Surplus (excluding revaluation reserve)	2,53,41,650.48	3,76,51,816.95
Net Worth	14,06,21,816.95	12,83,11,650.48

5. **Export Performance and net foreign exchange collaborations:**

The Company has Increased its Exports but due to Some Global issues like prevailing COVID 19 pandemic it hasn't met our expectation.. The net Earning in foreign Currency are as under:-

Earning in Foreign Currency	31.03.2022 (Rs.)	31.03.2021(Rs.)
(Export at C.I.F. Value)	39,66,30,000	29,89,50,000

6. **Foreign Investments and Collaborations, If any:**

NIL

DATE : 07-09-2022

PLACE: KANPUR

Registered Office:
9/6 (11),
Asharfabad Jajmau
Kanpur-208010

By Order of the Board
For AKI INDIA LIMITED
SD/-

[SAMEENA ASAD IRAQI]

WHOLE-TIME DIRECTOR
DIN: 01668732

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Dear Shareholders,

The Directors have the pleasure in presenting the Annual Report and Audited Accounts of the Company for the year ended on March 31, 2022

Director's Report

FINANCIAL RESULTS:

The summarized standalone financial performance of the Company for the financial year ended March 31, 2022 as compared to previous year was as under::

PARTICULARS	Standalone (Amount in Rs.)	
	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Operations	60,93,94,282.81	44,85,20,227.03
Other Income	2,67,08,220.12	2,98,01,399.90
Total Income	63,61,02,502.93	47,83,21,626.93
Profit before Interest, Depreciation, Prior Period Items and Tax (PBIDTA)	4,99,69,179.21	4,54,23,579.80
Less: Finance Costs	13,876,399.21	13,276,051.86
Less: Depreciation and Amortization	22,299,968.89	22,672,199.47
Profit before Exceptional/ Prior Period Items and Tax	1,37,92,811.11	94,75,408.47
Less: Exceptional/ Prior Period Items (Net)	0.00	0.00
Add: Extra-ordinary Items	36,79,000.00	75,88,000.00
Profit Before Taxes (PBT)	1,74,71,811.11	1,70,63,408.47
Less: Tax Expense Current	58,17,900.00	53,78,240.00
Deferred Tax	48,10,044.00	27,66,089.00
Profit for the year (PAT)	164,63,955.11	89,19,079.47

FINANCIAL HIGHLIGHTS:

In the year under review, the turnover of the company has increased to Rs 60,93,94,282.03. in financial year 2021-2022 as compared to Rs. 44,85,20,227.03 in financial year 2020-21.

The management continues to pursue its efforts to improve its operational efficiency by better Capacity Utilisation and diversification into High quality value added export quality footwear to improve its Turnover and Operating margin in current year. Outlook for current year will be better barring any unforeseen circumstances.

There is no change in nature of business of the Company during the Financial Year under review.

DIVIDEND

Your Directors regret their inability to recommend dividend in order to conserve resources for future growth.

BONUS

Your company has issued Bonus Shares in the ratio of 3:10 i.e. Three Equity Shares for every Ten equity shares held in the financial year 2022-23

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TRANSFER TO RESERVES

During the year under review Rs. 16463955.11 has been transferred to the General Reserves (Statutory Reserve).

COMPANIES POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

The company has made its own selection process viz a viz for executive and non executive directors. Nomination and Remuneration Committee has checked out all the norms as provide in section 149 (6) of Companies Act, 2013 for selection and appointment of Independent Directors in company to ensure that the thoughts of such director are not biased at all. All the directors who have been appointed as independent director in company are well competent since they are working in the company for a very long period. The company follows proper mechanism for the remuneration paid to the directors as per the recommendation made by the Nomination and Remuneration committee after observing their comments.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION:

The company would like to inform that no material changes and commitments affecting the financial position of the company have occurred during the period from the end of financial Year till the date of this report.

PARTICULARS OF LOANS, GUARANTEES & INVESTMENTS:

The Company has not granted any secured or unsecured loans from /to companies, firms or other parties listed in the register maintained under section 189 of the act Companies Act, 2013 dealing with any loan, investments and /or guarantee.

LEGAL FRAMEWORK AND REPORTING STRUCTURE:

The Company would like to inform that a legal compliance tool has been installed vertically within the organization for monitoring and complying all laws applicable to the Company. This tool is being overseen and supervised by the office of the Chief Financial Officer. Further the Chief Financial Officer has also been cast the responsibility of providing a compliance certificate at every Board meeting including the key non-compliances during the quarter.

CSR ACTIVITIES:

CSR Activities are not applicable to the company. Since the Company does not meet the criteria as defined under section 135 of Companies Act, 2013 and the rules made thereunder

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

As required Under Section 134(3) (m) of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 88 and Rule 8 (3) of Companies (Accounts) Rules, 14 and forming part of the report of the Directors. (**Annexure-1**)

DISCLOSURES:

COMMITTEES TO THE BOARD:

The Company has several Committees which have been established in Compliance with the requirements of the relevant provisions of applicable laws and statutes.

The Company has following Committees of the Board:

- Audit Committee
- Nomination & Remuneration Committee
- Share transfer & Shareholder's Grievance Committee

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(i) MEETINGS OF THE BOARD:

Seven meetings of the Board of Directors were held during the year. For further details, please see report on corporate governance.

S. No.	Date of Board Meeting	Attendance of the Directors				
		ASLAM SAEED	JAVED IQBAL	SAMEENA ASAD IRAQI	MOHAMMAD AJWAD	RAJ KRISHNA AGRAWAL
1	16-04-2021	√	√	√	X	√
2	28-06-2021	√	√	√	X	√
3	03-09-2021	√	√	√	X	√
4	11-11-2021	√	√	√	X	√
5	23-12-2021	√	√	√	√	√
6	11.02.2022	√	√	√	√	√
6	05-03-2022	√	√	√	√	√

(ii) AUDIT COMMITTEE:

The Audit Committee consists of Mr. Aslam Saeed, Mr. Javed Iqbal, and Mr. Raj Krishna Agarwal being Non Executive Directors. The broad terms of reference to the Audit Committee include, reviewing with management the quarterly and annual financial results/ statements, financial or risk management policies, adequacy of internal control systems and internal audit functions, overseeing of the Company's financial reporting process, recommending the appointment and removal of auditors etc.

S. No.	Date of Committee Meeting	Attendance of the Directors			
		AslamSaeed	JavedIqbal	Raj Krishna Agarwal	
1	15-04-2021	√	√	√	
2	17-08-2021	√	√	√	
3	10-11-2021	√	√	√	
4	16-02-2022	√	√	√	

(iii) SHARE TRANSFER AND SHAREHOLDER'S GREIVANCE COMMITTEE:

The Share transfer & Shareholder's Grievance Committee was constituted to specifically look into Share Transfers and redressal of investor's complaints relating to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc. under the Chairmanship of Mr. Aslam Saeed, who is independent, non-executive Director. The other members of the Committee are Mrs. SameenaAsad Iraqi, Whole-time Director and Mr. Javed Iqbal, Director of the company.

1.	No. of Complaints received from Investors from 01.04.20 to 31.03.21	ZERO
2.	No. of solved to the satisfaction of the Shareholders	ZERO
3.	No. of pending share transfers	NIL

During the financial year the SHARE TRANSFER AND SHAREHOLDER'S GREIVANCE COMMITTEE Met On:

S. No.	Date of Committee Meeting	Attendance of the Directors		
		AslamSaeed	SameenaAsad Iraqi	JavedIqbal
1	11-04-2021	√	√	√
2	17-07-2021	√	√	√
3	14-10-2021	√	√	x
4	05-01-2022	√	√	√
5	30-03-2022	√	√	x

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(iii) NOMINATION AND REMUNERATION COMMITTEE

In compliance with section 178 of the Act and of the Listing Agreement the Board has constituted “Nomination and Remuneration Committee” which comprises Mr. Aslam Saeed, Mr. Javed Iqbal,, and Mr. Raj Krishna Agarwal all being Non Executive Directors. During the year under review One meeting of the Committee has been held

The Board has framed a policy for selection and appointment of Directors, Senior Management and Their remuneration.

S. No.	Date of Committee Meeting	Attendance of the Directors			
		AslamSaeed	JavedIqbal	Raj Krishna Agarwal	
1	11-11-2021	√	√	√	

(ii) ESTABLISHMENT OF VIGIL / WHISTLE BLOWER MECHANISM:-

The Company promotes ethical behavior in all its business activities and in line with the best practices for corporate governance. It has established a system through which directors & employees may report breach of code of conduct, unethical business practices, illegality, fraud, and corruption etc at work place without fear of reprisal. The functioning of the Vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle Blowers have been denied access to the Audit Committee of the Board. The details of the Whistle Blower Policy are explained in the Report on Corporate Governance and also available on the website of the company.

The company has established a whistle blower mechanism for the directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company’s code of conduct or ethics policy.

During the Financial Year 2020-2021 there was no complaint reported by any Director or employee of the company under this mechanism

(iv) EXTRACT OF ANNUAL RETURN:-

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return in MGT-9 as at March 31, 2020 is not applicable as Per Companies (Amendment) Act, 2017

AUDITORS & AUDITORS’ REPORT:

(a) Statutory Auditors & Audit Report:

In terms of the provisions of Section 139 of the Companies Act, 2013, read with provisions of the Companies (Audit and Auditors) Rules, 2014 as amended, M/s. Jaiswal Misra & CO., Chartered Accountants, Kanpur was appointed as the Auditors of the Company for a consecutive period of five years from conclusion of the AGM held on October 28,2020 until conclusion of the AGM of your Company scheduled to be held in the year 2025.The Members may note that consequent to the changes made in the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 by the Ministry of Corporate Affairs (MCA) vide notification dated May 7, 2018, the proviso to Section 139(1) of the Companies Act, 2013 read with explanation to sub-rule 7 of Rule 3 of the Companies (Audit and Auditors) Rules, 2014, the requirement of ratification of appointment of Auditors by the Members at every AGM has been done away with. Therefore, the Company is not seeking any ratification of appointment of M/s. Jaiswal Misra& CO., Chartered Accountants, Kanpur the Auditors of the Company, by the Members at the ensuing AGM. Your Company has received a certificate from M/s. Jaiswal Misra& CO., Chartered Accountants, Kanpur confirming their eligibility to continue as Auditors of the Company in terms of the provisions of Section 141 of the Companies Act, 2013 and the Rules framed thereunder

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(b) Secretarial Audit & Secretarial Audit Report:

Pursuant to Section 204 of the Companies Act, and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s T. Jain and Associates Practicing Company Secretary as secretarial auditor for conducting Secretarial Audit for all applicable laws for the Financial Year 2021. The Report of the Secretarial Audit Report to be set out in **Annexure-3** to the Director's Report.

There was no observation made by the secretarial auditor in his report.

PARTICULARS OF TRANSACTION WITH RELATED PARTIES

The Details of contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review in Form AOC-2 is annexed with this report as

ANNEXURE-2

DECLARATION BY INDEPENDENT DIRECTORS

During the year, the Independent directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company. Based on the declaration(s) of Independent Directors, the Board of Directors recorded their opinion that the Independent Directors are independent of the management and have fulfilled the conditions as specified in the Companies Act, 2013 and Rules made there under as well as concerning provisions of SEBI (LODR) Regulations, 2015. The company has received necessary declaration from each independent director under section 148 (7) of the Companies act, 2013, that he/she meets the criteria of independence laid down in Section 149 (6) of the Companies act, 2013.

DIRECTOR'S RESPONSIBILITY STATEMENT:-

In accordance with the requirements of Section 134(5) of the Companies Act, 2013, it is hereby confirmed that:-

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) 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 and of the profit and loss of the company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) 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.

CORPORATE GOVERNANCE:

In accordance with Regulation 15 of the SEBI (LODR), Regulations, 2015 the Corporate Governance provisions are not applicable to your Company as the Paid up Equity Share Capital of the Company is not exceeding Rs. 10 Corers and Net Worth of the Company is not exceeding Rs. 25 Corers as on the last day of previous financial year. Accordingly Corporate Governance Report, Certification from Practicing Company Secretary and Certification from CEO/CFO are not given in Annual Report.

EMPLOYEES REMUNERATION

- (i) In terms of the provisions of Section 197 (12) of the Companies Act, 2013, read with Rule 5 (2) and (3) of the Companies (Appointment and Remuneration) Rules, 2013 as amended, the names and other

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particulars of the employees are not required to be set out in the Directors' Report as none of the employee is drawing the remuneration as prescribed under Rule 5(2)(i).

In terms of Section 136 of the Companies Act, 2013 the Annual Report excluding the aforesaid information is being sent to all the Members of the Company and others entitled thereto. Members who are interested in obtaining such particulars may write to the Chief Financial Officer of the Company at its Registered Office.

- (ii) The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are not required to be set out in the Director's Report as none of the Directors are drawing remuneration owing to the limited profits available in the company as detailed in.

DIRECTORS:

Appointment

No director has been appointed during the financial year 2021-2022

Re-appointment

In accordance with provisions of the Act and the Articles of Association of the Company, Mr. Aslam Saeed is liable to retire by rotation and is eligible for re-appointment. The disclosures required pursuant to SEBI Listing Regulations are given in the Notice of the AGM, forming part of the Annual Report. Resolution proposing his appointment is set-out in the notice calling ensuing AGM

RISK MANAGEMENT POLICY

Pursuant to the requirement of Section 134(3) (n) of the Companies Act, 2013, the Company has already in place a Risk Management Policy which was reviewed by the Audit Committee and approved by the Board of Directors of the Company. The Policy provides for a robust Risk Management Framework to identify and assess risks such as operational, strategic, financial, security, property, regulatory, reputational and other risks and that there is an adequate Risk Management Infrastructure in place capable of addressing these risks. Audit Committee of the Company has been entrusted with responsibility to assist the Board in the matters which are given below:

INTERNAL CONTROL SYSTEM

The Board has adopted policies and procedures for ensuring orderly and efficient conduct of its business including adherence to the company's policies, the safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors met to discuss:

- Evaluation of the performance of Non independent Directors & the Board of Directors as whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the executive and non-executive directors.
- Evaluation of the quality, content and timelines of flow of information between the management and the board that is necessary for the board to effectively & reasonably perform its duties.

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PERFORMANCE EVALUATION

Formal Annual evaluation has been made by the Board of its own Performance and that of its Committees & Individual Directors during the meeting of Board of Directors and by common discussion with concerned persons.

ACKNOWLEDGMENTS:

The Directors would like to express their sincere appreciation for the cooperation and assistance received from the Authorities, Stock Exchanges, Associates, Bankers as well as our Shareholders at large during the year under review.

The Directors also wish to place on record their deep sense worker of appreciation for the commitment, abilities and hard work of all executives, officers and staff who enabled Company to consistently deliver satisfactory and rewarding performance even in the challenging economic conditions.

DATE : 07-09-2022

PLACE: KANPUR

Registered Office:

9/6(II)Asharfabad,Jajmau
Kanpur-
208010

By Order of the Board
For AKI INDIA LIMITED

SD/-

[SAMEENA ASAD IRAQI]
WHOLE-TIME DIRECTOR
DIN: 01668732

ANNUAL REPORT 2022

Annexure-1

ANNEXURE TO DIRECTOR'S REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

As required Under Section 134(3) (m) of the Companies Act, 2013 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 and Rule 8 (3) of Companies (Accounts) Rules, 2014 and forming part of the report of the Directors.

CONSERVATION OF ENERGY

- a. Company ensures that manufacturing operations are conducted in a manner whereby optimum utilization and maximum possible savings of energy is achieved.
- b. No specific investment has been made in reduction in energy consumption.
- c. The total energy consumption as per prescribed Form 'A' is as under:-

PART A:- POWER AND FUEL CONSUMPTION

Electricity:-

	For Year ended 31.03.2022	For Year ended 31.03.2021
Amount Paid for Power and Fuel	116,24,625.41	93,79,153.35
Internal/ Other Generation System	0.00	0.00

TECHNOLOGY ABSORPTION

The Company has not absorbed or adopted any technology during the year

RESEARCH & DEVELOPMENT

Research and Development on improving the production process, yield and quality is ongoing exercise, Expenditure on Research and Development and its benefit is not separately quantified at present, since it is continuous exercise merged in the manufacture and quality and quality control activity.

FOREIGN EXCHANGE EARNINGS / OUTGOES

- i) During the year under review the detail of Foreign exchange Earning/ outgoing are as under.

Value Foreign Earning and Outgoings (C.I.F. Basis)	31.03.2022	31.03.2021
Value of Import of Raw Material (INR)	1,02,76,787.00	1,20,70,250.00
Value of Export (INR)	39,66,30,000	29,89,50,000

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Annexure 2

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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	AKI (UK) LTD
b)	Nature of contracts/arrangements/transaction	CONSIGNMENT SALE
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Justification for entering into such contracts or arrangements or transactions'	CONSIGNMENT SALE ON ARM'S LENGTH PRICE
f)	Date of approval by the Board	NIL
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	AKI International (Leder) (CEO is Proprietor)
b)	Nature of contracts/arrangements/transaction	Sales
c)	Duration of the contracts/arrangements/transaction	Until Terminated By Parties
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e)	Date of approval by the Board	NIL
f)	Amount paid as advances, if any	NIL

ANNUAL REPORT 2022

CS Tanvi Jain
T JAIN AND ASSOCIATES
Company Secretaries

1ST Floor, MD Plaza, Meston Road
Kanpur
Mobile: +91-9839117299



Form No. MR-3

SECRETARIAL AUDIT

REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2022
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

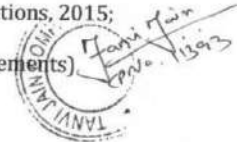
To,
The Members,
AKI INDIA LIMITED.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by AKI INDIA LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the AKI INDIA LIMITED books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by AKI INDIA LIMITED ("the Company") for the financial year ended on 31.03.2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA) and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act') viz.:
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;



Date : 03.09.2021
Place: Kanpur

T.JAIN AND ASSOCIATES
(Company Secretaries)
SD/- (Tanvi Jain)

FCS Membership No.9701
C P No.: 11393

ANNUAL REPORT 2022

- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi. Other laws specifically applicable to the company, namely:
- a. Factories Act, 1948
 - b. Payment of Wages Act, 1936
 - c. The Minimum Wages Act, 1948
 - d. Environment Protection Act, 1986
 - e. The Air (Prevention & Control of Pollution) Act, 1981
 - f. The Water (Prevention & Control of Pollution) Act, 1974
 - g. The Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008
 - h. The Apprentices Act, 1961
 - i. The Employees' Compensation Act, 1923
 - j. The Maternity Benefit Act, 1961
 - k. Payment of Gratuity Act, 1972
 - l. The Payment of Bonus Act, 1965
 - m. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952
 - n. Employees' State Insurance Act, 1948
 - o. The Central Goods And Services Tax Act, 2017

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

- (1) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (2) The Listing Agreement entered into by the Company.

During the year under review the Company has complied with the provisions of the Regulations, Guidelines, Standards, etc mentioned above.



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We further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period there was no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Date : 07-09-2022

Place: Kanpur

**T.JAIN AND ASSOCIATES
(Company Secretaries)**



**(Tanvi Jain)
FCS Membership No. 9701
C P No.: 11393**

**UDIN:
F009701D000934451**

ANNUAL REPORT 2022

Management Discussion and Analysis Report

Industry structure and Developments

The footwear sector is a very significant segment of the leather industry in India; rather it is the engine of growth for the entire Indian leather industry. India is the second largest global producer of footwear after China, accounting for 13% of global footwear production of 16 billion pairs. India produces approximate 2,000 Million pairs annually in different categories of Footwear. India exports about 115 million pairs.

Thus, nearly 95% of its production goes to meet its own domestic demand. The major production centers in India are Chennai, Ranipet, Ambur in Tamil Nadu, Mumbai in Maharashtra, Kanpur and Agra in U.P., Jalandhar in Punjab, Delhi, Karnal, Ludhiana, Sonapat, Faridabad, Pune, Kolkata, Calicut and Ernakulam. About 1.10 million workforce are engaged in the footwear manufacturing industry.

Footwear exported from India are Dress Shoes, Casuals, Moccasins, Sport Shoes, Horrachies, Sandals, Ballerinas, Boots, Sandals and Chappals made of rubber, plastic, P.V.C. and other materials.

The Footwear sector is now de-licensed and de-reserved, paving the way for expansion of capacities on modern lines with state-of-the-art machinery. To further assist this process, the Government has permitted 100% Foreign Direct Investment through the automatic route for the footwear sector.

Conducive Investment climate towards attracting overseas investments and increasing cost competitiveness. The Government of India is setting up dedicated Footwear Complex and Footwear Components Part where footwear clusters are located.

The challenge for Indian Footwear Industry is large but anticipating India to become amongst top 5 Superpowers in 2030, our consumption rates can reach as high as 7-8 Pairs. In such a scenario, India would need to produce anywhere between 8-10 billion pairs consider yearly population growth.

Consolidating mid-term status by 2020, the potential target for Indian Footwear Industry will equalize consumption pattern of 3-4 pairs. With six/seven years to go, Our Country need to scale our production from current level of 2 billion pairs to nearly 5 billion pairs at a CAGR rate of 30-40%.

{Source:- <https://retail.economictimes.indiatimes.com/re-ales/indian-footwear-industry-a-perspective/81>}

Footwear – Global Scenario and India's share

The global import of Footwear (both made of leather as well as non-leather) increased from US\$ 124.43 billion in 2013 to US\$ 134.943 billion in 2017, growing at a CAGR of 2.1%. During 2017, the India's share in the global import is 2%. *{Source:- <http://indiatradefair.com/>}*

Footwear is the engine of growth of the leather industry in India. India's export of Footwear touched US\$ 1933.13 million in 2016-17, accounting for a share of 45 % in India's total export from the leather sector of US\$ 5739.93Mn.

- India's export of leather footwear had increased from US\$ 2018.18 million in 2012-13 to US\$ 1933.13 million in 2016-17.
- India's export of footwear components had increased from US\$ 320 million in 2012-13 to US\$ 335.24 million in 2016-17
- India's export of non-leather footwear has increased from US\$ 202.06 million in 2012-13 to US\$ 296.68 million in 2016-17

{Source:- India trade fair Report-2019}

Opportunities

The Indian footwear and leather industry is export-oriented and the government is taking initiatives to increase the leather and footwear export. The government has also announced INR 26,000 million (USD 364 million) incentive package for the leather and footwear industry. This will help players operating in the organized sector

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better deal with pricing pressure, along with employing 300,000 people. Under the National Skill Certification & Monetary Reward Scheme, around 60,358 youth have been trained for various jobs in the leather and footwear industry since July 2015. Beside this, due to Corona crisis industry is hopeful to reduce its labour cost. Now these days, Indian government take initiative to promote make in India programme, which become very helpful for Indian leather industry.

Threats

Nearly 85% of the Indian footwear industry comprises of unorganized players. These players sell their products at unimaginably low prices and have benefits such as lower sales tax, lower overhead cost, lower labor cost and absence of research and development (R&D) expenses. This will intensify competition as organized players will pass the price benefits to the consumers, while unorganized players try to enter the organized space. Beside this, Chinese goods and non-leather footwear products is a potential threat to our business and Company is working forward thwarting the said threat.

Impact of COVI-19 on Company

The operations of the Company was shut down as per the lockdown directives of Government, which may affect the upcoming financial results for financial year 2020-21, and will have an impact on the Financials for the year 2020-21. There is lots of wastage of Materials which were work in progress. Due to which The Company has not mitigated the export targets and many orders still on reconfirmation from buyers. Foreign buyers is avoiding to reconfirming the previous orders, as the company still unable to fulfill their previous orders.

On the other hand, the Raw material was not available at local level. during pandemic supplier chain has affected and prices of Raw Materials expected to increase.

Details of significant changes in key financial ratios alongwith explanation

In compliance with the requirement of the Listing Regulations, the key financial ratios of the Company alongwith explanation for significant changes (i.e., for change of 25% or more as compared to the immediately previous financial year will be termed as 'significant changes'). Accordingly, the Company has no Significant changes during the year.

Outlook

From the reports available in public domain, it is believed that the global economic recovery is in its way. It is only hoped that the growth momentum gathers, steam soon and fast. Indian Footwear industry is generally competitive and considering the positive business conditions developing, outlook for Footwear appears to be good. The Company is actively engaged in taking appropriate steps to grab these opportunities in order to improve its market share.

Risks and Concerns

The Chinese Products, Non-Leather goods, Counterfeit products and technology obsolescence are the risk factors of footwear industry. Besides that, the Government policies and volatile economic environment have a bearing on the overall performance of the company. Continuous Quality Improvement as well as maintaining a balance between the quality and price of products is the need of hour as there are different demand pattern all over the world

Internal Control Systems and their Adequacy

The Company's internal control systems are commensurate with the nature and size of its business. These systems ensure that all assets of the Company are safeguarded and protected against any loss or damage and that all transactions are properly authorized, recorded and accounted for.

Material Developments in Human Resources/ Industrial Relations Front, Including Number of People Employed


It is the Company's firm belief that its people constitute the primary source of its sustainable competitive advantage. For success in the footwear market, skills and workmanship are important to create superior products with excellent finish and to accomplish the same, Company regularly strives to train and equip its employees as per the Industry demand.

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Cautionary Statement

Statement in this Management Discussion and Analysis describing the Company's objective, projects, estimates and expectations may be 'forward-looking statement' within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward-looking statements contained in this document due to various risks and uncertainties. Several factors could make a significant difference to the Company's operations. These include economic conditions, government regulations and tax laws, political situation, natural calamities, among others, over which the Company does not have any direct control.

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<p>JAIHWAL MISRA & COMPANY Chartered Accountants 15/271-C, Civil Lines Kanpur - 208 001 Phone: 0512-2333722 E-mail: jmc_ca_knp@yahoo.com</p>		
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Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

1. To the Members of AKI India Limited

We have examined the compliance of conditions of corporate governance by AKI India Limited ("the Company"), for the year ended on March 31, 2022, as stipulated in regulation 17 to 27 and clause (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ("Applicable criteria").

2. Management's responsibility

The compliance of conditions of corporate governance is the responsibility of management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of corporate governance stipulated in the SEBI Listing Regulations.

3. Auditors' responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither audit nor expression of opinion on the financial statements of the Company.


4. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with corporate governance requirements by the Company.

5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ("the ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purpose issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.



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JAIHWAL MISRA & COMPANY Chartered Accountants 15/271-C, Civil Lines Kanpur - 208 001 Phone: 0512-2333722 E-mail: jmc_ca_knp@yahoo.com		
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7. Opinion

Based on our examination of the relevant records and according to the information and explanation provided to us and representations provided by management, we certify that the Company has complied with the conditions of corporate governance as specified in regulation 17 to 27, clause (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations, as applicable during the year ended March 31, 2022.

8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Jaiswal Misra & Company
Chartered Accountants



Jaiswal

(CA. Rakesh Kumar Jaiswal)

Partner


M. No. 078188 / FRN No. 010703C

UDIN : 22078188AJJYXS6676

Place : Kanpur

Dated : 21st Day of May, 2022.

ANNUAL REPORT 2022

<p>JAISWAL MISRA & COMPANY Chartered Accountants 15/271-C, Civil Lines Kanpur - 208 001 Phone: 0512-2333722 E-mail: jmc_ca_knp@yahoo.com</p>		
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INDEPENDENT AUDITORS' REPORT

To the Members of AKI India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the financial statements of AKI India Limited ("the Company"), which comprise the balance sheet as at 31st March 2022, and the Statement of Profit and Loss (including other comprehensive income), and statement of cash flows and the statement of change in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Information Other than the Financial Statements and Auditors' Report Thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility



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JAISWAL MISRA & COMPANY

Chartered Accountants

15/271-C, Civil Lines

Kanpur - 208 001

Phone: 0512-2333722

E-mail: jmc_ca_knp@yahoo.com



Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, change in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India.


This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the company's financial reporting process.



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<p>JAISWAL MISRA & COMPANY Chartered Accountants 15/271-C, Civil Lines Kanpur - 208 001 Phone: 0512-2333722 E-mail: jmc_ca_knp@yahoo.com</p>		
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Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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JAISWAL MISRA & COMPANY

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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.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by 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 Companies Act, 2013, and on the basis of such checks of the books and records of the company as we considered appropriate and according to information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
3. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;



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JAISWAL MISRA & COMPANY Chartered Accountants 15/271-C, Civil Lines Kanpur - 208 001 Phone: 0512-2333722 E-mail: jmc_ca_knp@yahoo.com		
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- (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flows and statement of change in equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as of March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- a. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company does not have any pending litigations which would impact its financial position.
- ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
- iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Jaiswal Misra & Company
Chartered Accountants



Rakesh

(CA. Rakesh Misra Jaiswal)
Partner

M. No. 078188 / FRN No. 010703C
UDIN : 22078188AJJYXS6676

Place : Kanpur
Dated : 21st Day of May, 2022

ANNUAL REPORT 2022

JAISWAL MISRA & COMPANY

Chartered Accountants

15/271-C, Civil Lines

Kanpur - 208 001

Phone: 0512-2333722

E-mail: jmc_ca_knp@yahoo.com



Annexure 'A' to the Independent Auditors' Report

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

1. Fixed Asset:

- a. The company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b. As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
- c. The title deeds of immovable properties are held in the name of the company.
- d. No revaluation has been done by the company of its property, plant and equipment.
- e. No proceeding has been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2. Inventory and Working Capital :

As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records. The company has sanctioned working capital limit in excess of five crore rupees from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the company with financial institutions or banks are in agreement with the books of account of the Company.

3. Investments, Loans, Guarantee, Security and Advances given :


According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), (b) and (c) of the order are not applicable to the Company.

4. Loans, Guarantee and Advances to Director of Company:

In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.



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<p>JAISWAL MISRA & COMPANY Chartered Accountants 15/271-C, Civil Lines Kanpur - 208 001 Phone: 0512-2333722 E-mail: jmc_ca_knp@yahoo.com</p>		
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5. Deposits:

The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6. Maintenance of costing records:

As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

7. Deposit of statutory liabilities:

The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

8. Unrecorded Income :

There is no transaction disclosed or surrendered before the tax authorities as income which is not recorded in the books of account during the year.

9. Default in repayment of borrowings:

In our opinion and according to the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or Government, as applicable to the company.

10. Funds raised and utilisation:

Based on our audit procedures and according to the information given by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments).

The company has not made any private placement or preferential allotment of shares or convertible debentures (fully, partially or optionally convertible) during the year.

Term loans have been applied for the purpose for which they were obtained.



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The term loans have been used for the object for which they were obtained.

The company has not used funds raised for a short term basis for long term purposes.

The company has not raised any money from any person or entity for the account of or to pay the obligations of its associates, subsidiaries or joint ventures.

The company has not raised any loan during the year by pledging securities held in their subsidiaries, joint ventures or associate companies.

11. Fraud and whistle-blower complaints:

According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.

12. Managerial Remuneration:

According to the information and explanations given to us, we report that during the year managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act .

13. Nidhi Company:

The company is not a Nidhi Company. Therefore, clause (xii) of the order is not applicable to the company.


14. Related Party Transactions:

According to the information and explanations given to us, all transactions entered into with related parties as defined under the Companies Act, 2013 and Listing Regulations during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year. Related party transactions have been disclosed under note 47 of notes forming part of the financial statements in accordance with "Accounting Standard 18". A statement in summary form of the transaction with related parties in the ordinary course of business and arm's length basis is periodically placed before the Audit Committee for review and recommendation to the Board for their approval.

As required under Listing Regulations, the company has formulated a policy on materiality of related party transactions and dealing with related party transactions.



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<p>JAIHWAL MISRA & COMPANY Chartered Accountants 15/271-C, Civil Lines Kanpur - 208 001 Phone: 0512-2333722 E-mail: jmc_ca_knp@yahoo.com</p>		
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None of the transactions with related parties were in conflict with the interest of the company. All transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis on fair value.

15. Internal Audit:

The company has a sufficient system of internal controls commensurate with the size and nature of its business which ensures that transactions are recorded, authorised and reported correctly apart from safeguarding its assets against loss from wastage, unauthorised use and disposition.

16. Preferential allotment:

According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.

17. Non Cash Transactions:

The company has not entered into non-cash transactions with directors or persons connected with him and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

18. Cash Losses:

The company has not incurred cash losses in the financial year and in the immediately preceding financial year

19. Resignation of Statutory Auditors:

There has been no instance of any resignation of the statutory auditors occurred during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

20. Material uncertainty on meeting liabilities:

No material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of 1 year from the balance sheet date



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21. Transfer to fund specified under Schedule VII of Companies Act, 2013

As per section 135 of the Companies Act, the company has no obligation under Corporate Social Responsibility.

In respect of other than ongoing projects, the company has not transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;

22. Registration under RBI act:

The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

For Jaiswal Misra & Company
Chartered Accountants

(CA. Rakesh Kumar Jaiswal)
Partner

M. No. 078188 / FRN No. 010703C
UDIN : 22078188AJJYXS6676

Place : Kanpur

Dated : 21st Day of May, 2022



Jaiswal

ANNUAL REPORT 2022

JAISWAL MISRA & COMPANY
Chartered Accountants
15/271-C, Civil Lines
Kanpur - 208 001
Phone: 0512-2333722
E-mail: jmc_ca_knp@yahoo.com



Annexure B to the Independent Auditors' Report

(Referred to in paragraph 3(f) of our report of even date on the financial statements for the financial year ended March 31, 2022 of AKI India Limited)

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

Opinion

We have audited the internal financial controls with reference to financial statements of **AKI India Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

Management's Responsibility for Internal Financial Controls


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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be



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JAIHWAL MISRA & COMPANY Chartered Accountants 15/271-C, Civil Lines Kanpur - 208 001 Phone: 0512-2333722 E-mail: jmc_ca_knp@yahoo.com		
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prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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



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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.

For Jaiswal Misra & Company
Chartered Accountants



Jaiswal

(CA. Rakesh Kumar Jaiswal)
Partner
M. No. 078188 / FRN No. 010703C
UDIN : 22078188AJJYXS6676

Place : Kanpur
Dated : 21st Day of May, 2022

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AKI INDIA LIMITED

Regd. Office: 9/6 (II) Asharfabad, Jajmau, Kanpur

Balance Sheet as at 31st March, 2022

Particulars	Note No.	31.03.2022	31.03.2021
I. EQUITY AND LIABILITIES			
<u>(1) Shareholder's Funds</u>			
(a) Share Capital	1	102,970,000.00	102,970,000.00
(b) Reserves and Surplus	2	37,651,816.95	25,341,650.48
<u>(2) Share Application money pending allotment</u>	3	0.00	0.00
<u>(3) Non-Current Liabilities</u>			
(a) Long-Term Borrowings	4	111,065,832.26	110,085,165.00
(b) Deferred Tax Liabilities (Net)	5	215,880.00	5,025,924.00
(c) Other Long Term Liabilities	6	0.00	0.00
(d) Long Term Provisions	7	0.00	0.00
<u>(4) Current Liabilities</u>			
(a) Short Term Borrowings	8	158,028,750.94	155,584,173.23
(b) Trade Payables	9	158,591,650.45	148,116,997.53
(c) Other Current Liabilities	10	30,311,302.95	16,079,335.60
(d) Short-Term Provisions	11	6,047,986.09	5,516,873.35
Total Equity & Liabilities		604,883,219.64	568,720,119.19
II. ASSETS			
<u>(1) Non-Current Assets</u>			
<i>(a) Fixed Assets</i>			
(i) Tangible Assets	12	137,346,403.60	151,162,127.72
(ii) Intangible Assets	13	0.00	0.00
(ii) Capital Work in Progress	14	25,127,343.52	23,133,218.89
(b) Non-current investments	15	24,752,868.28	24,852,868.28
(c) Deferred tax assets (net)	16	0.00	0.00
(d) Long term loans and advances	17	0.00	0.00
(e) Other non-current assets	18	1,275,826.60	2,187,153.20
<u>(2) Current Assets</u>			
(a) Current Investment	19	0.00	0.00
(b) Inventories	20	168,156,704.36	149,830,494.73
(c) Trade receivables	21	177,300,700.61	160,966,992.48
(d) Cash and cash equivalents	22	12,701,773.02	11,599,951.65
(e) Short-term loans and advances	23	8,535,297.00	10,556,975.17
(f) Other current assets	24	49,686,302.65	34,430,337.07
Total Assets		604,883,219.64	568,720,119.19

ANNUAL REPORT 2022

AKI INDIA LIMITED

Regd. Office: 9/6 (II) Asharfabad, Jajmau, Kanpur

Profit & Loss Statement for the Period Ended on 31st March, 2022

Sr.	Particulars	Note No.	31.03.2022	31.03.2021
I	Revenue from operations	25	609,394,282.81	448,520,227.03
II	Other Income	26	26,708,220.12	29,801,399.90
	III. Total Revenue		636,102,502.93	478,321,626.93
	Expenses:			
	Cost of materials consumed	27	330,140,664.46	267,792,546.68
	Purchase of Stock -in-Trade	28	140,685,565.30	70,800,826.36
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	29	(5,182,657.50)	392,628.11
	Employee Benefit Expense	30	20,304,292.00	18,524,878.37
	Financial Costs	31	13,876,399.21	13,276,051.86
	Depreciation and Amortization Expense	32	22,299,968.89	22,672,119.47
	Other Expenses	33	100,185,459.46	75,387,167.61
	IV.Total Expenses		622,309,691.82	468,846,218.46
V	Profit before exceptional and extraordinary items and tax		13,792,811.11	9,475,408.47
VI	Exceptional Items		0.00	0.00
VII	Profit before extraordinary items and tax		13,792,811.11	9,475,408.47
VIII	Extraordinary Items		3,679,000.00	7,588,000.00
IX	Profit before tax		17,471,811.11	17,063,408.47
X	Tax expense:			
	(1) Current tax		5,817,900.00	5,378,240.00
	(2) Deferred tax Expenses/(Income)		(4,810,044.00)	2,766,089.00
	(3) Deferred tax		0.00	0.00
	Profit(Loss) for the period from continuing operations		16,463,955.11	8,919,079.47
	Profit/(Loss) from discontinuing operations		0.00	0.00
	Tax expense of discounting operations		0.00	0.00
	Profit/(Loss) from Discontinuing operations		0.00	0.00
	Profit/(Loss) for the period		16,463,955.11	8,919,079.47
	Earning per equity share:	34		
	(1) Basic		1.13	1.13
	(2) Diluted		1.13	1.13

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AKI INDIA LIMITED

Regd. Office: 9/6 (II) Asharfabad, Jajmau, Kanpur

Note : 1 Share Capital

Sr. No	Particulars	31/03/2022	31/03/2021
1	<u>AUTHORISED CAPITAL</u> 11000000 Equity shares of Rs.10/- each	110000000.00	110000000.00
		110000000.00	110000000.00
2	<u>ISSUED , SUBSCRIBED & PAID UP CAPITAL</u> 1,02,97,000 Equity shares of Rs.10/- each	102970000.00	102970000.00
	Total	102970000.00	102970000.00

The reconciliation of the number of shares outstanding at the beginning of the year and at the end of the reporting period

Note 1.1 (a) AUTHORISED CAPITAL

Sr. No	Particulars	31/03/2022		31/03/2021	
		Number	Amount	Number	Amount
1	<u>EQUITY SHARES OF RS 10</u>				
	Shares outstanding at the beginning of the year	11000000.00	110000000.00	11000000.00	110000000.00
	Shares Increased during the year	0.00	0.00	0.00	0.00
	Shares outstanding at the end of the year	11000000.00	110000000.00	11000000.00	110000000.00

Note 1.1 (b) ISSUED , SUBSCRIBED & PAID UP CAPITAL

Sr. No	Particulars	31/03/2022		31/03/2021	
		Number	Amount	Number	Amount
1	<u>EQUITY SHARES OF RS 10 EACH</u>				
	Shares outstanding at the beginning	10297000	102970000	10297000	102970000
	Shares Issued during the year				
	Shares outstanding at the end of the year	10297000	102970000	10297000	102970000

The company has only one kind of shares referred to as Equity share having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

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AKI INDIA LIMITED

Regd. Office: 9/6 (II) Asharfabad, Jajmau, Kanpur

The company has neither declared nor paid any dividend.

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

Note 1.2 Details of the shareholders of the company holding more than 5 % shares in the company

Sr. No	Particulars	31/03/2022		31/03/2021	
		No of shares	% of holding	No of shares	% of holding
1	Equity Shares of Rs 10 Each Fully paid up				
1	Asad Kamal Iraqi	4298520	41.75	4298520	41.75
2	Osama Anwar	569130	5.53	569130	5.53
3	Anwar Kamal Iraqi	1396650	13.56	1396650	13.56
4	Samina Asad	810747	7.87	810747	7.87
	Total	7075047.00		7075047.00	

Note : 2 Reserves & Surplus

Sr. No	Particulars	31/03/2022	31/03/2021
1	Surplus		
	Balance brought forward from previous year	22541650.48	21187985.01
	Add: Profit for the period	16463955.11	8919079.47
	Add: Adjustment for Income Tax	0.00	22586.00
	Less: Adjustment for Income Tax	105466.64	0.00
	Less: Expenses not Allowable	369322.00	0.00
	Less: Deemed Profit on Purchase of Land	3679000.00	7588000.00
		34851816.95	22541650.48
2	Security Premium	2800000.00	2800000.00
	TOTAL	37651816.95	25341650.48

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**Note : 3 Share
Application Money
Pending Allotment**

Sr. No	Particulars	31/03/2022	31/03/2021
	Share Application Money	0.00	0.00
	Total	0.00	0.00

**Note : 4 Long Term
Borrowings**

Sr. No	Particulars	31/03/2022		31/03/2021	
		Non Current	Current	Non Current	Current
1	Secured Loan				
	Aditya Birla Capital Ltd.	0.00	1910582.00	0.00	0.00
	AXIS Bank Ltd. T/Loan	12623470.00	0.00	23420356	0.00
	Kotak Mahindra (New Scorpio)	268115.00	0.00	746809	0.00
	ICICI Bank Loan(35 lakhs)		1432214.00		
	Kotak Mahindra Bank ltd loan		2407621.00		
	AXIS Bank ECGL -9334	19728185.26			32500000.00
	AXIS Bank ECGL -8137		19295645.00		
2	Unsecured loans				
	Loans and Advances from Directors	0.00	0.00	0.00	0.00
	Loans and Advances from Directors' Interested (Saldo International Pvt. Ltd.)	53400000.00	0.00	53400000.00	0.00
	Total	86019770.26	25046062.00	77585165.00	32500000.00

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The Term Loans with the AXIS Bank, as aforesaid at point numbers 1 are secured EMG/first charge on factory land and building & Plant & Machinery. Hypothecation/ first charge on P & M and other moveable assets. Further, in respect of the said loans the following assets serve as collateral security :

EMG of free hold plot of land & building premises no. 9/6 (II) Ashrfabad in the name of Mr. Anwar Kamal Iraqi, EMG of free hold plot of land & building premises no. 9/6 (II) Ashrfabad in the name of Mr. Asad Kamal Iraqi, EMG of part plot no. 2A (1) A, factory area jajmua, kanpur in the name of Mr. Asad Kamal Iraqi, EMG of part plot no. 2A (1) A, factory area jajmua, kanpur in the name of Mr. Anwar Kamal Iraqi, EMG of factory land and building situated at Chakrampur, Akbarpur, Andar Bagal Palika Unnao, in the name of Anwar Kamal Iraqi and EMG of plot no. 25 situated at factory area, jajmau, kanpur in the name of Saleha Khatoon and Samina Asad Iraqi.

Furthermore, the following individuals have given a personal guarantee for the said loans :

Sri Asad Kamal Iraqi

Sri Anwar Kamal Iraqi

Sri Mohd. Ajwad

Smt. Saleha Khatoon

Smt. Samina Asad Iraqi

As per the information and explanation made available to us, there were no continuing defaults in repayment of loans and the interests thereon.

The unsecured deposits as aforesaid at point no. 2 have been taken from the directors and equity shareholders of the company. The company does have an unconditional right to defer settlement of liability for a period exceeding one year after the reporting date.

Note 5: Deffered Tax Liability

Sr No	Particulars	31/03/2022	31/03/2021
1	<u>Deferred Tax Liability..on Depreciation</u>		
	Opening Balance	5025924.00	2259835.00
	Add: Addition (reversal) during the year	-4810044.00	2766089.00
	Total	215880.00	5025924.00

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Note: 6 Other Long Term Liabilities

Sr · N o	Particulars	31/03/2022	31/03/2021
1	Advance from Customers	0.00	0.00
	Total	0.00	0.00

Note : 7 Long Term Provisions

Sr. No	Particulars	31/03/2022	31/03/2021
1	Provision for Employee Benefit Gratuity (unfunded)	0.00	0.00
	Total	0.00	0.00

Sr. No	Particulars	31/03/2022	31/03/2021
1	AXIS Bank-PCFC - US-7989	99670603.50	0.00
2	AXIS Bank PCL-5902	46511.90	86336912.76
3	AXIS Bank ILC	16248028.65	19110190.20
4	AXIS Bank-PCFC - GBP	16634868.46	12844120.00
5	AXIS Bank-USD - 1739	114272.43	13828686.03
6	Axis Bank -CC----69044	25314466.00	23464264.24
	Total	158028750.94	155584173.23

Note : 9 Trades Payable

Sr. No	Particulars	31/03/2022	31/03/2021
1	<u>Sundry Creditors for</u> <u>Materiel/Supplies:</u> Sundry Creditors: Upto six month	158351605.45	125664900.27
2	More than six month Advance from Customers	240045.00	15104026.50 7348070.76
	Total	158591650.45	148116997.53

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The Company does not owe any dues outstanding for more than the period specified in Micro, Small & Medium Enterprises Development Act, 2006 as at 31st March, 2021, to any Micro, Small & Medium Enterprises. This information is based on data available with the Company. Confirmation of Balances from Sundry Debtors, Creditors and loans and Advances have been received in certain cases wherever the confirmation of balances are pending, the balances are appearing in the books of accounts.

Note : 10
Other Current
Liabilities

Sr. No	Particulars	31/03/2022	31/03/2021
1	Current maturities of long term debt		
	Aditya Birla Capital Ltd.	887427.00	0.00
	Kotak Mahindra Bank Ltd. (New Scorpio)	499929.00	462638.00
	Tata Capital Financial Services Ltd.	0.00	577676.00
	Kotak Mahindra Bank Ltd. Loan	3700888.00	0.00
	AXIS Bank Ltd. T/Loan	12000000.00	12000000.00
	AXIS Bank ECGL -9334	6500000.00	
	ICICI Bank Loan (35 Lakhs)	1691256.00	0.00
2	Other Payables		
	Directors' Remuneration Payable	65000.00	65000.00
	Telephone Expenses Payable		20213.77
	Electricity Expenses Payable	867063.06	800483.00
	Audit Fees Payable	75000.00	75000.00
	Salary Payable	700669.00	1418163.83
	Bonus Payable	199442.00	0.00
	Clearing & Forwarding Exp. Payable	379027.00	0.00
	Professional Exp. Payable	20500.00	18500.00
	Freight Inward Payable	719620.00	0.00
	Sea Freight Payable	1211604.89	0.00
	Manufacturing Exps. Payable	793877.00	641661.00
	Total	30311302.95	16079335.60

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Note : 11 Short Term Provisions

Sr. No	Particulars	31/03/2022	31/03/2021
1	T.D.S. Payable	146591.63	79972.00
2	T.C.S. Payable	17341.46	16246.35
3	Income Tax Payable F.Y.2021-22	5817900.00	0.00
4	Income Tax Payable F.Y.2020-21	0.00	5378240.00
5	EPF Payable	48672.00	36055.00
6	ESIC Payable	17481.00	6360.00
	Total	6047986.09	5516873.35

Note : 12 Tangible Assets

Sr. No	Particulars	31/03/2022	31/03/2021
1	Tangible Assets	137346403.60	151162127.72
	Total	137346403.60	151162127.72

Note : 13 Intangible Assets

Sr. No	Particulars	31/03/2022	31/03/2021
1	Intangible Assets	0.00	0.00
	Total	0.00	0.00

Note : 14 Capital Work in Progress

Sr. No	Particulars	31/03/2022	31/03/2021
1	Building Under Constructions	24997200.12	22840622.79
2	Vehicle	0.00	292596.10
3	Furniture	130143.40	0.00
	Total	25127343.52	23133218.89

Note : 15 Non Current Investment

Sr. No	Particulars	31/03/2021	31/03/2020
1	Other Investments Investment in Equity Instruments	24752868.28	24852868.28
	Total	24752868.28	24852868.28

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Note : 16 Deferred Tax Asset

Sr. No	Particulars	31/03/2022	31/03/2021
	Deferred Tax Asset on Depreciation		
	Opening Balance	0.00	0.00
	Add: Creation of asset	0.00	0.00
		0.00	0.00

Note : 17 Long Term Loans and Advances

Sr. No	Particulars	31/03/2022	31/03/2021
	I) <u>Capital Assets</u>		
	a) Secured, Considered Good :	0.00	0.00
	b) Unsecured, Considered Good :	0.00	0.00
	c) Doubtful Unsecured Considered good	0.00	0.00
II)	Loans & Advances to related parties	0.00	0.00
III)	IV) <u>Other Loans & Advances</u>		
	Kanpur Unnao Leather Cluster Develop. Co. Ltd.	0.00	0.00
	Advances to customers	0.00	0.00
	Prepaid Expenses	0.00	0.00
	Total	0.00	0.00

Note : 18 Other Non Current Assets

Sr. No	Particulars	31/03/2022	31/03/2021
1	Security with Telephone	500.00	500.00
2	IPO Expenses	911326.60	1822653.20
3	Security with BSE	308000.00	308000.00
4	Security with Electricity Deptt.	56000.00	56000.00
	Total	1275826.60	2187153.20

Note : 19 Current Investment

Sr. No	Particulars	31/03/2022	31/03/2021
1	Investments	0.00	0.00
	Total	0.00	0.00

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Note : 20 Inventories

Sr. No	Particulars	31/03/2022	31/03/2021
1	Finished Goods	27168389.00	42358470.00
2	Work-in-Progress	33572505.00	21673524.00
3	Raw materials	88752317.34	72864283.21
4	Finished Goods(Chemical)	18663493.02	10189735.52
5	Stock in Transit	0.00	2744482.00
	Total	168156704.36	149830494.73

Note : 21 Trade Receivables

Sr. No	Particulars	31/03/2022	31/03/2021
	<u>Unsecured Considered good</u> Trade receivable outstanding for a period of less than six months from the date they are due for payment	177300700.61	125659197.79
	Trade receivable outstanding for a period of more than six months from the date they are due for payment		35307794.69
	Total	177300700.61	160966992.48

Confirmation of Balances from Sundry Debtors have been received in certain cases wherever the confirmation of balances are pending, the balances are appearing in the books of accounts.

Sundry Debtors include dues from the following companies under the same management arising under the normal course of business : NIL

Trade Recievable above Includes:

Particulars	31/03/2022	31/03/2021
Private Company in which the Director of the Company is a director	0.00	0.00
Public Company in which Director of the company is a director	0.00	0.00

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Note : 22 Cash & Cash Equivalent

Sr. No	Particulars	31/03/2022	31/03/2021
1	Balances with Bank		
	Punjab National Bank	20859.70	20859.70
	State Bank of India (Mumbai)	0.00	142112.20
	Punjab National Bank (New Delhi A/c No. 404--576)	17916.90	347581.74
	UCO Bank	26159.15	12185.86
	The J & K Bank Ltd. (Share)	9878.10	9878.10
	Axis Bank A/c---852	1305745.65	29576.91
	Axis Bank A/c---503	964437.42	975921.00
	Axis Bank EEFC USD----- 314	0.00	715465.00
	Axis Bank EEFC EURO----- 9291	0.00	1304717.00
	The J & K Bank Ltd. (CD 3122)	9577.00	89679.78
	The J & K Bank Ltd. (CC-61) Bank FDR	122889.11 9471133.00	46438.15 7151924.00
2	Cash-in-Hand	753176.99	753612.21
	Total [A + B]	12701773.02	11599951.65

Note:23 Short Terms Loans and Advances

Sr. No	Particulars	31/03/2022	31/03/2021
	<u>Unsecured considered good</u>		
1	Other Advance	373967.00	1363890.00
2	Advance for Land	0.00	1619900.00
3	Advances to Contractors	0.00	18214.00
4	Advances to Suppliers	8161330.00	7554971.17
	Total	8535297.00	10556975.17

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Note :24 Other Current Assets

Sr. No	Particulars	31/03/2022	31/03/2021
1	Input Vat Credit	0.00	984173.72
2	Advance Income Tax	5000000.00	3900000.00
3	Duty Draw Back Receivable	5660109.91	2877208.57
4	TDS Receivable	366366.00	182319.62
5	TDS Receivable on NBFC Loan	109291.71	101179.81
6	TCS Receivable	74862.72	92856.02
7	Insurance Claim Receivable	0.00	854735.00
8	GST Receivable	38475672.31	25312820.13
9	Vat on Capital Goods Receivable (15-16)	0.00	41077.00
10	Vat on Capital Goods Receivable (16-17)	0.00	62840.20
11	Vat on Capital Goods Receivable (17-18)	0.00	21127.00
	Total	49686302.65	34430337.07

Note : 25 Revenue from Operations

Sr. No	Particulars	31/03/2022	31/03/2021
1	Sales of products		
i)	Finished Goods -Export	396629650.68	298949972.24
ii)	Finished Goods -Indigeneous	100516159.24	72715990.22
iii)	Traded goods	102640854.58	68100960.96
2	Sale of Services		
i)	Income from Job Work	9607618.31	7898568.61
3	Loss of Stock	0.00	854735.00
	Total	609,394,282.81	448,520,227.03

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Note : 26 Other Income

Sr. No	Particulars	31/03/2022	31/03/2021
1	Duty Draw Back	10501605.34	5249012.00
2	Rebate & Discount Recd.	28262.00	398061.00
3	Exchange Rate Difference	4174221.95	2767856.92
4	J W R Charges	37712.00	0.00
5	Central Leather Research Institute	0.00	7220412.00
6	Freight Received	2214649.40	2077233.50
7	M.D.A. / Spoga Fair Claim	386000.00	275000.00
8	Sale of Licence	8116626.00	6271752.00
9	Round Off	0.00	0.00
10	Interest on FDR	326041.00	250842.00
11	Interest on Security (B & L)	0.00	58629.00
12	Balances written off	0.00	2458491.23
13	Training Fee	0.00	113500.00
14	Profit on sale of Investment(LCDL)	300000.00	0.00
15	Income on forward Currency Contract	253904.00	244815.75
16	Incentive on Purchase	0.00	2174660.50
17	Other Charges	360334.92	97624.00
18	Sale of Scrap/FOC	8863.51	143510.00
	Total	26708220.12	29801399.90

Note: 27 Cost of Material Consumed

Sr. No	Particulars	31/03/2022	31/03/2021
1	<u>A. RAW MATERIALS</u>		
	Opening stock	72864283.21	86164321.21
	Purchases	346028698.59	254492508.68
		418892981.80	340656829.89
	Less:Closing stock	88752317.34	72864283.21
	(A)	330140664.46	267792546.68
2	<u>B.STORES AND SPARES</u>		
	Opening stock	0.00	0.00
	Purchases	0.00	0.00
		0.00	0.00
	Less:Closing stock	0.00	0.00
	(B)	0.00	0.00
	Total (A+B)	330140664.46	267792546.68

Note : 28 Purchase of Stock-in-Trade

Sr. No	Particulars	31/03/2022	31/03/2021
1	Purchase of Traded Goods (Chemical)	140685565.30	70800826.36

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	140,685,565.30	70,800,826.36
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Note: 29 Change in Inventories

Sr. No	Particulars	31/03/2022	31/03/2021
1	A.Finished Goods		
	Closing stock	27168389.00	42358470.00
	Opening stock	42358470.00	22013383.00
	(A)	15190081.00	(20345087.00)
2	B.Work in Process		
	Closing stock	33572505.00	21673524.00
	Opening stock	21673524.00	34268573.00
	(B)	(11898981.00)	12595049.00
3	B. Stock in Trade		
	Closing stock	18663493.02	10189735.52
	Opening stock	10189735.52	18332401.63
		(8473757.50)	8142666.11
		(5182657.50)	392628.11

Notes to the Financial Statements for the period ended on 31st March, 2022

Note : 30 Employee Benefit Expenses

Sr. No	Particulars	31/03/2022	31/03/2021
1	Salaries and Wages	19092943.00	17753564.20
2	Staff & Workmen welfare	236891.00	158672.17
3	EPF & ESIC Expenses	775016.00	455357.00
4	Bonus	199442.00	157285.00
	Total	20304292.00	18524878.37

Note : 31 Financial Cost

Sr. No	Particulars	31/03/2022	31/03/2021
1	Interest Expense	11540642.28	12072138.79
2	Other Borrowing Cost (Bank Charges)	2335756.93	1203913.07
	Total	13876399.21	13276051.86

Note : 32 Depreciation & Amortised Cost

Sr. No	Particulars	31/03/2022	31/03/2021
	Depreciation Expense	22299968.89	22672119.47
	Total	22299968.89	22672119.47

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Note : 33 Other Expenses

Sr. No	Particulars	31/03/2022	31/03/2021
(A)	<u>DIRECT/PRODUCTIONS EXPENSES</u>		
1	Power and Fuel	11624625.41	9379153.35
2	Freight and Cartage	15319342.50	8537340.00
3	Fabrication Charges	19777679.00	15001381.00
4	Job work paid	50105.00	60484.00
5	Clearing & Forwarding Import Expenses	446315.73	459346.39
6	Custom / Import Duty	1093128.16	707092.97
7	GST Expenses	226119.00	151654.00
8	Consumable Material	580969.00	0.00
		49118283.80	34296451.71
	<u>Administrative, Selling & Distribution Expenses</u>		
(B)			
1	Advertisement Expenses	24450.00	15000.00
2	Audit fee	75000.00	75000.00
3	Books Paper & Periodicals	2023.00	1520.00
4	Stock Exchange Expenses	773839.19	501877.50
5	Business Promotion/Export Promotion/Website	176465.52	209703.00
6	Balance written off	35825.57	0.00
7	Clearing & Forwarding Expenses	5497081.59	4286298.75
8	Clearing Sea Freight	10766713.86	4011412.00
9	Commission on Exports	17766014.76	12144757.02
10	Computer Maintenance/Software Exp.	85411.40	431783.67
11	Conveyance	271043.00	244334.00
12	Charity & Donation	27100.00	0.00
13	Director Remuneration	780000.00	1290000.00
14	Electrical Expenses	179340.33	645142.67
15	Freight & Cartage Outward	2114072.00	953201.00
16	Generator Running & Maintenance	9220.00	38140.00
17	Govt. Fee	9375.00	7700.00
18	GST Expenses	52223.26	338606.95
19	Rent, Rates & Taxes	352245.00	126128.00
20	Insurance charges	813787.00	814728.00
21	Interest on T D S	502.93	243.00
22	Internet Expenses	54730.00	41730.00
23	IPO Expenses	911326.60	911326.60
24	Legal & Professional Charges	563076.00	373870.00
25	Loading & Unloading Expenses	458899.00	450747.00
26	License Expenses	20800.00	77805.00
27	Loss on Sale of Car	0.00	72078.00
28	Membership / Subscription Fees	80202.17	77319.57
29	Miscellaneous / General Exps	184189.00	138609.00
30	Office Maintenance Charges	47468.04	93063.50

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31	Environment/ Pollution Expenses	617627.22	519420.20
32	Postage and Courier Charges	11518.00	12316.00
33	Printing & Stationary	139159.00	123893.00
34	R O C Expenses	20000.00	27900.00
35	Rebate & Discount	253146.12	567533.00
36	Repairs & maintenance - Building	308901.90	1440134.82
37	Repairs & Maintenance - Plant & Machinery	5248347.41	8180611.04
38	Round Off	42.08	31.21
39	Social/ Environmental Responsibility	858387.00	510255.00
40	Telephone / Internet/Telex Exps	100841.43	146206.01
41	Testing Fee	122067.40	196350.00
42	Tools, Dies & Moulds	160010.26	82573.40
43	Travelling Expenses (Foreign)	351073.65	499198.82
44	Travelling Expenses (Local)	56188.25	10525.00
45	Website Development Expenses	70000.00	0.00
46	Vehicle Running & Maintenance	617441.72	401644.17
		51067175.66	41090715.90
	Total	100185459.46	75387167.61

Note : 34 Earning Per Share

Sr. No	Particulars	3/31/2022	3/31/2021
	Net Profit or loss as per the statement of profit and Loss Account attributable to Equity Share holders	11653911.11	11685168.47
	Weighted Average number of Equity shares used as denominator for calculating EPS	10297000.00	10297000.00
	Basic and Diluted Earning Per share	1.13	1.13
	Face value per equity share	10.00	10.00

For **A K I India Limited**

For Jaiswal Misra & Company
Chartered Accountants
FRN. No.: 010703C

(Director)

(Director)

CA. Rakesh Kumar Jaiswal
Partner
M.No. 078188

Place: Kanpur

UDIN: 22078188AJJYXS6676

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NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

NOTE 1 .

A. CORPORATE INFORMATION

AKI INDIA LIMITED ("the company") is a public limited company having its registered office situated at **9/6(II) ASHARFABAD, JAJMAU, KANPUR-208010(U.P.)**

The Company's equity shares are listed at the **SME portal of Bombay Stock Exchange(BSE).**

The principal activities of the company are manufacturing and exports of Leather, Leather Goods etc.

B. SIGNIFICANT ACCOUNTING POLICIES :

1. Statement of compliance :

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act,2013 (the Act) read with the companies(Indian Accounting Standards) Rules,2015 and other relevant provisions of the Act, In addition, the guidance notes/announcements issued by the Institute of chartered Accountants of India (ICAI) are also applied except where compliance with other statutory promulgations require a different treatment.

2. Basis of preparation

The financial statements have been prepared on the historical cost convention on accrual basis except for following assets and liabilities which have been measured at fair value amount:

- Certain financial assets and liabilities (Including derivative instruments).
- Defined benefit plans – plan assets

Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

3. Operating cycle for current and non-current classification :

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All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months.

Company's financial statements are presented in Indian rupees, which is also its functional currency.

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumption that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumption are reviewed on an ongoing basis.

Revision to accounting estimates are recognized prospectively in the period in which the estimate is revised if the revision affects only that period; they are recognized in the period of the revision and future periods if the revision affects both current and future periods.

4. Property, plant and equipment(PPE)

PPE are stated at cost of acquisition less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, levies and all incidental expenses attributable to the acquisition of assets up to the date of commissioning of the assets.

Property, Plant and Equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, freight, duties, levies and all incidental expenses including borrowing costs attributable to the acquisition of assets up to the date of commissioning of the assets. Any trade discounts and rebates are deducted in arriving at the purchase price.

Assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Spare parts are capitalized when they meet the definition of PPE, i.e., when the Company intends to use these during more than a period of 12 months.

5. Investment Property :

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property.

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. For this purpose, cost includes deemed cost which represent the carrying value of property, plant and equipment.

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

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis.

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Non-Current investments are carried at cost.

However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments

A provision for diminution in the value of investments is made only when the management is of the opinion that it is of a permanent nature.

Such costs includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use , net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

An item of property , plant and equipment or any significant part initially recognized of such item of property plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the assets) is included in the income statement when the assets is derecognized.

6. Depreciation:

Depreciable amount for assets is the cost of an asset, or other amounts substituted for cost, less its estimated residual value. Depreciation on tangible Properties has been provided on the W.D.V. in the manner and as per the useful life specified in schedule II to the Companies Act, 2013.

Depreciation is calculated on pro-rata basis only in respect of additions of the assets during the year.

No depreciation is provided on assets sold, discarded, etc during the year.

Depreciation rates prescribed under Schedule XIV were treated as minimum rates and the company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for property, plant and equipment which, in many cases, are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements Depreciation is calculated on pro-rata basis only in respect of additions of the assets during the year. No depreciation is provided on assets sold, discarded, etc during the year

7. Intangible Assets

Intangible assets are stated at cost of acquisition net of recoverable taxes, trade discount and prebakes less accumulated amortization/depletion and impairment losses, if any. Such cost includes purchase price , borrowing costs, and any cost directly attributable to bring the assets to its working condition for the intended use, net charges of foreign exchange contracts and adjustments arising from exchange rate variation attributable to the intangible assets

Subsequent costs are include in the asset's carrying amount or recognized as a separate assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

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Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

Gains and losses arising from de-recognition of an intangible assets are measured as the difference between the net disposal proceed and the Carrying amount of the asset and are recongnised in the statement of Profit and Loss when the assets is derecognized.

The Company has effected to continue with the carrying value of all of its intangibles assets recognized as on April 1.2016 measured as per the previous GAAP and use that carrying value as its deemed cost as of transition date.

The amortization period and the amortization method for an intangible asset are reviewed at least at the end of each period and adjusted prospectively if appropriate.

The amortisation expense on intangible assets is recognized in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

8 Impairment of Assets Impairment of property, plant and equipment and intangible assets Other than goodwill

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's(CGU) fair value less costs of disposal and its value in use.

Impairment loss is recognized when the carrying amount of an asset exceeds recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased.

If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

9 Lease Rentals :

Accounting for lease is depending on classification of lease.

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incident to ownership. All other leases are classified as operating leases. Classification is made at the inception of the lease.

Whether a lease is a finance lease or an operating lease depends on the substance of the transaction rather than the form. Situations that would normally lead to a lease being classified as a finance lease include the following:

Other situations that might also lead to classification as a finance lease are:

- If the lessee is entitled to cancel the lease, the lessor's losses associated with the cancellation are borne by the lessee

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- Gains or Losses from fluctuations in the fair value of the residual fall to the lessee (for example, by means of a rebate of lease payments)
- The lessee has the ability to continue to lease for a secondary period at a rent that is substantially lower than market rent

10 Inventories :

Inventories are valued at cost or not realizable value whichever is lower. The basis of determining the cost for various categories of inventory is as follows.

- (a) Raw materials , chemicals , components , stores & spares and stock in trade – cost includes cost of purchase (Net of recoverable taxes) and other costs incurred in bringing the inventories of their present location and condition , Cost is determined on FIFO basis.
- (b) Stock in process and finished goods – Direct cost plus appropriate share of overheads.
- (c) Saleable Scrap/ Waste/By products_ At estimated realizable value
- (d) Inter unit goods transfer-transfer price
- (e) Import Entitlement / Licenses –At estimated realizable/Utilization value

Net realizable value is the estimated selling price in the ordinary course of business. Less estimated costs of completion and the estimated costs necessary to make the sale.

11. Foreign Currencies:

(a) Functional & Presentation Currency :

Items included in the financial statements 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/Rupees), which is the Company's functional and presentation currency.

(b) Transaction & Balances :

Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Any gains or losses arising due to differences in exchange rates at the time of translation or settlement are accounted for in the Statement of Profit & Loss either under the head foreign exchange fluctuation or interest cost, as the case may be, except those relating to long-term foreign currency monetary items.

12. Investment in subsidiaries and Associates

Investment in subsidiaries and Associates are carried at cost less accumulated impairment, if any.

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13. Fair Value measurement :

Fair value is the prices that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either.

In the principal market for the asset or liability or

In the absence of a principal market .in the most advantageous market which can be accessed by the Company for the asset or liability.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability assuming that market participants act in their economics best interest.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available in measure fair value maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy described as follows. Based on the lowest level input that is significant to the fair value measurement as a whole.

14. Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. Based on the business model for managing the financial assets and the contractual cash flow characteristics of the financial asset, the Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit and loss.

Debt instruments at amortised cost

Debt instruments such as trade and other receivables, security deposits and loans given are measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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- After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is classified as at the FVOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instruments at Fair value through Profit or Loss (FVTPL)

FVTPL is a residual category for debt instruments excluding investments in subsidiary and associate companies. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

After initial measurement, any fair value changes including any interest income, foreign exchange gain and losses, impairment losses and other net gains and losses are recognised in the Statement of Profit and Loss.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when ;

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments (other than debt instruments measured at FVOCI) and equity instruments (measured at FVTPL) are recognised in the Statement of Profit and Loss. Gains and losses in respect of debt instruments measured at FVOCI and that are accumulated in OCI are reclassified to profit or loss on de-recognition. Gains or losses on equity instruments measured at FVOCI that are recognised and accumulated in OCI are not reclassified to profit or loss on de-recognition.

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15 Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
- b) Financial assets measured at fair value through other comprehensive income.

In case of other assets (listed as a) above), the company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

16. Financial Liabilities :

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities at Fair Value through Profit or Loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in OCI. These gains/ losses are not subsequently transferred to profit or loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

Financial Liabilities at amortised cost

Financial liabilities classified and measured at amortised cost such as loans and borrowings are initially recognized at fair value, net of transaction cost incurred. After initial recognition, financial liabilities are subsequently measured at amortised cost using the Effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition :

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A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

17. Derivative financial instruments

The Company uses derivative financial instruments to manage the commodity price risk and exposure on account of fluctuation in interest rate and foreign exchange rates. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value with changes being recognized in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken through profit and loss.

18. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption amount is recognised in Profit or loss over the period of the borrowing using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facilities will be drawn down. In this case, the fee is deferred until the draw down occurs.

The borrowings are removed from the Balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of the financial liability that has been extinguished or transferred to another party and the consideration paid including any non cash asset transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability of at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statement for issue, not to demand payment as a consequence of the breach.

19. Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction/development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

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Interest income earned on temporary investment of specific borrowing pending expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are expensed in the period in which they occur.

20. Offsetting Of Financial Instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company, or the counter party.

21. Claims

Claims against the Company not acknowledged as debts are disclosed after a careful evaluation of the facts and legal aspects of the matter involved.

22. Provisions, Contingent liabilities and Capital Commitments

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

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

Contingent liabilities are possible obligations whose existence will only be confirmed by future events not wholly within the control of the Company, or present obligations where it is not probable that an outflow of resources will be required, or the amount of the obligation cannot be measured with sufficient reliability. Information on contingent liability is disclosed in the Notes to the Financial Statements.

Contingent assets are not recognised but disclosed when the inflow of economic benefits is probable. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

23. Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

A government grant that becomes receivable as compensation for expenses or losses incurred in previous period(s). Such a grant is recognised in profit or loss of the period in which it becomes receivable.

Government grants shall be recognised in profit or loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

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Government grants related to assets are presented in the balance sheet as deferred income and is recognised in profit or loss on a systematic basis over the expected useful life of the related assets or other relevant basis.

Government grants by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable.

In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

24. Revenue Recognition :

Sale of Goods and services

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

Revenue from the sale of goods is recognised at the point in time when (a) control is transferred to the customer, which is mainly upon delivery in case of domestic sales and on issuance of Shipping Bill in case of export sales.

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns, rebates and discounts to customers.

Revenue from the sale of goods includes excise and other duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as sales Tax/ value added tax/Goods & Services Tax.

The Company has adopted Ind AS 115 Revenue from contracts with customers, with effect from April 1, 2018. Ind AS 115 establishes principles for reporting information about the nature, amount, timing and uncertainty of revenues and cash flows arising from the contracts with its customers and replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts.

The Company has adopted Ind AS 115 using the cumulative effect method whereby the effect of applying this standard is recognised at the date of initial application (i.e. April 1, 2018). Accordingly, the comparative information in the statement of profit and loss is not restated. There is no impact of the adoption of the standard on the financial statements of the Company.

Interest Income

Interest income is accrued on using on a time basis by the effective interest rate with reference to the principal outstanding.

Dividend Income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established.

Export Incentives

Export Incentives are recognised when certainty of receipt is established.

Insurance Claim

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

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Other Income

Other income is accounted for on accrual basis except where the receipt of income is uncertain and in such cases it is accounted for on receipt basis.

25. Employee benefits

The Company makes contributions to both defined benefit and defined contribution schemes which are mainly administered through/by duly constituted and approved Trusts and the Government.

Defined Contribution Scheme

In case of provident fund administered through Regional Provident Fund Commissioner, the Company has no obligation, other than the contribution payable to the provident fund.

In case of members of constituted and approved trusts, the Company recognises contribution payable to such trusts as an expense including any shortfall in interest between the amount of interest realised by the investment and the interest payable to members at the rate declared by the Government of India.

The Company's contributions paid / payable during the year to provident fund administered through Approved Trust, Regional Provident Fund Commissioner, Superannuation Fund and Employees' State Insurance Corporation are recognised in the Statement of Profit and Loss as an expense when employees have rendered services entitling them to contributions.

Defined Benefit Scheme

Gratuity: Cost of providing the Benefit is determined on an actuarial basis at the end of the year and charged to Statement of Profit and Loss. The cost of providing these benefits is determined by independent actuary using the projected unit credit method.

Re-measurements, comprising of actuarial gains and losses and the effect of the asset ceiling, (excluding amounts included in net interest on the net defined benefit liability and return on plan assets), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. It is included in retained earnings in the statement of changes in equity and in the balance sheet.

Leave encashment: Leave balance as at the end of the calendar year is encashed and balance leaves earned thereafter to the extent not availed by the employees are provided in the accounts.

26. Research and Development Expenditure

Expenditure on research of revenue nature is charged to Statement of Profit and Loss and that of capital nature is capitalized as fixed assets.

27. Taxes on Income

Current tax is the amount of tax payable determined in accordance with the applicable tax rates and provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally

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recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

Current and deferred taxes relating to items directly recognised in reserves are recognised in reserves and not in the Statement of Profit and Loss.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an deferred tax asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

28. Dividend Distribution

Dividends paid (including income tax thereon) is recognised in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

29. Cash Flow Statement

Cash flows statement is prepared as per the Indirect Method specified in Ind AS 7 on Cash Flows. Cash and cash equivalents (including bank balances) shown in statement of cash flows exclude item which are not available for general use on the date of balance sheet.

30. Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

For Jaiswal Misra & Company
Chartered Accountants

For AKI India Limited

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(CA. Rakesh Kumar Jaiswal)
Partner
M. No. 078188 / FRN No. 010703C
UDIN : 22078188AJJYXS6676

(Director) (Director)

Place : Kanpur
Dated : 21st Day of May, 2022

AKI INDIA LIMITED

Regd. Office: 9/6 (II) Asharfabad, Jajmau, Kanpur

CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31st MARCH, 2022

Sl. No.	PARTICULARS	31.03.2022	31.03.2021
A.	<u>Cash flow from Operating Activities :</u>		
	Net Profit before taxation and extra ordinary items	13,792,811.11	9,475,408.47
	<u>Adjustment for :</u>		
	Depreciation	22,299,968.89	22,672,119.47
	Operating profit before working capital changes	36,092,780.00	32,147,527.94
	<u>Adjustments for movement in working Capital :</u>		
	(Increase)/Decrease in inventory	(18,326,209.63)	10,948,184.11
	(Increase)/Decrease in Debtors	(16,333,708.13)	(67,350,935.28)
	(Increase)/Decrease in Short Term Loans & Advances	2,021,678.17	(6,106,510.47)
	(Increase)/Decrease in Other Current Assets	(15,255,965.58)	(9,383,157.61)
	Increase/(Decrease) in Trade Payable	10,474,652.92	(3,559,664.63)
	Increase/(Decrease) in Other Current Liabilities	14,231,967.35	(1,599,774.32)
	Increase/(Decrease) in short term provisions	531,112.74	1,088,591.15
	Cash generated from Operations	13,436,307.84	(43,815,739.11)
	Direct Tax Paid	(5,817,900.00)	(5,378,240.00)
	Net cash from operating activities (A)	7,618,407.84	(49,193,979.11)
B.	<u>Cash flow from Investing Activities</u>		
	Additions in Fixed Assets	(10,478,369.40)	(18,377,640.78)

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	Increase/(Decrease) in Capital	-	-
	Increase/(Decrease) in Investments	100,000.00	542,500.00
	(Increase)/Decrease in Non-Current Assets	911,326.60	911,326.60
	Sale of Fixed Assets	-	144,112.00
	Other Adjustment (Expenses not allowable)	(369,322.00)	
	Other Adjustment (Income Tax)	(105,466.64)	22,586.00
	Net cash from investing activities (B)	(9,941,831.44)	(16,757,116.18)
C.	Cash flow from Financing Activities		
	Increase/(Decrease) in short term Borrowings	2,444,577.71	58,091,408.06
	Increase/(Decrease) in long term Borrowings	980,667.26	6,844,134.29
	Net cash from financing activities (C)	3,425,244.97	64,935,542.35
	Net increase in cash and cash equivalents (A + B + C)	1,101,821.37	(1,015,552.94)
	Cash and cash equivalents at beginning of period	11,599,951.65	12,615,504.59
	Cash and cash equivalents at end of period	12,701,773.02	11,599,951.65

For A K I India Limited

(Director)

(Director)

Place: Kanpur

Date : 21ST DAY OF MAY 2022

For Jaiswal Misra & Company

Chartered Accountants

FRN. No.: 010703C

CA. Rakesh Kumar Jaiswal

Partner

M.No. 078188

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ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

(Annual General Meeting - 30th September, 2022)

I/We hereby record my/ our presence at the **Annual General Meeting of “AKI INDIA LIMITED”** held on, **30th September, 2022** at 3.30 P.M. at registered office of the company.

FullNameofthefmember(inBLOCKLETTERS): _____

FolioNo. _____,

DPIDNo. _____,

ClientIDNo. _____

FullNameofProxy(inBLOCKLETTERS): _____

Memberf Proxy(s)Signature: _____

(Please cut here and bring the Attendance Slip duly Signed, to the meeting and hand it over the entrance. Duplicate slips will not be issued at the venue of the meeting.)

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AKI INDIA LIMITED

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FORM NO. 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]

Name of the Member(s)	
Registered Address	
E-mail ID	
Folio No. / *DP-ID & Client	
No. of Equity Shares Held	

**Applicable for Investors holding shares in electronic form.*

I / We, being the member (s) of shares of the AKI INDIA LIMITED, hereby appoint:

1.	Name:	Address:
	E-mail Id:	Signature:

Or falling him

2.	Name:	Address:
	E-mail Id:	Signature:

Or falling him

3.	Name:	Address:
	E-mail Id:	Signature:

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting, **Thursday the 30th day of September, 2021 at 03:30 P.M. at Registered Office of company**, and at any adjournment thereof in respect of such resolutions as is/are indicated below:-

** I/We wish my/our above Proxy to vote in the manner as indicated in the box below:-

Item No.	Resolution(s)	For	Against
1.	Ordinary Resolution to consider and adopt Balance Sheet and Statement of Profit & Loss, Cash Flow Statement together with Directors and Auditors Report for the Year ended March 31, 2021		
2.	Ordinary Resolution Seeking Approval for Re-Appointment of Director Mr. Javed Iqbal, who retires by rotation and being eligible offers himself for re-appointment.		

Signed this day of 2021.

Signature of Shareholder

Affix
Re.1
Revenue
Stamp

Signature of 1stProxy holder(s):

Signature of 2nd Proxy holder(s):

Signature of 3rd Proxy holder(s):

Notes:

1. *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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ROUTE MAP OF VENUE OF ANNUAL GENEREAL MEETING

