



ANNUAL REPORT

2021-2022



A. K. CAPITAL SERVICES LIMITED

BUILDING BONDS

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Subhash Chandra Bhargava

Non-Executive Chairman, Independent Director
(DIN: 00020021)

Mr. A. K. Mittal

Managing Director
(DIN: 00698377)

Mr. Khimji Shamji Pandav

Independent Director
(DIN: 01070944)

Late Shri. Subhash Chander Madan

Independent Director
(DIN: 00785025)
(Ceased to be a Director w. e. f. October 24, 2021)

Ms. Aditi Mittal

Non-Executive Women Director
(DIN: 00698397)

Mr. Vikas Jain

Whole-time Director
(DIN: 07887754)

Mr. Ashish Agarwal

Whole-time Director
(DIN: 08064196)

CHIEF FINANCIAL OFFICER

Mr. Mahesh Bhootra

COMPANY SECRETARY

Mr. Tejas Dawda

STATUTORY AUDITORS

M/s. PYS & Co. LLP
Chartered Accountants,
[Firm Registration No: 012388S/S200048]

BANKERS

Bank of India
Bank of Maharashtra
HDFC Bank
IndusInd Bank
Punjab National Bank
The Federal Bank
Union Bank of India

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited

C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400 083
Tel: +91-22-49186270 | Fax: +91-22-49186060
e-mail: rnt.helpdesk@linkintime.co.in | Website: www.linkintime.co.in

CORPORATE IDENTIFICATION NUMBER

L74899MH1993PLC274881

REGISTERED AND CORPORATE OFFICE

603, 6th Floor, Windsor, Off CST Road, Kalina, Santacruz (East), Mumbai - 400098
Tel: +91-22-67546500 | Fax: +91-22-66100594 | Website: www.akgroup.co.in | E-mail: compliance@akgroup.co.in

DIRECTORS' REPORT

To,

The Members of **A. K. Capital Services Limited** ("Company")

The Directors of your Company are pleased to present the 29th Annual Report of the Company, together with the annual audited standalone and consolidated financial statements for the Financial Year ended March 31, 2022.

1. FINANCIAL HIGHLIGHTS

A summary of the financial performance of the Company, both on standalone and consolidated basis, for the Financial Year 2021-22 as compared to the previous Financial Year is given below:

Standalone Financial Statements:

(INR in Lakhs except earnings per share)

Particulars	FY 2021-22	FY 2020-21
Total revenue	8,689.01	7,334.37
Total expenses	5,410.08	4,087.05
Profit before tax	3,278.93	3,247.32
Tax expenses:		
Current tax	603.00	731.00
Prior period tax adjustments	(50.85)	-
Deferred tax expense/(credit)	94.63	(25.25)
Profit after tax (A)	2,632.15	2,541.57
Other comprehensive Income, net of tax		
Item that will not to be reclassified to the statement of profit and loss	0.83	6.01
Less: Income tax expense on above	(0.20)	(1.52)
Other comprehensive Income for the year (B)	0.63	4.49
Total comprehensive Income for the year [A+B]	2,632.78	2,546.06
Earnings per equity share (face value INR 10/- per share)		
Basic and Diluted (INR)	39.88	38.51
Opening balance of other comprehensive income	(615.32)	(619.81)
Add: Other comprehensive income for the year	0.63	4.49
Closing balance of other comprehensive income	(614.69)	(615.32)
Opening balance of retained earnings brought forward from previous year	32,749.09	30,604.38
Add: Profit for the year	2,632.15	2,541.57
Profit available for appropriation	35,381.24	33,145.95
Less: Appropriations		
Dividend paid	(396.00)	(396.00)
Dividend distribution tax on dividend	-	(0.86)
Closing balance of retained earnings	34,985.24	32,749.09

Note: Previous periods figures have been regrouped / rearranged wherever necessary.

2. FINANCIAL PERFORMANCE AND STATE OF AFFAIRS OF THE COMPANY

A. K. Capital Services Limited is a flagship company of the A. K. Group, and is registered with SEBI as a Category I Merchant Banker and Investment Advisor.

On a standalone basis, your Company earned total revenue of INR 8,689.01 Lakhs during the Financial Year under review as against INR 7,334.37 Lakhs reported in the previous Financial Year. The profit before tax is INR 3,278.93 Lakhs for the current Financial Year as against INR 3,247.32 Lakhs during the previous Financial Year. After making provision for tax, the net profit of your Company is INR 2,632.15 Lakhs for the current Financial Year as against the net profit of INR 2,541.57 Lakhs in the previous Financial Year.

The consolidated total revenue of your Company stood at INR 32,289.11 Lakhs for the Financial Year ended March 31, 2022, as against INR 28,914.63 Lakhs for the previous Financial Year. The consolidated profit before tax is INR 10,864.36 Lakhs for the current Financial Year as against INR 9,835.39 Lakhs in the previous Financial Year. After making provision for tax, the consolidated net profit of your Company is INR 8,300.56 Lakhs for the current Financial Year as against INR 7,504.59 Lakhs in the previous Financial Year.

Consolidated Financial Statements:

(INR in Lakhs except earnings per share)

Particulars	FY 2021-22	FY 2020-21
Total revenue	32,289.11	28,914.63
Total expenses	21,424.75	19,079.24
Profit before tax	10,864.36	9,835.39
Tax expenses		
Current tax	2,135.99	2,371.82
Prior period tax adjustments	(59.72)	1.34
Deferred tax expense/(credit)	487.53	(42.36)
Profit after tax (A)	8,300.56	7,504.59
Other comprehensive income, net of tax		
Item that will not to be reclassified to the statement of profit and loss	(26.08)	(11.96)
Less: Income tax expense on above	6.91	3.73
Other comprehensive Income for the year (B)	(19.17)	(8.23)
Total comprehensive income for the year [A+B]	8,281.39	7,496.36
Profit for the year attributable to:	8,300.56	7,504.59
Owners of the Company	8,227.07	7,440.08
Non-controlling interest	73.49	64.51
Other comprehensive income attributable to:	(19.17)	(8.23)
Owners of the Company	(19.10)	(7.99)
Non-controlling interest	(0.07)	(0.24)
Earnings per equity share (face value INR 10/- per share)		
Basic and Diluted (INR)	124.65	112.73
Opening balance of Other comprehensive income	(2,371.26)	(2,363.27)
Add: Other comprehensive income for the year	(19.10)	(7.99)
Closing balance of other comprehensive income	(2,390.36)	(2,371.26)
Opening balance of retained earnings brought forward from previous year:	55,137.08	49,230.61
Add: Profit for the year	8,227.07	7,440.08
Profit available for appropriation	63,364.15	56,670.69
Less: Appropriations		
Dividend paid**	(396.00)	(396.00)
Dividend on CCPS	(230.09)	(115.63)
Dividend distribution tax on dividend**	-	(4.98)
Transfer to special reserve	(1,158.00)	(1,017.00)
Purchase of CCPS from non-controlling interest	-	-
Closing balance of retained earnings	61,580.06	55,137.08

Note:

Previous periods figures have been regrouped / rearranged wherever necessary.

** During the financial year 2021-22, the Board of Directors of the Company had paid a final dividend of INR 1/- per equity share (pertaining to Financial Year ended March 31, 2021) having face value of INR 10/- each for the year ended March 31, 2021. The same is approved by the shareholders of the Company in the annual general meeting held on September 18, 2021. The total cash outflow of INR 66.00 Lakhs.

During the financial year 2021-22, the Board of Directors of the Company had paid interim dividend of INR 5/- per equity share having face value of INR 10/- each for the year ended March 31, 2022, on its board meeting held on February 5, 2022. The total cash outflow of INR 330.00 Lakhs.

3. PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES

As required under Rule 5 and Rule 8(1) of the Companies (Accounts) Rules, 2014, a report on the highlights of performance of subsidiaries, and their contribution to the overall performance of the Company is appended as Form AOC-1 is annexed to the Consolidated Financial Statement in the Annual Report.

In accordance with provisions of Section 136 of Companies Act, 2013 the separate audited financial statement of each subsidiary company is also available on the website of your Company at www.akgroup.co.in.

4. NOTES ON FINANCIAL STATEMENTS

Standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013, read with The Companies (Indian Accounting Standards) Rules, 2015 as amended.

The financial statements have been prepared in accordance with Ind AS under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values and based on the accounting principle of a going concern in accordance with Generally Accepted Accounting Principles (GAAP). Accounting policies have been consistently applied except where

a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Financial Statements are presented in Lakhs or decimal thereof.

The financial statements have been presented in accordance with Schedule III-Division III General Instructions for Preparation of financial statements of a Non-Banking Financial Company (NBFC) that is required to comply with Ind AS.

5. DIVIDEND

The Board of Directors has declared an Interim Dividend of INR 5/- per equity share on each fully paid up 66,00,000 equity shares of INR 10/- each of the Company amounting to INR 330 lakhs for the Financial Year ending March 31, 2022. The dividend was paid to those members of the Company whose names appeared on the Register of Members of the Company as on February 16, 2022.

The Board has recommended a Final Dividend of INR 3/- per equity share of INR 10/- each for Financial Year 2021-22.

The payment of the final dividend is subject to the approval of the members at the ensuing Annual General Meeting and shall be paid to those members whose names appear in the Register of Members as on Friday, August 5, 2022. The Register of Members and Share Transfer Books will remain closed from Saturday, August 6, 2022 to Saturday, August 13, 2022 (both days inclusive). The amount of final dividend on Equity Shares thereon aggregates to INR 198 lakhs.

The total dividend (interim and final) declared/ recommended by the Board for Financial Year 2021-22, is INR 8/- per equity share of INR 10/- each fully paid up.

6. TRANSFER TO GENERAL RESERVES

During the year under review, the Company has not transferred any amount to the General Reserves.

7. PUBLIC DEPOSITS

No disclosure is required in respect of the details relating to the deposits covered under Chapter V of the Companies Act, 2013, as the Company has not accepted any deposit during the year under review.

8. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS BY THE COMPANY

Particulars of Loans, Guarantees, and Investments as required under the provisions of Section 186 of the Companies Act, 2013 are given in "Note No. 5, 6 & 28 of the Notes to the standalone financial statements".

9. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) and 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your Directors confirm that they have:

- i. Followed the applicable accounting standards in preparation of the annual financial statements for the Financial Year 2021-22;
- ii. Have 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 as at March 31, 2022 and of the profit of the Company for the Financial Year 2021-22 ended on that date;
- iii. Taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities, if any;
- iv. Prepared the annual accounts on a 'going concern basis';
- v. Laid down proper internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- vi. Devised proper systems to ensure compliance with the provisions of all applicable laws and that the systems are adequate and are operating effectively.

10. INTERNAL FINANCIAL CONTROLS

Your Company has put in place adequate internal financial controls with reference to the Financial Statements. Internal Financial Control has been assessed during the year taking into consideration the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by The Institute of Chartered Accountants of India (ICAI).

M/s. JMR & Associates, Practicing Chartered Accountant Firm have assessed the Internal Financial controls on the basis of internal processes having an effect on the financial statements of the Company.

In addition, on assessing the controls of its operating processes, the Company level controls have also been assessed with respect to the existing policy and procedures of the Company. Based on the results of such assessment carried out by management with the assistance of M/s. JMR & Associates, Practicing Chartered Accountant Firm, no reportable material weakness or significant deficiency in the design or operation of internal financial controls was observed.

Also, the statutory auditors of the Company, viz. M/s. PYS & Co., LLP, Chartered Accountant have also verified the Internal Financial Controls systems over financial reporting and have opined that 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 Control Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Annexure B to the Independent Auditor's Report provides a report on internal financial controls over the financial reporting of A. K. Capital Services Limited as of March 31, 2022.

During the Financial Year under review, no material or serious observations have been highlighted for inefficiency or inadequacy of such controls.

11. RISK MANAGEMENT

As a diversified enterprise, your Company continues to focus on a system-based approach to business risk management. The management of risk is embedded in the corporate strategies that best match organizational capability with market opportunities, focusing on building distributed leadership and succession planning processes, nurturing specialism and enhancing organizational capabilities. Accordingly, management of risk has always been an integral part of the Company's strategy.

12. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control systems to commensurate with the nature of business and size of operations for ensuring:

- i. orderly and efficient conduct of business, including adherence to Company's policies and procedures;
- ii. safeguarding of all our assets against loss from unauthorized use or disposal;
- iii. prevention and detection of frauds and errors;
- iv. accuracy and completeness of accounting records;
- v. timely preparation of reliable financial information; and
- vi. compliance with applicable laws and regulations.

The policies, guidelines and procedures are in place to ensure that all transactions are authorised, recorded and reported correctly as well as provides for adequate checks and balances.

Adherence to these processes is ensured through frequent internal audits. The internal control system is supplemented by an extensive program of internal audit and reviews by the senior management. To ensure independence, the internal audit function has a reporting line to the Audit Committee of the Board.

The Audit Committee of the Board reviews the performance of the audit and the adequacy of internal control systems and compliance with regulatory guidelines. The Audit Committee of Board provides necessary oversight and directions to the internal audit function and periodically reviews the findings and ensures corrective measures are taken. This system enables us to achieve efficiency and effectiveness of operations, reliability and completeness of financial and management information and compliance with applicable laws and regulations.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the Financial Year 2021-22 with related parties were in compliance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company had obtained prior approval of the Audit Committee for all the related party transactions during the Financial Year 2021-22, as envisaged in Regulation 23(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Audit Committee had given prior omnibus approval under Section 177 of the Companies Act, 2013 read with Rule 6(A) of The Companies (Meetings of Board and its Powers) Rules, 2014 read with Regulation 23(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for related party transactions that are foreseen and of repetitive nature during the period under review and the required disclosures are made to the Audit Committee and Board on quarterly basis.

The Company also secures omnibus approval from the Audit Committee for transaction up to INR 1 Crore with related party where the need for Related Party Transaction cannot be foreseen and adequate details are not available.

All related party transactions that were entered during the Financial Year ended March 31, 2022 were on an arm's length basis and were in the ordinary course of business. Therefore, the provisions of Section 188 of the Companies Act, 2013 were not attracted.

The details of material related party transaction entered into by the Company during the Financial Year 2021-22 are enumerated in Form AOC-2 as annexed in **Annexure - 4** under Section 134(3)(h) of the Companies Act, 2013, read with Rule 8(2) of The Companies (Accounts) Rules, 2014. In addition to above, the disclosure of transactions with related party for the year, as per Indian Accounting Standard-24 (IND AS-24), Related Party Disclosures is given in Note No. 37 of the Notes to the Financial Statements section of the Annual Report.

The Company has in place, a Board approved Policy on Materiality and Dealing with Related Party Transactions, which is available on the website of the Company at:

<https://www.akgroup.co.in/docs/Policy%20on%20materiality%20and%20dealing%20with%20RPT.pdf>

14. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There was no material change and commitment affecting the financial position of your Company between the end of Financial Year 2022 and the date of this report, which could have an impact on your Company's operation in the future or its status as a "Going Concern".

15. CREDIT RATING

During the year under review, Acuité Ratings & Research Limited and Brickwork Ratings Indian Pvt Ltd have reviewed and reaffirmed the ratings of the following facilities:

Facility	Limits (INR in Crores)	Tenure	Rating
Proposed Bank Facility	73.00	Long term	ACUITE AA- (ACUITE Double A Minus) (Outlook: Stable)
Bank Loan Facilities - Fund Based	641.76	Long term	BWR AA- (Stable) (Reaffirmed)

16. STATUTORY AUDITORS

As per the provisions of Section 139 of the Act, M/s. PYS & Co. LLP, Chartered Accountants (Firm Registration Number - 012388S/S200048, were appointed as Statutory Auditors of your Company at the 24th Annual General Meeting held on September 16, 2017, to hold office until the conclusion of the 29th Annual General Meeting. Accordingly, the existing Statutory Auditors are due for retirement at the ensuing Annual General Meeting.

The Board of Directors of the Company at its meeting held on August 6, 2022 based on the recommendation of the Audit Committee and subject to approval of the shareholders at the ensuing AGM, reappointed M/s. PYS & Co. LLP, Chartered Accountants (Firm Registration Number - 012388S/S200048, as the Statutory Auditors of the Company to hold office for their second term of 5 (Five) years i.e. from the conclusion of 29th AGM till the conclusion of 34th AGM of the Company, to be held in the financial year 2027.

M/s. PYS & Co. LLP have consented to act as statutory auditors of the Company and given a certificate in accordance with Section 139, 141 and other applicable provisions of the Act to the effect that their re-appointment, if made, shall be in accordance with the conditions prescribed and that they are eligible to hold office as Statutory Auditors of the Company. As required under Regulation 33 of the Listing Regulations, M/s. PYS & Co. LLP has confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Members are requested to approve their appointment as the Auditors of the Company and to fix their remuneration as recommended by the Board, by passing an ordinary resolution under Section 139 of the Companies Act, 2013.

Necessary resolution for appointment of the said Auditors is included in the Notice of AGM for seeking approval of members.

17. AUDITOR'S REPORT

The Statutory Auditor's Report forms part of the Annual Report. There is no qualification, reservation, adverse remark or disclaimer in the Report of the Statutory Auditors of the Company.

18. REPORTING OF FRAUDS BY AUDITORS

During the year under review, the Statutory Auditors of the Company have not reported any fraud to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013 read with Rule 13 of the Companies (Audit and Auditors) Rules, 2014.

19. MAINTENANCE OF COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

20. SUBSIDIARIES

As on March 31, 2022, your Company has following subsidiaries:

Sr. no.	Name of the subsidiaries
i.	A. K. Stockmart Private Limited
ii.	A. K. Capital Corporation Private Limited
iii.	A. K. Wealth Management Private Limited
iv.	A. K. Capital (Singapore) Pte. Ltd.
v.	A. K. Capital Finance Limited
vi.	Family Home Finance Private Limited (Step-down subsidiary).

21. MATERIAL SUBSIDIARIES

Pursuant to the provisions of Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, including amendments thereto, based on the financials of the FY 21-22, the Company has one material subsidiary namely, A. K. Capital Finance Limited.

The Policy for determining the material subsidiaries has been formulated and adopted by the Board. The Policy may be accessed on the website at link:

<https://www.akgroup.co.in/docs/Policy%20for%20Determining%20Material%20Subsidiaries.pdf>

22. SECRETARIAL AUDIT OF MATERIAL SUBSIDIARIES

Material subsidiaries of the Company had undertaken Secretarial Audit for Financial Year 2021-22 pursuant to Section 204 of the Act and the said report thereon forms part of such subsidiaries respective annual reports. The Secretarial Audit Report of Material Subsidiaries Company, viz. A. K. Capital Finance Limited and A. K. Stockmart Private Limited for the financial year 2021-22 is attached as **Annexure – 3** to this report pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

23. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL OF THE COMPANY:

I. COMPOSITION OF THE BOARD

As on March 31, 2022, the Board of Directors of your Company comprised of six Directors of which three are Executive Directors, one Woman Non-Executive Non-Independent Director and two are Non-Executive Independent Directors. The Chairman of the Board is Non-Executive Independent Director. The composition of the Board is in consonance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in accordance with the applicable provisions of the Companies Act, 2013, as amended from time to time.

During the financial year under review, there was a change in the composition of the Board of Directors of the Company, due to sudden demise of Mr. Subhash Chander Madan (DIN: 00785025), Independent Director on October 24, 2021.

The details of board composition are provided in 'Report on Corporate Governance' forming part of the Annual Report.

II. RETIREMENT BY ROTATION

In accordance with the Articles of Association of the Company and the provisions of the Section 152 of the Companies Act, 2013, Mr. A. K. Mittal (DIN: 00698377), will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The requisite agenda for re-appointment of Mr. A. K. Mittal (DIN: 00698377) is incorporated in the notice of Annual General Meeting.

III. KEY MANAGERIAL PERSONNEL

The following persons are the Key Managerial Personnel's (KMP's) of the Company as per the provisions of Section 203 of the Companies Act, 2013 as on March 31, 2022:

Mr. A. K. Mittal	-	Managing Director
Mr. Ashish Agarwal	-	Whole-time Director
Mr. Vikas Santosh Jain	-	Whole-time Director
Mr. Mahesh Bhootra	-	Chief Financial Officer
Mr. Tejas Dawda	-	Company Secretary

24. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from all the Independent Directors of the Company confirming that they fulfill the criteria of Independence prescribed both under Section 149(6) of the Companies Act, 2013 and Regulation 16(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that they have complied with the Code of Conduct as specified in Schedule IV to the Act.

Further, the Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs (IICA) for recording their names and other requisite details in the databank maintained with IICA.

In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, all the independent directors on the Board of the Company are exempted from appearing in online proficiency self-assessment test conducted by the IICA.

25. DECLARATION FROM DIRECTORS AND PRACTISING PROFESSIONAL

Based on the written representations received from the directors of the Company as on March 31, 2022, none of the directors of the Company is disqualified to act as a Director as on March 31, 2022.

M/s. Ragini Chokshi & Co, Practicing Company Secretaries and Secretarial Auditor of the Company, have certified that none of the directors of the Company have been debarred or disqualified from being appointed or continuing as director of the Company by SEBI or Ministry of Corporate Affairs or any such other statutory authority. The certificate received from Secretarial Auditor to this effect forms **Annexure - 6** to this Board's Report.

26. PERFORMANCE EVALUATION AND MEETING OF INDEPENDENT DIRECTORS

With the objective of enhancing the effectiveness of the Board, the Nomination and Remuneration Committee formulated the methodology and criteria to evaluate the performance of the Board, its Committee, and each Director.

The evaluation of the performance of the Board, Committees and each Director is based on the approved criteria laid down in the Nomination and Remuneration Policy of the Company.

The Independent Directors also held a separate meeting to review the performance of the non-independent directors, the Chairman of the Company, the overall performance of the Board along with its Committees.

The details of performance evaluation conducted during the Financial Year 2021-22 is provided in 'Report on Corporate Governance' forming part of the Annual Report.

27. MEETINGS OF THE BOARD

Regular meetings of the Board are held to discuss and decide on various business policies, strategies, financial matters and other businesses. During the year under review, the Board met five times. The details of the Board Meetings and the attendance of the Directors at the meetings are provided in the Corporate Governance Report, which forms part of this Annual Report. The maximum interval between any two meetings did not exceed 120 days.

28. BOARD COMMITTEES:

MANDATORY COMMITTEES

The Board of Directors has four Mandatory Committees, viz.

- i. Audit Committee
- ii. Nomination and Remuneration Committee
- iii. Stakeholders' Relationship Committee
- iv. Corporate Social Responsibility Committee

The details of all the Mandatory Committees along with their composition, terms of reference and meetings held during the year are provided in 'Report on Corporate Governance' forming part of the Annual Report.

NON-MANDATORY COMMITTEES

In addition to the above referred Mandatory Committees, the Board has also formed the following Committees of the Board and delegated powers and responsibilities with respect to specific purposes:

- i. Banking and Investment Committee
- ii. Management Committee
- iii. Infrastructure Committee

Details of Non-Mandatory Committees as mentioned above along with their composition and terms of reference are provided in 'Report on Corporate Governance' forming part of the Annual Report.

29. NOMINATION AND REMUNERATION POLICY

The Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Act is mentioned and elaborated in the Nomination and Remuneration Policy. The Nomination and Remuneration Policy is attached as **Annexure - 1** to this Report.

30. CORPORATE SOCIAL RESPONSIBILITY

In accordance with the requirements of the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted a Corporate Social Responsibility ("CSR") Committee. The composition and terms of reference of the CSR Committee is provided in the Corporate Governance Report forming part of this Annual Report.

The Company has also formulated a CSR Policy which is available on the website of the Company at

<https://www.akgroup.co.in/docs/CSR%20Policy-202205311225084703354.pdf>

The details of CSR activities undertaken during the Financial Year 2021-22 by the Company is attached as **Annexure - 2** and forms an integral part of this Report.

31. WHISTLEBLOWER POLICY AND VIGIL MECHANISM

Pursuant to Section 177(9) of the Companies Act, 2013 and rules made thereunder and as per Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has in place a Whistle Blower Policy ('Vigil Mechanism') for reporting genuine concerns over happening of instances of any irregularity, unethical practice and/or misconduct involving the directors and employees. The Policy may be accessed on the Company's website at the link:

<https://www.akgroup.co.in/docs/Whistle%20Blower%20Policy%20&%20Establishment%20of%20Vigil%20Mechanism.pdf>

There was no instance of such reporting received during the year under review.

32. POLICY FOR PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

In accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder, the Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace at group level and has duly constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder. The Policy has been widely communicated internally and is placed on the Company's website.

Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment.

During the Financial Year 2021-22, no case in the nature of sexual harassment was reported at any workplace of the Company.

The Annual Report prepared by the Internal Complaints Committee of the Company as per the provisions of Section 21 of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with Rule 14 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Rules, 2013 was duly submitted to the District Officer-Women and Child Development located at Worli.