



January 03, 2023

To
The Corporate Relations Department
BSE Limited

Dear Sir,

Sub: Annual Report for the FY 2021-22

Pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015, we are herewith submitting the Annual Report of the Company for the financial year 2021-22.

The same has also been uploaded on the Company's website i.e. www.tanvifoods.com

This is for your information and for dissemination to general public.

FOR TANVI FOODS (INDIA) LTD
(Scrip Code: 540332 | Scrip ID: TANVI)

SRI NAGAVEER ADUSUMILLI
MANAGING DIRECTOR
DIN: 02096695

CIN :
L15433TG2007PLC053406

www.tanvifoods.com

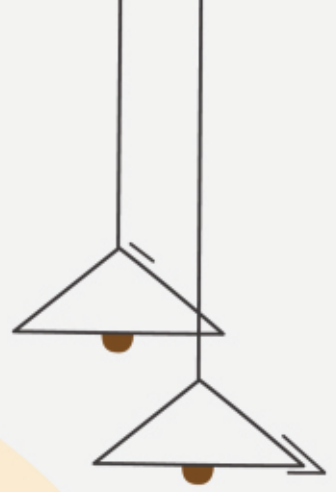
Registered Office:
Flat No. 101, Alekhya Homes, Temple Tree,
Raghavendra Colony, Kondapur,
Hyderabad - 500084, Telangana, INDIA

Manufacturing Unit:
D.No: 3-157, Seetharampuram,
Nuzvidu Mandal, Krishna Dist. Pin - 521106, A.P., INDIA
investors@tanvifoods.com 040-24322233





Frozen King's™
Hold the Freshness...



**15TH
ANNUAL REPORT
FY 2021-22**



TANVI FOODS (INDIA) LTD.



Frozen King's™
Hold the Freshness...



ABOUT COMPANY

We work in an increasingly complicated, ever-changing environment.

Our expertise in processing agricultural commodities into high-quality frozen food, that gives you an edge in making products that satisfy consumers around the world.

Quality food starts from the farm. We built our name by producing the wholesome, great tasting frozen snacks.

we not only have the fastest growing portfolio of frozen snacks, but also with wide range of ready to cook and eat frozen foods.

We offer greater transparency into everything we do.

WWW.TANVIFOODS.COM



Frozen King's™
Hold the Freshness...

VISION AND MISSION

MISSION

"To be the best in all that we do, ensuring the best products and services to our customers, a relationship of trust with our suppliers, profitability for our shareholders, and the opportunity of a better future for all of our team members".

VALUES

Determination

Simplicity

Leadership

Ownership

Availability

Sincerity

PRODUCT LINE



FROZEN FRUITS & VEGETABLES

FROZEN SNACKS



FROZEN DALLS & CURRIES



FROZEN CHUTNEYS



WWW.TANVIFOODS.COM

15th ANNUAL GENERAL MEETING
Saturday, 31st December, 2022 at 2.00 P.M.
at Flat No. 101, Alekhya Homes Temple Tree,
Raghavendra Colony, Kondapur,
Hyderabad - 500084, Telangana

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Corporate Information

| BOARD OF DIRECTORS | |
|---|---|
| Mr. Sri Nagaveer Adusumilli | - Chairman & Executive Director |
| Ms. Vasavi Adusumilli | - Executive Director |
| Ms. Kesara Charita | - Executive Director |
| Ms. Jonnada Vaghira Kumari | - Independent Director |
| Mr. Sai Sumith Balusu | - Independent Director |
| Ms. Badram Vijaya Lakshmi | - Independent Director |
| Mr. Ryali Gangachari | - Chief Financial Officer |
| Ms. Gagandeep Kaur Saluja | - Company Secretary & Compliance Officer |
| Statutory Auditors | Internal Auditors |
| Sagar & Associates* Chartered Accountants H. No. 6-3-244/5, Sarada Devi Street, Prem Nagar, Hyderabad – 500 004 *Subject to the approval of shareholders | S M G & Associates, Chartered Accountants |
| Secretarial Auditors | Registrars & Share Transfer Agent (Physical & Demat): |
| Sayani & Associates Practicing Company Secretaries Office No.302,6-3-456/C, M G R Estates, Dwarakapuri Colony, Panjagutta, Hyderabad - 500084 Telangana | M/s. Bigshare Services Private Limited 306, Right wing, Amrutha Ville, Opp.Yashoda Hospital, Somajiguda, Rajbhavan Road, Hyderabad - 500082 |
| Banks | Registered Office: |
| Union Bank of India Indian Bank | Flat No. 101, Alekhya Homes Temple Tree, Raghavendra Colony, Kondapur, Hyderabad – 500084, Telangana Email: investors@tanvifoods.com Website: https://tanvifoods.com/ |

NOTICE

Notice is hereby given that the Fifteenth Annual General Meeting of Tanvi Foods (India) Limited will be held on Saturday, December 31, 2022 at 2.00 P.M. at the Registered Office of the Company at Flat No. 101, Alekhya Homes Temple Tree, Raghavendra Colony, Kondapur, Hyderabad – 500084 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2022 and the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the audited Consolidated Financial Statement of the Company for the Financial Year ended March 31, 2022 and the Report of Auditors thereon.
3. To appoint a Director in place of Ms. Vasavi Adusumilli (DIN: 02589803) who retires by rotation and being eligible offers herself for re-appointment
4. **Appointment of Statutory Auditors**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 141 and 142 and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the 'Act') and Rules thereunder, M/s Sagar & Associates, Chartered Accountants, Hyderabad, bearing FRN 003510S, be and are hereby appointed as the Statutory Auditors of the Company to hold office for a period of 5 years, i.e.; from the conclusion of the 15th Annual General Meeting till the conclusion of the 20th Annual General Meeting, at a remuneration not exceeding Rs.3.00 lacs plus applicable taxes, in addition to the reimbursement of all out of pocket expenses incurred in connection therewith & that the other terms of engagement, shall be as mutually agreed between Board/ Audit Committee and the Auditors of the Company from time to time.”

Special Business:

5. **Appointment of M/s Sagar & Associates, Chartered Accountants as Statutory Auditors of the Company to fill-in casual vacancy arisen due to resignation of existing statutory auditors.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139(8) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (The Rules), including any statutory modification(s) thereof for the time being in force and pursuant to recommendation made by the Audit Committee and Board of Directors at its meeting held on 07.12.2022, M/s Sagar & Associates, Chartered Accountants, Hyderabad, bearing FRN 003510S, be and are hereby appointed as statutory auditors of the company for the financial year FY 2022-23, to fill casual vacancy caused by resignation of V N S & Associates, Chartered Accountants (FRN 018367S) and they shall hold office until the conclusion of the 15th Annual General Meeting, on such terms of engagement including remuneration, as may be mutually agreed between the Board/ Audit Committee and the Auditors.”

6. **Appointment of Mr. Sai Sumith Balusu (DIN: 09815659) as an Independent Director:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152, 160 and all other applicable provisions contained under the Companies Act, 2013 (“Act”), Mr. Sai Sumith Balusu (DIN: 09815659), who was appointed as an Additional Director by the Board of Directors, effective 07.12.2022 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of the said Act and the Articles of Association of the Company and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, and as recommended by the Nomination and Remuneration Committee, be and is hereby appointed to the office of Director of the Company.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act, as amended from time to time, the appointment of Mr. Sai Sumith Balusu (DIN: 09815659), to the office of Independent Director, who meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing 07.12.2022, as recommended by the Nomination and Remuneration Committee, be and is hereby approved.”

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

7. **Appointment of Ms. Badram Vijaya Lakshmi (DIN 09815723) as an Independent Director:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152, 160 and all other applicable provisions contained under the Companies Act, 2013 ("Act"), Ms. Badram Vijaya Lakshmi (DIN 09815723) who was appointed as an Additional Director by the Board of Directors, effective 07.12.2022 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of the said Act and the Articles of Association of the Company and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, and as recommended by the Nomination and Remuneration Committee, be and is hereby appointed to the office of Director of the Company."

"RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act, as amended from time to time, the appointment of Ms. Badram Vijaya Lakshmi (DIN 09815723) to the office of Independent Director, who meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing 07.12.2022 as recommended by the Nomination and Remuneration Committee, be and is hereby approved."

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

8. Appointment of Mr. Sri Nagaveer Adusumilli, (DIN:02589803) as Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Sri Nagaveer Adusumilli, (DIN: 02589803), who was appointed as Additional Director of the Company on 07.12.2022 and in respect of whom the Company has received a Notice in writing under Section 160(1) of the Act from a Member signifying his intention to proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company.

9. Appointment of Mr. Sri Nagaveer Adusumilli, (DIN:02589803) as Managing Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Act (including any statutory modification(s) or re-enactments thereof for the time being in force) and subject to necessary requirements/compliances, the appointment of Mr. Sri Nagaveer Adusumilli, (DIN: 02589803) to the office of Managing Director of the Company for a period of 3 years w.e.f 07.12.2022, a Key Managerial Personnel as defined U/s 2(51) of the Act, by the Board of Directors, at a remuneration not exceeding Rs. 42,00,000/- per annum as approved by the Nomination and Remuneration Committee be and is hereby approved and that he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT In the event of inadequacy or absence of profits in any financial year, during the currency of the tenure of his office, he shall be paid the above remuneration, as minimum remuneration in accordance with the provisions of Part II of Schedule V of the Act.

RESOLVED FURTHER THAT the composition of the remuneration payable to Mr. Sri Nagaveer Adusumilli, (DIN: 02589803) may be varied as desired by him and accepted by the Board and in case of any doubts/ discrepancy/ clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the Board.

RESOLVED FURTHER THAT the Director of the Company be and are hereby severally authorized to do necessary acts, deeds and things as may be required in this regard to give effect to this resolution."

10. Appointment of Ms. Kesara Charita (DIN: 07595056) as Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Ms. Kesara Charita (DIN: 07595056) who was appointed as Additional Director of the Company w.e.f 14.02.2022, and in respect of whom the Company has received a Notice in writing under Section 160(1) of the Act from a Member signifying his intention to proposing her candidature for the office of Director, be and is hereby appointed as an Director.

11. Appointment of Ms. Kesara Charita (DIN: 07595056) as Whole Time Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Act

(including any statutory modification(s) or re-enactments thereof for the time being in force) and subject to necessary requirements/compliances, the appointment of Ms. Kesara Charita (DIN: 07595056) as Whole Time Director of the Company for a period of 3 years w.e.f 14.02.2022, a Key Managerial Personnel as defined U/s 2(51) of the Act, by the Board of Directors, at a remuneration not exceeding Rs. 75,000/- per month as approved by the Nomination and Remuneration Committee be and is hereby approved.

RESOLVED FURTHER THAT In the event of inadequacy or absence of profits in any financial year, during the currency of the tenure of his office, he shall be paid the above remuneration, as minimum remuneration in accordance with the provisions of Part II of Schedule V of the Act.

RESOLVED FURTHER THAT the composition of the remuneration payable to Ms. Kesara Charita (DIN: 07595056) may be varied as desired by him and accepted by the Board and in case of any doubts/ discrepancy/ clarification that may arise with respect to payment of remuneration the same shall be determined and decided by the Board.

RESOLVED FURTHER THAT the Director of the Company be and are hereby severally authorized to do necessary acts, deeds and things as may be required in this regard to give effect to this resolution."

12. Authorization to Board to borrow funds

To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the special resolution passed earlier, pursuant to Sections 179, 180(1)© and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 and other rules, regulations, notifications and circulars issued including any statutory modification or re-enactment thereof for the time being in force, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board') which term shall be deemed to include any Committee which the Board may have constituted or may hereinafter constitute to exercise its powers including the powers conferred by this Resolution for borrowing from time to time, any sum or sums of money for the purposes of the business of the Company, upon such terms and conditions and with or without security, as the Board may in its discretion think fit, notwithstanding that the money or monies to be so borrowed by the Company (apart from the temporary loans obtained or to be obtained from time to time from the Company's Bankers in the ordinary course of business) together with the sums already borrowed, may exceed the aggregate of the paid-up share capital of the Company and its free reserves that is to say, reserves not set apart for any specific purposes, provided however that the sums so borrowed and remaining outstanding shall not, at any time, exceed Rs. 100,00,00,000/- (Rupees One Hundred Crore Only).

RESOLVED FURTHER THAT the Directors be and are hereby severally authorised to take such actions and steps, including delegation of authority to any committee, as may be necessary and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution without requiring the Board to secure any further approval of the Members of the Company."

13. Authorization to Board to create charge on the assets of the Company

To consider and, if thought fit, to pass with or without modification, the following resolution as an Special Resolution:

"RESOLVED THAT in supersession of the special resolution passed earlier, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and other rules, regulations, notifications and circulars issued including any statutory modification or re-enactment thereof for the time being in force, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company, to create charges, mortgages and / or hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, in such form and manner and with such ranking, whether exclusive, pari-passu, subservient or otherwise and at such time and on such terms as the Board may determine, on all or any of the moveable and / or immovable properties of the Company, both present and future and / or on the whole or any part of the undertaking(s) of the Company, in favour of the banks, non-banking financial companies, financial institutions and other lender(s), Agent(s) and Trustee(s), for securing the borrowings of the Company availed / to be availed by way of loans(s) (in Foreign currency and / or rupees) and / or debentures (convertible / non-convertible / secured / unsecured) and / or securities in the nature of debt instruments issued / to be issued by the Company (hereinafter termed 'loans'), from time to time, provided that the total amount of loans shall not at any time exceed Rs. 100,00,00,000/- (Rupees One Hundred Crore Only) .

RESOLVED FURTHER THAT the Directors be and are hereby severally authorised to take such actions and steps, including delegation of authority, as may be necessary and to settle all matters arising out of and incidental thereto; and to sign and to execute deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution, without requiring the Board to secure any further approval of the Members of the Company."

BY ORDER OF THE BOARD OF DIRECTORS
FOR TANVI FOODS (INDIA) LIMITED

Place: Hyderabad
Date: 07.12.2022

Sd/-
SRI NAGAVEER ADUSUMILLI
ADDITIONAL DIRECTOR
(DIN: 02096695)

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The Proxy form duly filled in should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. All alterations/corrections made in the form of Proxy should be initialed by the Member.
2. The Company had applied to the Registrar of Companies, Hyderabad for extension in time in holding the 15th annual general meeting of the Company for FY 2021-22. The Registrar of Companies, Hyderabad vide order dated 14.09.2022 approved the said application and granted extension of 3 months in holding the 15th annual general meeting of the Company. The 15th annual general meeting is being held in accordance with the said order.
3. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
4. Explanatory Statement in respect of Business Items No.5-13 is annexed hereto.
5. Members, who hold shares in the dematerialized form and wish to change / rectify the bank account details, should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR code of their Bank to their Depository Participants. While making payment of Dividend, Registrar is obliged to use only the data provided by the Depositories.
6. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Sundays, during business hours upto the date of the Annual General Meeting.
8. The Securities and 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 their PAN to their Depository Participants with whom they are maintaining their Demat accounts.
9. Members are requested to mandatorily quote their Registered Folio No. or Demat Account No. and Depository Participant Identification Number (DPID No) on all correspondence with the company. Securities and Exchange Board of India [SEBI] has mandated that securities of Listed Companies can be transferred only in dematerialised form with effect from April 1, 2019. Accordingly, the Company / the RTA has stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.
10. Members are advised to update their email IDs with Company's RTA and/or concerned Depository participants as soon as possible.
11. As per Secretarial Standards 2 (SS-2), complete particulars of the venue of the Meeting (route map) has been attached herewith to the Notice.
12. Information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on General Meetings, in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is furnished along with this Notice as **Annexure A**. The Directors have furnished the requisite consent/declaration for their appointment /re-appointment. Further Additional Disclosure in terms of Section II of Part II of Schedule V of the Companies Act, 2013 in relation to Item Nos. 9 & 11 is furnished herewith and forms part of the Notice.
13. **Remote e -Voting**

The items of business as set out in the Notice may be transacted through electronic voting system. Therefore, the Company is providing facility for voting by electronic means. Pursuant to Section 108 of the Companies Act 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time and in force as on date and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer remote e-voting facility, as an alternate, to its members in respect of the business to be transacted at the AGM.

The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Saturday, December 24, 2022 are entitled to vote on the resolutions set forth in this Notice. Eligible members who have acquired shares after the dispatch of the Annual Report may approach the Company for required assistance in connection with generation of the User ID / Password in order to exercise their right to vote by electronic means. The remote e-voting period will commence at **9.00 A.M. on Wednesday, December 27, 2022 and will end at 5.00 P.M. on Friday, December 30, 2022**. The members will not be able to cast their votes electronically beyond the date and time mentioned above.

The Company has appointed Mr. Zoheb S Sayani, Sayani & Associates, Practicing Company Secretary (Membership. No. F10881 and C.P No.26128) to act as a Scrutinizer to conduct and scrutinize the voting process in a fair and transparent manner. The Members desiring to vote through electronic mode may refer to the detailed procedure on remote e-voting given hereunder:

THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING:

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) Shareholders who have already voted (i) to the meeting date would not be entitled to vote at the meeting venue.

- (ii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated** 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iii) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

| Type of shareholders | Login Method |
|--|--|
| Individual Shareholders holding securities in Demat mode with CDSL Depository | <ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers. |
| Individual Shareholders holding securities in demat mode with NSDL Depository | <ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP |

| Type of shareholders | Login Method |
|--|---|
| | and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period. |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP) | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period. |

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

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

| Login type | Helpdesk details |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33 |
| Individual Shareholders holding securities in Demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (iv) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on "Shareholders" module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

| For Physical shareholders and other than individual shareholders holding shares in Demat. | |
|--|---|
| PAN | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Details or Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field. |

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (ix) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; www.naturiteagroproducts.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 22 55 33

GENERAL INSTRUCTIONS :

- I. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 24th December, 2022, the Cut-off date.
- II. Members who do not have access to remote e-voting facility have been additionally provided the facility of voting on a Ballot Form. The facility for physical voting, shall be made available at the Meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the Meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- III. A member can opt for only one mode of voting, i.e., either through remote e-voting or by Ballot. If a member cast votes by both modes, then voting done through remote e-voting shall prevail and Ballot shall be treated as invalid.
- IV. Members have the option to request for physical copy of Ballot Form by sending an e-mail to investors@tanvifoods.com by mentioning their Folio / DP ID and Client ID.
- V. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and make not later than 48 hours of conclusion of the Meeting a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the result of voting forthwith.
- VI. The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.
- VII. You may write to investors@tanvifoods.com in case of any queries w.r.t the AGM of the Company.

BY ORDER OF THE BOARD OF DIRECTORS
FOR TANVI FOODS (INDIA) LIMITED

Place: Hyderabad
Date: 07.12.2022

Sd/-
SRI NAGAVEER ADUSUMILLI
ADDITIONAL DIRECTOR
(DIN: 02096695)

EXPLANATORY STATEMENT

(PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013)

Item No. 5. Appointment of M/s. Sagar & Associates, Chartered Accountants as Statutory Auditors of the Company to fill-in causal vacancy arisen due to resignation of existing statutory auditors

Due to resignation of V N S S & Associates, Chartered Accountants (FRN 018367S), Statutory Auditors, and pursuant to compliance of Section 139(8) of Companies Act, 2013 and rules there under, Board is required to fill casual vacancy of Auditor's office within 30 days but if such casual vacancy is as a result of the resignation of an auditor, such appointment shall also be approved by the company at a general meeting convened within 3 months of the recommendation of the Board and the said Auditor shall hold the office till the conclusion of the next annual general meeting. Pursuant to compliance of aforesaid Section, Board at its meeting held on 07.12.2022 has appointed M/s Sagar & Associates, Chartered Accountants (FRN003510S) Statutory Auditors of the Company for FY 2022-23 to fill-in causal vacancy caused due to resignation of V N S S & Associates, Chartered Accountants (FRN 018367S), and to hold office till the conclusion of ensuing 15th Annual General Meeting subject to approval of shareholders.

The Company has received eligibility certificate as required under Section 141 of Companies Act 2013. M/s Sagar & Associates, Chartered Accountants (FRN003510S) have conveyed their consent to be appointed as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013. Proposed fees payable to the statutory auditor(s) at a remuneration not exceeding Rs.3.00 lacs plus applicable taxes, in addition to the reimbursement of all out of pocket expenses incurred in connection therewith. The others terms of appointment if any, will be as mutually decided by board/ Audit Committee and Auditors. The Company is paying the same fees as paid to the outgoing auditor. There is no change in the fee payable to the said auditor from that paid to the outgoing auditor.

Accordingly, the Board places the resolution as provided in Item No. 5 of the Notice before the members to be passed as Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the Resolution set out at Item No. 5 of the Notice.

Item No. 6: Appointment of Mr. Sai Sumith Balusu (DIN: 09815659) as an Independent Director:

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Mr. Sai Sumith Balusu (DIN: 09815659) as an Additional Director under Independent Category on 07.12.2022. The Company has also received a notice in writing from a Member proposing the candidature of Mr. Sai Sumith Balusu (DIN: 09815659) to be appointed as an Independent Director of the Company.

The following is the brief Profile of Mr. Sai Sumith Balusu (DIN: 09815659)

Mr. Sai Sumith Balusu has done his Masters of Science in Information & Technology from Alpen-Adria University in Austria. He has around 5.3 years of experience in IT/Software Industry. He has expertise in understanding the TIBCO Active Enterprise Suite and considerable experience in designing and implementation. He has extensive experience in installation, configuration and troubleshooting of TIBCO Administrator, TIBCO Rendezvous, TIBCO Business Works, TIBCO EMS, TIBCO Hawk, TIBCO Adapter for Active Database and TIBCO Adapter for Files. He has worked on projects for TESCO, London based company, Royal Bank Scotland. KPN Netherlands etc.

Considering the varied experience he possesses, the Board considers that having him on Board would be of immense benefit to the Company and it is desirable to appoint him as Independent Director of the Company.

The Company has also received a declaration from Mr. Sai Sumith Balusu (DIN: 09815659) that he meets the criteria of independence as prescribed under Section 149 of the Act and the LODR Regulations. In the opinion of the Board, Mr. Sai Sumith Balusu (DIN: 09815659) meets the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) and other applicable provisions of the Act and LODR Regulations. He has also registered himself with the Independent Directors Database.

Mr. Sai Sumith Balusu (DIN: 09815659) is not disqualified from being appointed as Directors in terms of Section 164 of the Act and has consented to act as Independent Director of the Company. In the opinion of the Board he is a person of integrity and possesses relevant expertise and experience. Further, he fulfils the conditions specified in the Act and the LODR Regulations for appointment as an Independent Director and is independent of the Management of the Company and he is not debarred from accessing the capital markets and/or restrained from holding position of directors in any listed company.

In compliance with the provisions of Section 149 read with Schedule IV of the Act and applicable provisions of LODR Regulations, the appointment of Mr. Sai Sumith Balusu (DIN: 09815659) as an Independent Director with effect from 07.12.2022 for a period of five (5) consecutive years is now being placed before the Members for their approval as a special resolution.

The Board recommends the Resolution at Item No. 6 of this Notice for approval of the Members as special resolution.

The letter of appointment of Mr. Sai Sumith Balusu (DIN: 09815659) setting out the terms and conditions of appointment is being made available for inspection. Additional information in respect of Mr. Sai Sumith Balusu (DIN: 09815659) pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at Annexure A to this Notice.

None of the Directors or Key Managerial Personnel or their respective relatives other than Mr. Sai Sumith Balusu (DIN: 09815659) is concerned or interested in the Resolution at Item No. 6 of the Notice.

Item No. 7: Appointment of Ms. Badram Vijaya Lakshmi (DIN 09815723) as an Independent Director:

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, appointed Ms. Badram Vijaya Lakshmi (DIN 09815723) as an Additional Director under Independent Category on 07.12.2022. The Company has also received a notice in writing from a Member proposing the candidature of Ms. Badram Vijaya Lakshmi (DIN 09815723) to be appointed as an Independent Director of the Company.

The following is the brief Profile of Ms. Badram Vijaya Lakshmi (DIN 09815723)

Ms. Badram Vijaya Lakshmi (DIN 09815723) has done her Post Graduate Diploma in Business Analytics from Symbiosis Institute and has over 15 years of experience in Human Resource. She is an HR professional well experienced in the HR generalist profile including HR Operations, HR Services, Talent Acquisition, Performance Management, Employee Engagement. Handling a role of Corporate HR with key focus on streamlining various HR processes in the organization. She has previously worked for Prolease India Private Limited, Navayuga Group, SitaCorp India Private Limited, Wavelabs Technologies Private Limited etc. She has exposure to SAP HR. She was also involved in overall functioning of the above mentioned Companies including Finance and operations.

Considering the skill sets she possesses, the experience and her Independent approach, the Board considers that having her on Board would be of immense benefit to the Company and it is desirable to appoint her as Independent Director of the Company.

The Company has also received a declaration from Ms. Badram Vijaya Lakshmi (DIN 09815723) that she meets the criteria of independence as prescribed under Section 149 of the Act and the LODR Regulations. In the opinion of the Board, Ms. Badram Vijaya Lakshmi (DIN 09815723) meets the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) and other applicable provisions of the Act and LODR Regulations. She has also registered himself with the Independent Directors Database.

Ms. Badram Vijaya Lakshmi (DIN 09815723) is not disqualified from being appointed as Directors in terms of Section 164 of the Act and has consented to act as Independent Director of the Company. In the opinion of the Board she is a person of integrity and possesses relevant expertise and experience. Further, she fulfils the conditions specified in the Act and the LODR Regulations for appointment as an Independent Director and is independent of the Management of the Company and she is not debarred from accessing the capital markets and/or restrained from holding position of directors in any listed company.

In compliance with the provisions of Section 149 read with Schedule IV of the Act and applicable provisions of LODR Regulations, the appointment of Ms. Badram Vijaya Lakshmi (DIN 09815723) as an Independent Director with effect from 07.12.2022 for a period of five (5) consecutive years is now being placed before the Members for their approval as a special resolution.

The Board recommends the Resolution at Item No. 7 of this Notice for approval of the Members as special resolution.

The letter of appointment of Ms. Badram Vijaya Lakshmi (DIN 09815723) setting out the terms and conditions of appointment is being made available for inspection. Additional information in respect of Ms. Badram Vijaya Lakshmi (DIN 09815723) pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at Annexure A to this Notice.

None of the Directors or Key Managerial Personnel or their respective relatives other than Mr. Ms. Badram Vijaya Lakshmi (DIN 09815723) is concerned or interested in the Resolution at Item No. 7 of the Notice.

Item No. 8 and 9 Appointment of Mr. Sri Nagaveer Adusumilli, (DIN:02589803), as Director and Managing Director

Mr. Adusumilli Sri Nagaveer is one of the founding promoters of our company and have played an intergral part in the growth story of the Company. He was also the Managing Director of the Company and latest was designated as Chief Executive Officer (CEO) of the Company. Considering his vast experience, his strong skill sets, expertise and the knowledge regarding the industry, the Board proposed to elevate from the position of CEO to Managing Director of the Company. Accordingly, the Board pursuant to the recommendation of Nomination and Remuneration Committee, in their meeting held on 07.12.2022 appointed him as Managing Director of the Company subject to approval of the shareholders and subject to fulfilment of all the necessary compliances/requirements as per all the applicable provisions in this regard.

The Company has also received a notice in writing from a Member proposing the candidature of Mr. Sri Nagaveer Adusumilli, (DIN: 02589803) to be appointed as Director of the Company.

The following is the brief profile of Sri Nagaveer Adusumilli, (DIN: 02589803),

Mr. Adusumilli Sri Nagaveer is one of the founding promoters of our company. He has completed Master of Computer Application from University of Madras and Bachelor of Business Management from Nagarjuna University. Prior to joining this company, Mr. Adusumilli Sri Nagaveer has over a decade of experience in the Corn Industry, where he was involved in the production of corn foods and understands complete functions of the industry. He has been a real backbone of the company for identifying, negotiating and implementing new business opportunities. He has played an extremely crucial role in team building, infrastructure setup and clients addition.

Accordingly, the Board hereby recommends the resolution in Item No. 8 as Ordinary Resolution and the resolution in Item No. 9 as special resolution.

Sri A Nagaveer, being an appointee, his wife, Ms. Adusumilli Vasavi, his father Mr. A. Sarat Chandra Babu and mother Ms. A. Sarada are the Directors / KMP and shareholders in the Company and hence may be deemed to be concerned / interested in the resolution set out at Item No. 8 & 9 in the Notice. Further their relatives are shareholders in the Company, who may be deemed to be concerned / interested in the said resolution.

Save and except the said, none of the other Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 8 & 9.

A copy of draft letter of appointment of Sri A Nagaveeras the Managing Director of the Company setting out the terms and conditions is

available for inspection by members at the Registered Office of the Company, during working hours on all working days, till the date of the AGM.

This Explanatory Statement may also be regarded as a disclosure under Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Additional information as required under Secretarial Standard 2 and Schedule V of the Companies Act, 2013 is enclosed to this notice.

Detailed Profile of Mr. Sri A Nagaveeris available and can also be accessed at www.tanvifoods.com.

Item No. 10 and 11 Appointment of Ms. Kesara Charita, (DIN:07595056), as Director and Whole Time Director

The Board pursuant to the recommendation of nomination and remuneration committee appointed Ms. Kesara Charita as Additional Director and Whole Time Director of the Company w.e.f 14.02.2022 subject to the approval of shareholders and subject to necessary compliances / requirements.

The Company has also received a notice in writing from a Member proposing the candidature of Ms. Kesara Charita, (DIN: 07595056) to be appointed as Director of the Company.

Brief Profile of Ms. Kesara Charita, (DIN: 07595056) is given below:

She was appointed to the office of Additional Director cum Executive Director of the Company w.e.f 14.02.2022. She has done her B.Tech (Computer Science). She has experience in Digital & Social Media Marketing, Branding & Promotional Activities of the Company. She was previously the Independent Director of the Company.

The Board is of the opinion that her expertise in marketing and brand building will definitely help the company in scaling up its market share. Accordingly, the Board recommends the resolutions in Item No 10 and 11 for her appointment as Director and Whole Time Director by way of Ordinary and Special Resolution respectively.

Except the appointee, none of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 10 and 11.

A copy of draft letter of appointment of Ms. Kesara Charita, (DIN: 07595056) as the Whole Time Director of the Company setting out the terms and conditions is available for inspection by members at the Registered Office of the Company, during working hours on all working days, till the date of the AGM.

This Explanatory Statement may also be regarded as a disclosure under Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. Additional information as required under Secretarial Standard 2 and Schedule V of the Companies Act, 2013 is enclosed to this notice.

Detailed Profile of Ms. Kesara Charita is available and can be accessed at www.tanvifoods.com.

Accordingly, the Board hereby recommends the resolution in Item No. 10 as Ordinary Resolution the resolution in Item No. 11 as special resolution.

Additional Disclosure in terms of Section II of Part II of Schedule V of the Companies Act, 2013 in relation to Item Nos 8 and 11

| I. | General Information | | | | |
|----|---|---|----------------------|----------------------|-------------------------------------|
| 1 | Nature of Industry | Food Processing and Trading | | | |
| 2 | Date of commencement of commercial operation | The Company was incorporated in the year 2007 and commenced the Business operations in the same year. | | | |
| 3 | In case of new Company, expected date of Commencement of activities as per project approved by FI, appearing in the prospectus. | N.A | | | |
| 4 | Financial Performance Financial parameters: | 2021-22 (audited) | 2020-21 (audited) | 2019-20 (audited) | 2018-19 (audited) (Rs. in lakhs) |
| | Turnover (operational revenue) | 7954.75 | 5977.38 | 8171.26 | 7279.04 |
| | Net profit after tax | 106.99 | 94.84 | 168.96 | 163.03 |
| | Amount of dividend paid | Nil | Nil | Nil | Nil |
| | Rate of dividend declared | Nil | Nil | Nil | Nil |
| 5 | Foreign Investments or collaborations | Nil | | | |

| II. INFORMATION ABOUT THE APPOINTEE | | |
|---|--|--|
| | Mr. Adusumilli Sri Nagaveer | Kesara Charita |
| Background Details | Mr. Adusumilli Sri Nagaveer is one of the founding promoters of our company. He has completed Master of Computer Application from University of Madras and Bachelor of Business Management from Nagarjuna University. Prior to joining this company, Mr. Adusumilli Sri Nagaveer has over a decade of experience in the Corn Industry, where he was involved in the production of corn foods and understands complete functions of the industry. He has been a real backbone of the company for identifying, negotiating and implementing new business opportunities. He has played an extremely crucial role in team building, infrastructure setup and clients addition. | She was appointed to the office of Additional Director cum Executive Director of the Company w.e.f 14.02.2022. She has done her B.Tech (Computer Science). She has experience in Digital & Social Media Marketing, Branding & Promotional Activities of the Company. She was previously the Independent Director of the Company. |
| Past remuneration (Rs per annum) | | |
| 2021-22 | Rs 42.00 Lakh | Rs. 1.15 Lakh (Rs. 75,000 per month) |
| 2020-21 | Rs 36.75 Lakh | Nil |
| Job profile and his suitability | As the Managing Director of the Company, he handles the overall responsibility for the strategy and operations of Processing and Trading. | She has executive responsibility for Tanvi's business operations. In addition to he also oversees the relationship with clients. |
| Recognition and Awards | Nil | Nil |
| Remuneration proposed | Rs. 42 Lakh per annum | Rs. 75,000 per month |
| Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person. | Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person. | Taking into consideration the size of the Company and the qualification and experience of and profile being handled by her, the remuneration as mentioned above is on par with industry standards and also on par with remuneration being paid to similar position in other Companies. |
| Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel if any. | <p>Apart from the remuneration drawn by and proposed, he does not have any direct / indirect pecuniary relationship with the company</p> <p>Mr. Sri Nagaveer Adusumilli the appointee - Ms. Adusumilli Vasavi is his wife, Mr. A. Sarat Chandra Babu (WTD) is his father and Ms. A. Sarada (Director) is his mother</p> <p>He is one of the Promoters and holds 24,38,701 (45.44%) equity shares of Rs 10 each in the Company.</p> <p>The details of other transactions may be also referred at Note. 33 of the Standalone Financial Statements.</p> | <p>Apart from the remuneration drawn by and proposed to, she does not have any direct / indirect pecuniary relationship with the Company</p> <p>She holds 3,04,000 (5.66%) equity shares in the Company</p> <p>The details transactions may be also referred at Note. 33 of the Standalone Financial Statements.</p> |

| III. OTHER INFORMATION | | |
|---|--|-------------------------------|
| Reasons of loss or inadequacy of profits | The Company is primarily engaged in the business of processing/ making of corn based eatables such as Corn samosas, Corn patties, Spring rolls other related products and also trading of Fresh corn, Frozen corn etc. The said business is seasonal and caters to organised and as well as unorganised markets. As the company being majorly involved in supply of Frozen foods / ready to eat corn samosas, spring rolls etc. to marriage functions and get together parties in the regions of Andhra Pradesh and Telangana which is totally shut /minimal allowed owing to Covid. Due to this, the Company could not generate expected revenues and eventual profitability. | |
| Steps taken or proposed to be taken for improvement | To overcome the present economic situation the Company has, inter alia, taken following steps: <ul style="list-style-type: none"> • The Company is expanding its facilities in order to scale up its operations. • Exploring new markets / buyers in non-southern parts of the Country • The Company has taken various Initiatives to save on the cost so as to improve the profit margin • The Company is taking new initiatives to develop domestic business. • The Company is also looking to tap the overseas market viz Australia, America and Canada and is proactively taking steps to enter the overseas market. | |
| Expected increase in productivity and profits | The Company's new plant, being set up at Sitaramapuram village, Nuzividu Mandal (M), Krishna District, A.P., once fully operational would help the Company register an increase of in the overall turnover and increase in operating profits. | |
| IV. DISCLOSURES: | | |
| Details of proposed Remuneration | As detailed in the resolution | As detailed in the resolution |

Item No. 12:

Keeping in view the Company's existing and future financial requirements and in view of the business expansion plans, the Board of Directors are of the opinion that the Company would require, from time to time, to borrow funds from banks, financial institutions and others to meet the funding requirements of the Company.

Pursuant to Section 180(1)(c) of the Companies Act, 2013, the Board of Directors cannot borrow more than the aggregate amount of the paid-up capital of the Company and its free reserves at any one time except with the consent of the members of the Company in a general meeting.

The Board of the Company now intends to increase the said limit to Rs. 100,00,00,000/- (Rupees One Hundred Crore Only) considering the financial requirements of the Company.

Accordingly, the Board proposes to obtain approval of shareholders by way of special resolution for an amount not exceeding Rs. 100,00,00,000/- (Rupees One Hundred Crore Only) in supersession of the special resolution passed earlier.

This resolution is recommended for your approval as a Special Resolution.

None of the Directors, KMPs or their relatives are interested in the resolution, except to the extent of their shareholding.

Item No. 13:

Pursuant to Section 180(1)(a) of the Companies Act, 2013, the Company can dispose off its undertakings/ property/ assets through sale or lease or provide security of its assets for repayment of loan or otherwise only with the approval of the shareholders accorded by way of a special resolution.

The Board of the Company now proposed to increase the said limit to Rs. 100,00,00,000/- (Rupees One Hundred Crore Only) considering the increase in the funding requirements of the Company from banks and others..

Accordingly, the Board proposes to obtain approval of shareholders by way of special resolution for an amount not exceeding Rs. 100,00,00,000/- (Rupees One Hundred Crore Only) in supersession of the special resolution passed earlier.

This resolution is recommended for your approval as a Special Resolution.

None of the Directors, KMPs or their relatives are interested in the resolution, except to the extent of their shareholding.

The Explanatory statement together with the accompanying notice may also be regarded as an abstract of the Memorandum of interest of Directors under the provisions of the Companies Act, 2013

Annexure A

Information in respect of Directors seeking appointment/ re-appointment as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 read with Secretarial Standards on General Meetings issued by ICSI.

| | | | |
|---|---|---|--|
| Name of the Director | VASAVI ADUSUMILLI (DIN 02589803) | Mr. SAI SUMITH BALUSU (DIN_09815659) | Ms. BADRAM VIJAYA LAKSHMI (DIN 09815723) |
| Date of Appointment including terms and conditions of appointment | She was the Managing Director of the Company for a period of 3 years, effective 01.02.2021, at a remuneration of Rs. 1,50,000 per month, subject to a maximum of Rs.2 lacs per month. Her designation was changed to Whole Time Director w.e.f 07.12.2022 | Appointed as Additional Director (Independent Category) w.e.f 07.12.2022 for a period of 5 years subject to the approval of shareholders | Appointed as Additional Director (Independent Category) w.e.f 07.12.2022 for a period of 5 years subject to the approval of shareholders |
| Date of first appointment on the Board | 05.05.2009 | 07.12.2022 | 07.12.2022 |
| Date of Birth | 16.11.1978 (44 years) | 25/06/1985 (37 years) | 14/05/1983 (39 years) |
| Expertise in Specific Functional areas and Experience | She has completed her Bachelor of Commerce from Nagarijuna University. Prior to joining the company, she had worked with ICAI University as a Senior Admin Officer. She is responsible for Administration and Operations of the Company | Mr. Sai Sumith Balusu has done his Masters of Science in Information & Technology from Alpen-Adria University in Austria. He has around 5.3 years of experience in IT/Software Industry. He has expertise in understanding the TIBCO Active Enterprise Suite and considerable experience in designing and implementation. He has extensive experience in installation, configuration and troubleshooting of TIBCO Administrator, TIBCO Rendezvous, TIBCO Business Works, TIBCO EMS, TIBCO Hawk, TIBCO Adapter for Active Database and TIBCO Adapter for Files. He has worked on projects for TESCO, London based company, Royal Bank Scotland, KPN Netherlands etc. | Ms. Badram Vijaya Lakshmi has done her Post Graduate Diploma in Business Antoryalytics from Symbiosis Institute and has over 15 years of experience in Human Resource. She is an HR professional well experienced in the HR, generalist profile including HR Operations, HR Services, Talent Acquisition, Performance Management, Employee Engagement. Handling a role of Corporate HR with key focus on streamlining various HR processes in the organization. She has previously worked for Prolease India Private Limited, Navayuga Group, SitaCorp India Private Limited, Wave-labs Technologies Private Limited etc. She has exposure to SAP HR. She was also involved in overall functioning of the above mentioned Companies including Finance and operations. |
| Educational Qualification | Post-Graduation | Masters of Science in Information & Technology | Post Graduate Diploma in Business Antoryalytics |
| Directorships in other Companies (other than Tanvi Foods (India) Limited) | Squarepeg Distribution Services Pvt. Ltd., | NIL | NIL |
| Membership / Chairmanship of committees of Other Boards (other than Tanvi Foods (India) Limited) | NIL | NIL | NIL |
| Details of Remuneration sought to be paid and the remuneration last drawn by such person | Last drawn and proposed remuneration Rs.150,000 per month. No change in the Proposed remuneration | Nil - from the Company No remuneration is proposed | Nil - from the Company No remuneration is proposed |
| Shareholding in the Company as on 31.03.2022 | She holds 3,38,038 Equity Shares of Rs. 10/- each | Nil | Nil |
| Relationship between Directors inter-se/ Manager and KMPs | Ms. Adusumilli Vasavi, is the appointee, her husband Mr. Sri A Nagaveer (Chairman & WTD), her father in law Mr. A. Sarat Chandra Babu (WTD) and mother in law Ms. A. Sarada (Director) | Not related to any Director or KMP | Not related to any Director or KMP |
| Number of Meetings of the Board attended during the year 2021-22 | 8 | Not applicable as appointed on 07.12.2022 | Not applicable as appointed on 07.12.2022 |

| Name of the Director | Mr. SRI NAGAVEER ADUSUMILLI (DIN 02096695) | KESARA CHARITA (07595056) |
|--|--|--|
| Date of Appointment including terms and conditions of appointment | Appointed as Additional Director and Managing Director (Independent Category) w.e.f 07.12.2022 for a period of 3 years subject to the approval of shareholders and necessary compliances at a remuneration of Rs. 42,00,000/- per annum | Appointed as Additional Director in Executive Category w.e.f 14.02.2022 for a period of 3 years subject to the approval of shareholders and at a remuneration of Rs. 75,000/- per annum |
| Date of first appointment on the Board | 07.12.2022 | 14.02.2022 as Additional Director cum executive Previously was appointed as Independent Director of the Company |
| Date of Birth | 17/01/1978 (44 years) | 29/04/1984 (38 years) |
| Expertise in Specific Functional areas and Experience | Mr. Adusumilli Sri Nagaveer is one of the founding promoters of our company. He has completed Master of Computer Application from University of Madras and Bachelor of Business Management from Nagarjuna University. Prior to joining this company, Mr. Adusumilli Sri Nagaveer has over a decade of experience in the Corn Industry, where he was involved in the production of corn foods and understands complete functions of the industry. He has been a real backbone of the company for identifying, negotiating and implementing new business opportunities. He has played an extremely crucial role in team building, infrastructure setup and clients addition. | She was appointed to the office of Additional Director cum Executive Director of the Company w.e.f 14.02.2022. She has done her B.Tech (Computer Science). She has experience in Digital & Social Media Marketing, Branding & Promotional Activities of the Company. She was previously the Independent Director of the Company. |
| Educational Qualification | Master of Computer Application | B.Tech (Computer Science). |
| Directorships in other Companies (other than Tanvi Foods (India) Limited) | SQUAREPEG DISTRIBUTION SERVICES PRIVATE LIMITED BRANGO FOODS INDIA PRIVATE LIMITED POLAR CUBE COLD STORAGE SOLUTIONS PRIVATE LIMITED | BRANGO FOODS INDIA PRIVATE LIMITED BMI HEALTH CARE LLP |
| Membership / Chairmanship of committees of Other Boards (other than Tanvi Foods (India) Limited) | NIL | |
| Details of Remuneration sought to be paid and the remuneration last drawn by such person | Rs. 42,00,000 per annum. No change in the proposed remuneration. | Rs. 75,000 per month. No change in the proposed remuneration |
| Shareholding in the Company as on 31.03.2022 | 24,38,701 Equity shares of Rs. 10/- each | 3,04,000 Equity shares of Rs. 10/- each |
| Relationship between Directors inter-se/ Manager and KMPs | Mr. Sri Nagaveer Adusumilli the appointee - Ms. Adusumilli Vasavi is his wife, Mr. A. Sarat Chandra Babu (WTD) is his father and Ms. A. Sarada (Director) is his mother. | Not associated with any director or KMP |
| Number of Meetings of the Board attended during the year 2021-22 | Nil as CEO of the Company | |

BY ORDER OF THE BOARD OF DIRECTORS
FOR TANVI FOODS (INDIA) LIMITED

Sd/-
SRI NAGAVEER ADUSUMILLI
ADDITIONAL DIRECTOR
(DIN: 02096695)

Place: Hyderabad
Date: 07.12.2022

DIRECTORS REPORT

To
The Members,

Your Directors take pleasure in presenting the **Fifteenth Annual Report** on the business and operations of the company together with the audited financial statements along with the report of the Auditors for the financial year ended March 31, 2022

(Rs. in Lakhs)

| Particulars | STANDALONE | | CONSOLIDATED | |
|-------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | For the FY ended 31.03.2022 | For the FY ended 31.03.2021 | For the FY ended 31.03.2022 | For the FY ended 31.03.2021 |
| Revenue from Operations | 7,954.75 | 5,977.38 | 8,052.23 | 6,060.5 |
| Other Income | 41.57 | 41.66 | 52.95 | 85.16 |
| Total Revenue | 7,996.32 | 6,019.05 | 8,105.17 | 6,145.70 |
| Total Expenses | 7,838.90 | 5,902.07 | 7,920.61 | 5,999.42 |
| Exceptional Items | - | - | - | - |
| Prior period items | - | - | - | - |
| Profit before tax | 157.42 | 116.98 | 184.56 | 146.27 |
| Tax Expenses | 50.43 | 22.13 | 57.96 | 28.83 |
| Profit after tax | 106.99 | 94.84 | 126.60 | 117.44 |
| EPS | 1.99 | 1.77 | 2.36 | 2.19 |

REVIEW OF PERFORMANCE & COMPANY'S STATE OF AFFAIRS:**AT STANDALONE LEVEL:**

Our revenue from operations on standalone basis increased from Rs.5,977.38 Lakhs in the previous year to Rs. 7954.75 Lakhs in the current year. Your Company has posted yet another impressive year of performance and managed to remain profitable. Out of the total revenue approx. 90.17% has been generated from the sale of Frozen Products.

Your Company has incurred total expenses of Rs. 7,838.90 lakhs as compared to Rs. 5,902.07 lakhs in the preceding financial year.

Your Company earned a Net Profit of Rs.106.99 lakhs for the Financial Year ended 31st March, 2022 as compared to Rs. 94.84 in the preceding financial year.

No amount is being proposed to be transferred to Reserves for the financial year ended 31st March, 2022.

AT CONSOLIDATED LEVEL:

Your Company owns 100% stake in Polar Cube Cold Storage Solutions Private Limited and Squarepeg Distribution Services Private Limited, both being its Wholly Owned Subsidiaries (WOSs). The consolidated financial performance, presented herewith, comprises the financial performance of the Company and that of the said WOSs mentioned above.

At consolidated level, revenue from operations stood at Rs.8052.23 lakhs and profit before tax stood at Rs. 184.56 lakhs. After providing for taxes, the PAT stood at Rs. 126.60 lakhs.

CONSOLIDATED FINANCIAL STATEMENTS:

Your Company has prepared Consolidated Financial Statements in accordance with Accounting Standard 21 - "Consolidated Financial Statements", prescribed by the Companies (Accounts) Rules, 2014 of the Companies Act, 2013. The Consolidated Statements reflect the results of the Company along with that of its Subsidiaries. The Audited Consolidated Financial Statements together with the Independent Auditor's Report thereon are annexed and form part of this Annual Report.

Performance of Subsidiaries

As per Rule 8 of Companies (Accounts) Rules, 2014, a Report on the Financial performance of the Subsidiary Companies is as mentioned below:

I) Squarepeg Distribution Services Private Limited

(Rs. in Lakhs)

| Particulars | 2021-22 | 2020-21 |
|--|---------|---------|
| Revenue from operations | 28.462 | 7.41 |
| Total Expenses | 29.41 | 43.72 |
| Tax Profit for the year before extraordinary items and tax | 5.20 | 7.12 |
| Tax Expense | 0.94 | 0.61 |
| Profit/Loss for the period | 4.26 | 6.51 |
| Earnings per Equity Share | 1.60 | 2.44 |

I) Squarepeg Distribution Services Private Limited

(Rs. in Lakhs)

| Particulars | 2021-22 | 2020-21 |
|--|----------|----------|
| Revenue from operations | 75.02 | 61.34 |
| Total Expenses | 60.70 | 52.54 |
| Tax Profit for the year before extraordinary items and tax | 4.88 | 3.69 |
| Tax Expense | 3,68,839 | 2,30,199 |
| Profit/Loss for the period | 11.52 | 10.10 |
| Earnings per Equity Share | 2.59 | 2.27 |

FUTURE OUTLOOK:

The Company is in the process of constructing a new plant at Sitarampuram, around 20 kilometres to the Vijayawada International Airport. This facility is in addition to our current facility in Vijayawada that is in the residential area(s) with a space of 11,000 square feet of building.

The factory is designed in compliance of BRC (British Retail Consortium) norms which are the strictest and best standards with 302 clauses which includes food safety plans, FSMS (Food safety management systems), product controls, process controls, personal Hygiene & safety for food and human safety would give us scope to export our products easily.

The main objective of constructing the new plant is get-equipped with the market trends by bringing innovative technology in the industry and thereby to increase the production & market level(s). It also helps us to enable and self-sustain through the single line of business rather on multiple business verticals such as Trading and distribution etc.

The plant is being constructed within a space of 3.5 acre(s) with a multi-variant storage facility available at the site-location of which the exclusive factory construction is with the built-up area of 80,737 square feet.

The facility will be equipped with state-of-the-art machinery which are imported from Taiwan and Korea and operations will be in automatic & Semi-automatic mode's.

On commencement of commercial production at the new factory our production capacities would be enhanced from 40,000 pieces per day at present to 728 thousand pieces in a two-shift operation and in a better working environment. The range of in-house products also would be enhanced from 10 to 20+.

MATERIAL CHANGES AFTER THE CLOSURE OF THE FINANCIAL YEAR:

No material changes have occurred after the close of the financial year ended 31st March, 2022 till the date of this report.

CHANGE IN THE NATURE OF BUSINESS:

There was no change in the nature of business of your Company during the financial year ended 31st March, 2022.

DIVIDEND:

Your Board of Directors has not recommended any dividend for the financial year ended 31st March, 2022.

ISSUE AND ALLOTMENT OF SECURITIES / CHANGES IN SHARE CAPITAL:

During the period under review, there is no change in the capital structure of the company. The Capital stands as follows as on 31.03.2022.

| Sl. No | Particulars | At the end of FY 2022 (Amt. in Lakhs.) | At the end of FY 2022 (Amt. in Lakhs.) |
|--------|---|---|---|
| 1 | Authorized Capital 65,00,000 Equity Shares of Rs.10 each | 650 | 650 |
| 2 | Issued, Subscribed & Paid up Capital 53,66,775 Equity Shares of Rs.10 each | 536.68 | 536.68 |

SUBSIDIARY, JOINT VENTURES & ASSOCIATE COMPANIES

Your company has two wholly owned subsidiaries in India.

- Polar Cube Cold Storage Solutions Private Limited - involved in the business of cold storage, warehousing, refrigerated store keepers etc.
- Squarepeg Distribution Services Private Limited - provides cargo services.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing the salient features of the financial statements of Subsidiaries/Associates in the prescribed format i.e. Form AOC-1 is provided as Annexure-I to this Report. This statement also provides the details of performance, financial position of each of the subsidiaries/associates.

Further, your Company undertakes that the Annual Accounts of the Subsidiary Companies and the related detailed information will be made available to its shareholders and to the shareholders of its Subsidiary Companies seeking such information at any point of time. Further, the Annual Accounts of the Subsidiary Companies shall also be kept open for inspection by any shareholder at its registered office and that of the concerned Subsidiary Companies during the office hours.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each subsidiary, are available on our website www.tanvifoods.com

The company has no joint ventures or associate companies till date.

TRANSACTIONS WITH RELATED PARTIES:

During the FY under review, transactions conducted by the Company pursuant to the Agreements entered into with its Related Parties, during the FY 2021-22 were at an arm's length basis and in the ordinary course of business and entered considering the business requirements, administrative convenience and in the best interest of the Companies. There are no materially related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or any related party, which may have a potential conflict with the interest of the Company at large.

As a matter of Company's Policy all Related Party Transactions are placed before the Audit Committee and the Board for its approval.

The details of related party transactions including that with the Promoters which were entered into during the previous year's/ current year are provided in the Note No. 33 forming part of the notes to financial statements.

Disclosure under Regulation 34(3) read with Schedule V of the Listing Regulations Related Party disclosure as per Schedule V of the Listing Regulations

| SI.No | In the accounts of | Particulars | Amount at the year ended 2021-22 | Maximum amount outstanding during the year 2021-22 |
|-------|---|--|----------------------------------|--|
| 1 | Tanvi Foods India Limited (Holding Company) | (i) Loans/advances to subsidiaries Polar Cube Cold Storage Solutions Private Limited | Nil | Nil |
| | | Squarepeg Distribution Services Private Limited (Wholly owned subsidiary) | Nil | Nil |
| | | (ii) Loans/advances to associates | NA | NA |
| | | (iii) Loans/advances to firms/companies in which Directors are interested | NA | NA |
| 2 | Tanvi Foods India Limited (Holding Company) | Investment by the Loanee in the shares of parent company/ subsidiary company when the company has made a loan or advance | NA | NA |

POLICY ON MATERIAL SUBSIDIARIES

The Policy on Material Subsidiaries as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as approved by the Board is uploaded on the website of the Company and the web link is <http://www.tanvifoods.com/investorrelation.html>.

DIRECTORS AND KEY MANAGERIAL PERSONS:2

During the period under review, following changes took place in the offices of Directors/ KMPs:

| S. No | Name | Change |
|-------|---|--|
| 1 | Ms. Kesara Charita (DIN: 07595056) | Appointment as Additional Director (Independent Category) for period of 5 years w.e.f 05.04.2021 |
| 2 | Ms. Roselyn Villuri | Appointment of CFO w.e.f 05.04.2021 |
| 3 | Mr. Maredupally Srinivas Reddy | Resignation as CFO w.e.f 05.04.2021 |
| 4 | Ms. Vasavi Adusumilli (DIN: 02589803) | Re-appointment as WTD w.e.f 01.02.2021 |
| 5 | Mr. Soumith Kumar Sikinderpurkar | Appointment as Company Secretary w.e.f 09.09.2021 |
| 6 | Ms. Kesara Charita (DIN: 07595056) | Resignation as Additional Director (Independent Director) w.e.f 16.10.2021 |
| 7 | Ms. Jonnada Vaghira Kumari (DIN: 06962857) | Appointment as Additional Director (Independent Category) for period of 5 years w.e.f 03.11.2021 |
| 8 | Mr. Sarat Chandra Babu Adusumilli (DIN: 02589830) | Re-appointment as WTD w.e.f 13.11. 2021 |
| 9 | Ms. Roselyn Villuri | Resignation as CFO w.e.f 10.11.2021 |
| 10 | Mr. Kamireddy Rudragiri Reddy | Appointment as CFO w.e.f 13.11.2021 |
| 11 | Mr. Kamireddy Rudragiri Reddy | Resignation as CFO w.e.f 14.11.2021 |
| 12 | Ms. Kesara Charita (DIN: 07595056) | Appointment as Additional Director (Executive Category/WTD) w.e.f 14.11.2021 |
| 13 | Ms. Vasavi Adusumilli (DIN: 02589803) | Approval of the shareholders in AGM held on 30.11.2021 for re-appointment of Ms. Adusumilli Vasavi, (DIN: 02589803), to the office of Managing Director |
| 14 | Mr. Sarat Chandra Babu Adusumilli (DIN: 02589830) | Approval of the shareholders in AGM held on 30.11.2021 for re-appointment of Mr. A Sarat Chandra Babu, (DIN: 02589830), to the office of Whole Time Director (Chairman). |
| 15 | Ms. Jonnada Vaghira Kumari (DIN: 06962857) | Approval of the shareholders in AGM held on 30.11.2021 for appointment of Ms. Jonnada Vaghira Kumari (DIN: 06962857) as an Independent Director |

Except as stated above, there were no other changes in the composition of Board of Directors of the Company

DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received respective declarations from the Independent Directors confirming that they meet the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16 (1)(b) of SEBI (LODR) Regulations.

In the opinion of the Board, all the Independent Directors of the Company possess integrity, expertise, and the proficiency justifying their office.

Independent Directors of your company has duly met during the year to discuss the Performance of the Non-Independent Directors. All independent directors were present during the meeting.

DIRECTORS' RESPONSIBILITY STATEMENT:

As required under Section 134(5) of the Companies Act, 2013, the Directors confirm that:

- In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and that no material departures are made from the same;
- The Directors 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 at the end of the Financial year and of the profits of the company for the period;

- iii. Proper and sufficient care has been taken 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;
- iv. The annual accounts have been prepared on a going concern basis.
- v. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- vi. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MEETINGS OF THE BOARD OF DIRECTORS:

The meetings of the Board are scheduled at regular intervals to decide and discuss on business performance, policies, strategies and other matters of significance.

The Board duly met 8 times during the Financial Year 2021-22. The Audit Committee & Nomination Remuneration committee met 6 times and the stakeholders committee met 3 times during the year under review. The intervening gap between any two consecutive Board Meetings was within the period prescribed under the provisions of the Companies Act, 2013.

COMPOSITION OF BOARD COMMITTEES:

We have in place all the Committees of the Board which are required to be constituted under the Companies Act 2013 & SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The details of the constituted committees, as on date are as detailed hereunder:

Audit Committee

a) Composition, names of members and Chairperson

| Name | Category |
|--|-----------------|
| Ms. Jonnada Vaghira Kumari (Independent Director) | Chairman |
| Ms. Badram Vijaya Lakshmi (Independent Director) | Member |
| Mr. Sri Nagaveer Adusumilli (Executive Director) | Member |

The Board has accepted all the recommendations of the Audit Committee.

Nomination and Remuneration Committee

a) Composition, names of members and Chairperson

| Name | Category |
|--|-----------------|
| Ms. Badram Vijaya Lakshmi (Independent Director) | Chairman |
| Ms. Jonnada Vaghira Kumari (Independent Director) | Member |
| Mr. Sai Sumith Balusu (Independent Director) | Member |

Stakeholders Relationship Committee

a) Composition, names of members and Chairperson

| Name | Category |
|--|-----------------|
| Ms. Jonnada Vaghira Kumari (Independent Director) | Chairperson |
| Mr. Sai Sumith Balusu (Independent Director) | Member |
| Ms. Vasavi Adusumilli (Executive Director) | Member |

BOARD EVALUATION, NOMINATION AND REMUNERATION POLICY:

In terms of the requirements of the Companies Act, 2013 and the Listing Regulations, an annual performance evaluation of the Board is undertaken where the Board formally assesses its own performance with an aim to improve the effectiveness of the Board and the Committees.

During the year, Board Evaluation cycle was completed by the Company internally which included the evaluation of the Board as a whole, Board Committees and peer evaluation of directors. The exercise was led by the chairman of Nomination and Remuneration Committee Company. The evaluation process focused on various aspects of the functioning of the Board and Committees such as composition of the Board and its committees, experience and competencies, performance of special duties and obligations, governance issues etc., as on outcome of the exercise, it was noted that the Board as a whole is functioning as cohesive body which is well engaged with different perspectives.

Besides, your Company also surveys on the best practices prevalent in the Industry with respect to evaluation of the performance of the Board and its members. Your Company also avails services of professionals seeking their suggestions on the said matter. Based on the inputs received from the aforesaid sources and in accordance with the Policy of the Company, evaluation process is undertaken at appropriate time(s).

The performance evaluation of all the Directors and that of the Board as a whole and its committees was conducted based on the criteria and framework adopted by the board.

The Independent Directors reviewed the performance of Non-Independent Directors, the Board and the Chairperson of the Company. Further, the performance evaluation of Independent Directors was carried out by the entire Board, excluding the director being evaluated. Standard parameters such as attendance, acquaintance with business, communication inter se Board members, effective participation in Board deliberations, compliance with code of conduct, general thought process and inputs etc., are adopted in the process of evaluation. In particular, performance evaluation was also carried out for Ms. Adusumilli Vasavi, who was reappointed to the office of Managing Director and for Mr. A. Sarat Chandra Babu, who retires by rotation and being eligible has offered himself for re appointment.

POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION, ETC.:

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 sub-section (3) of section 178 is disclosed on the website of the Company at <http://www.tanvifoods.com/investorrelation.html>.

The following is the salient features of the said policy:

- the Nomination and Remuneration (NR) Committee and the Board shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members.
- evaluating the suitability of individual Board members, the Nomination and Remuneration Committee
- Criteria of Independence
- evaluate each individual with the objective of having a
- group that best enables the success of the Company's business.

The complete policy is uploaded on the website of the Company.

INTERNAL FINANCIAL CONTROLS:

Your Company has an adequate system of internal financial controls with reference to financial statements, including but not limited to safeguard and protection of assets from loss, their unauthorized use or disposition. All the transactions were properly authorized, recorded and reported to the Management. Your Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting in the financial statements. Your Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

SECRETARIAL STANDARDS:

The Directors state that applicable secretarial standards i.e., SS-1 and SS-2 relating to 'Meeting of the Board of Directors' and 'General Meetings' respectively, have been duly followed by the Company.

STATUTORY AUDITORS:

M/s VNSS & Associates, Chartered Accountants, (FRN 018367S) who were appointed as the Statutory Auditors of the Company at the 13th Annual General Meeting held on 30th December, 2020 for a period of 5 years shall continue to hold their office as such till the conclusion of 18th Annual General Meeting. Accordingly, the said auditors carried out the statutory audit for FY 2021-22.

The said auditors have resigned as Statutory Auditors of the Company w.e.f 05.12.2022 vide their resignation letter dated 05.12.2022. Accordingly, the Board of the Company have appointed M/s. Sagar And Associates, Chartered Accountants as the statutory auditors for FY 2022-23 subject to approval of the shareholders.

The Board, pursuant to the recommendation of the Audit Committee recommends their appointment as statutory auditors for a period of 5 years from the conclusion of the 15th AGM till the conclusion of the 20th AGM subject to the approval of the shareholders at the ensuing AGM.

The said auditors have confirmed that they are not disqualified to be appointed as the statutory auditors of the Company.

There were no frauds reported by the statutory auditors of the Company.

Auditors Observation(s):

1. With reference to "Emphasis of Matter" stated in Report on Standalone Financial Statements and also in Report on Consolidated Financial Statements, we would like to mention that the matter pertains to the ongoing pandemic Covid -19, which was set during late March 2020 in our country continued till June, 2021. The same has been more discussed somewhere else in this Report and also under Note 47 of the Standalone Financial Statements and Note 33 of the Consolidated Financial Statements, respectively, attached herewith.
2. With reference to the reported delays in depositing undisputed statutory dues, (para vii in the Annexure A to the Report) we would like to mention that the delays were caused purely on account of liquidity crunch on account of unforeseen contingencies at that particular point of time. Most of the said dues have been either paid as on date or will be paid very shortly. The management shall ensure that such delays will not be repeated in the future.
3. With reference to the reported delays in depositing disputed statutory dues mentioned at Note 41 of the Financial Statements, the same have been recognized as Contingent Liabilities and disclosed accordingly. The matters are pending before appropriate forums. Being, self-explanatory, the said matter does not call for any further comments.
4. With reference to the reported defaults in repayment of loans or other borrowings or in the payment of interest to any lender, (Para (ix) in the Annexure A to the report) and Note 40 & 40A is majorly due the Covid 19 and its cascading effects which has hit the Company very badly. The Company is in the recovery mode and shall put in best efforts not to default in repayment of loans.

Further the Notes on Financial Statements (standalone and consolidated) and the Auditor comments in the Auditors Report are self-explanatory and do not call for any further comments.

INTERNAL AUDITORS:

The Board of Directors, based on the recommendation of the Audit Committee has appointed S M G & Associates LLP, Chartered Accountants, Hyderabad (012605S), as the Internal Auditor of your Company for the Financial Year 2021-22.

SECRETARIAL AUDIT:

Pursuant to provisions of Section 204 of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 your company have obtained a Secretarial Audit Report from Mr. Zoheb S Sayani, Proprietor of Sayani & Associates, Practicing Company Secretary, Hyderabad. The copy of said Report is attached herewith and marked as Annexure –II.

OBSERVATIONS:

With reference to observations made in the Secretarial Audit Report, we would like to mention that during the most of the said FY, the management and support staff were grappling with pandemic related issues and its cascading effects. The entire business operations were hard hit and the very survival was at jeopardy. Amidst the said hostile conditions, certain unintentional delays & lapses occurred while complying statutory / regulatory norms. This explains the reported delay in filing of forms / returns and non-filing of the same with the MCA.

Similarly, despite the best efforts, the Company could not find suitable replacements in order to fill the vacancies caused in the respective office of Independent Director or that of Company Secretary, owing to the then prevailing abnormal conditions. The necessary appointments were made and the Board is now constituted. The Company shall put in all efforts to comply/ratify the said observations and shall ensure that such lapses do not occur in the future. The said lapses are unintentional and without any malafide intention.

The comments of the secretarial auditors are self-explanatory and further does not require any further comments.

MAINTENANCE OF COST RECORDS:

Your Company is not required to maintain cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013

LOANS, GUARANTEES AND INVESTMENTS:

The investments made by the Company in its following wholly owned subsidiaries continue to remain as such during the year under review:

- Squarepeg Distribution Services Private Limited (Rs.43,30,740) - 2,67,000 equity shares of Rs.10 each.
- Polar Cube Cold Storage Solutions Private Limited (Rs.74,80,450) - 4,45,000 equity shares of Rs.10 each.

Further, during the year, the Company retained the investment of an amount of Rs.1,30,000 in 2.75% Sovereign Gold Bonds.

The Company has not extended any loan, Corp Guarantee / Security falling within the purview of Section 186 of the Companies Act, 2013.

FIXED DEPOSITS:

Your Company has neither accepted nor repaid any deposits during the financial year ended on 31st March, 2022. Further, there were no outstanding deposits as at the beginning or at any time during the financial year. Hence, no details are required to be provided pursuant to Rule 8 (5) (v) & (vi) of the Companies (Accounts) Rules, 2014.

Further, the details of unsecured loans borrowed from Directors during the FY ended 31st March, 2022 and / or outstanding as on the said date are as hereunder:

| Sl. No. | Name | Amt. outstanding as on 31st March, 2022 (Rs. In lacs) |
|---------|-----------------------|---|
| 1. | A. Vasavi | 757.01 |
| 2. | A. Sarat Chandra Babu | 11.27 |

Further, the said Directors have provided declaration(s) in writing that the amounts lent by them are their own funds and not been given out of funds acquired by them by borrowing or accepting loans or deposits from others.

PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended in respect of our employees, is attached herewith and marked as Annexure –III.

Your company hereby affirms that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Further, company do not have any employee whose remuneration falls within the purview of the limits prescribed under the provisions of Section 197 of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended i.e. Rs.8.5 lakhs per month or Rs.1.02 Crores per annum.

Further, details of top ten employees in terms of remuneration drawn during the financial year ended 31st March, 2022 as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended is attached herewith and marked as Annexure –III.

RISK MANAGEMENT POLICY:

A risk management policy has been devised and adopted by the Board.

Pursuant to the said policy, the Board (a) oversees and approves the Company's enterprise wide risk management framework and (b) oversees that all the risks that the organization may face such as material procurement, sale and distribution, financial, liquidity, security, legal, regulatory, reputational and other risks have been identified and assessed and ensures that there is an adequate risk management mechanism in place capable of addressing those risks.

The policy aims at sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business.

CORPORATE SOCIAL RESPONSIBILITY POLICY:

Since the Company does not fall within any of the parameters specified under the provisions of Section 135 of the Companies Act, 2013 read with Rules made thereunder, reporting pursuant to Section 134(3) (o) is Not Applicable.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE INFLOW AND OUTFLOW:

The details regarding Energy Conservation, Technology Absorption, Foreign Exchange Inflow and Outflow as required under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are given in the Annexure –IV and forms part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS:

In accordance with the provisions of SEBI (LODR) Regulations, 2015, a Report on the Management Discussion and Analysis is set out in Annexure–V attached to this Report.

CORPORATE GOVERNANCE:

The Company's policy on Corporate Governance is simple and forward looking. Tanvi Foods aims at maximizing the stakeholder's value legally, ethically and sustainably. It always seeks to ensure that the performance is driven by integrity. The board exercises its fiduciary responsibilities in the widest sense of the term. Company also endeavors to enhance long-term shareholder value and respect minority rights in all our business decisions.

Your Company, being listed on BSE SME segment, the provisions as regards Corporate Governance and related disclosures in the Annual Report are not applicable to it.

ANNUAL RETURN:

In accordance with Section 134 (3) (a) of the Companies Act, 2013, a copy of Annual Return in the prescribed format i.e. Form MGT -7 along with attachments is placed on the website of the Company, www.tanvifoods.com

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has in place a robust and full-fledged Vigil Mechanism and a Whistle Blower Policy for its directors and employees, to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct in terms of Section

177 (10) of the Act and Rules thereunder. The mechanism provides adequate safeguards against victimization of persons who use this mechanism.

Ms. Jonnada Vaghira Kumari, Independent Director of the Company supervises the Vigil Mechanism Policy; all the employees have direct access to report their concerns and complaints. During the year under the review no complaint has been received.

The Vigil Mechanism and Whistle Blower Policy adopted by the Company is uploaded on the website of the Company at <https://tanvifoods.com/>

LISTING & TRADING:

The equity shares of your Company are listed on the SME Platform of BSE Limited. The listing fee for the financial year 2021-22 has been duly paid.

DEMATERIALIZATION OF SHARES:

Total paid up share capital of your Company is in dematerialized form as on 31st March, 2022.

SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no orders passed by the Regulators / Courts which would impact the going concern status of your Company and its future operations. Further, we confirm that there were no instances of fraud to be reported by the Auditors vide their Report for the FY 2021-22.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE:

Your company strongly support the rights of all our employees to work in harassment – free environment. We have adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act") and the Rules made thereunder. The policy aims to provide protection to Employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where Employees feel secure.

Further, Company have in place a Committee under the name and style "Internal Complaints Committee" in compliance of POSH Act, which looks into various matters concerning harassment, if any, against women at workplace, addresses concerns and complaints of sexual harassment and recommends appropriate action. This Committee was constituted to specifically provide a safe, secure and enabling environment, free from sexual harassment to every woman.

Your company further confirm that during the year under review, there were no cases filed pursuant to the said Act.

GENERAL:

The Company has complied with all the provisions of these secretarial standards as applicable to the Company.

The other disclosures to be disclosed pursuant to Section 134 and other applicable provisions, if any of the Act and rules framed thereunder and SEBI Regulations are not applicable to the Company.

ACKNOWLEDGEMENT:

Your Directors would like to express their profound gratitude for the assistance, support and co-operation received from the Banks, Government authorities, Business Partners, Customers and other Stakeholders for the confidence reposed in the Company.

Further, your directors also wish to place on record their sincere appreciation for the committed services, hard work, dedication and commitment of the Executives, Staff and Workers of the Company at all levels.

**For and on behalf of the Board of
Tanvi Foods (India) Limited**

Sd/-
Sri Nagaveer Adusumilli
Additional Director
DIN:02096695

Sd/-
A Vasavi
Whole Time Director
DIN: 02589803

Place: Hyderabad
Date: 07.12.2022

Annexure-I

Form No. AOC-1

Statement containing salient features of the financial statement of Subsidiaries/ Associate Companies/ Joint Ventures

Part "A": Subsidiaries

(Amount in Rs. In Lakhs)

| Name of the subsidiaries | Polar Cube Cold Storage Solutions Private Limited | Squarepeg Distribution Services Private Limited |
|--|---|---|
| 1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period | N.A | N.A |
| 2. Reporting currency Exchange rate | INR. N.A | INR. N.A |
| The date since when subsidiary was acquired | | |
| 3. Share capital (Rs.) | 44.50 | 26.70 |
| 4. Reserves & surplus | 38.69 | 20.91 |
| 5. Total assets | 110.84 | 116.01 |
| 6. Total Liabilities | 27.65 | 68.4 |
| 7. Investments | - | - |
| 8. Total Turnover | 75.02 | 28.46 |
| 9. Profit before taxation | 16.40 | 5.20 |
| 10. Provision for taxation | 4.88 | 0.94 |
| 11. Profit after taxation | 11.52 | 4.26 |
| 12. Proposed Dividend | - | - |
| 13. % of shareholding | 100 | 10 |

- Names of subsidiaries which are yet to commence operations – NIL
- Names of subsidiaries which have been liquidated or sold during the year- NIL

Part "A": Associates and Joint Ventures – NIL

The Company does not have any Associate Company / Joint Ventures.

For and on behalf of the Board of
Tanvi Foods (India) Limited

Sd/-
Sri Nagaveer Adusumilli
Additional Director
DIN:02096695

Sd/-
A Vasavi
Whole Time Director
DIN: 02589803

Sd/-
A. Sri Nagaveer
Chief Executive Officer

Sd/-
S Soumith Kumar
Company Secretary

Place: Hyderabad
Date: 30.05.2022

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended on March 31, 2022

*[Pursuant to Section 204(1) of the Companies Act, 2013 and**Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

To
The Members
Tanvi Foods (India) Limited
Hyderabad

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tanvi Foods (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 Company's books, papers, minutes 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 31st March, 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 **Tanvi Foods (India) Limited** ("the Company") for the financial year ended on 31st March, 2022 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder.
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing. (Not applicable to the Company during the audit period);
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the audit period);**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the audit period);**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**
 - (f) The Securities and Exchange Board of India (**Registrars to an Issue and Share Transfer Agents**) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period);** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the audit period);**
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (v) Other specifically applicable laws to the Company:
 - i) The Food Safety and Standards Act, 2006,
 - ii) Legal Metrology Act, 2009 & Legal Metrology (Packaged Commodities) Rules 2011,
 - iii) The Prevention of Food Adulteration Act, 1954,
 - iv) The Copyright Act, 1957,
 - v) The Trade Marks Act, 1999.

I have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. *There were few instances where the Company filed forms and returns required to be filed with the Registrar of Companies with additional fee and that certain forms have not been filed.*
2. *Vacancy caused in the office of Independent Director of the Company was filled belatedly, thus affecting the composition of respective committees also.*
3. *The Board has obtained the approval of Board for appointment and payment of remuneration to Mr. Sri Nagaveer Adusumilli as CEO of the Company.*
4. *Subsequent to the resignation of Mr. Avneet Singh K, the Company has appointed a Company Secretary after a period of 6 months on 09.09.2021. During the said period, the, a qualified Company Secretary was not the compliance officer of the Company as required under Regulation 6 of SEBI (LODR) Regulations. BSE has levied a penalty as per SEBI SOP and the same has been duly paid by the Company.*
5. *The Company has not disclosed certain events such as Bank Defaults, Credit Ratings etc., as required under Regulation 30 of SEBI (LODR) Regulations read with SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015, SEBI Circular SEBI/HO/CFD/CMD1/CIR/P/2019/140 dated 21.11.2019 and SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020.*

I 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, subject to my observation laid above. 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 the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, however subject to shorter Notice in certain instances with the consent of all the Directors, 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and there were no dissenting views to be recorded as such

I further report that

- as per the information provided by the management, and based on the review of compliance reports by the respective department / functional heads, duly taken on record by the Board of Directors of the Company, 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
- Apart from the said, there were no such specific events/actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the company's affairs.

However, attention is drawn to Notes to Financial Statements, which describes the management assessment of the impact of Covid -19 pandemic on the operations and financial results of the Company and its group. Further, the proposed plant being set up by the Company near Vijayawada (A.P.), is yet to commence production. The resulting delay may adversely impact the future prospects of the Company.

**For Sayani & Associates
Practicing Company Secretaries**

Sd/-

Zoheb S Sayani

Proprietor

M.No. 10881

C.P. No: 26128

UDIN : F010881D002652278

Place: Hyderabad

Date: 07.12.2022

[This Report is to be read with our letter of even date that is annexed as Annexure A and forms an integral part of this report.]

'Annexure A'

To,
The Members,
Tanvi Foods (India) Limited,
Flat No. 101, Alekhya Homes Temple Tree,
Raghavendra Colony Kondapur,
Hyderabad – 500018.

Secretarial Audit Report of even date is to be read along with this letter.

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The verification was done on random basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for our opinion.
4. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
5. I believe that audit evidence and information provided by the Company's management is adequate and appropriate for us to provide a basis for our opinion.
6. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
7. I have not verified the correctness and appropriateness of financial records and Books and Accounts of the Company.

Disclaimer

8. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
9. Considering the lockdown measures imposed across the country on account of COVID-19 pandemic and the cascading impact thereof, we have conducted online verification and examination of records, as facilitated by the Company. We have relied on the management representations and assurances for certain verifications and cross checks, wherever required, for forming opinion and eventual reporting. While we have taken all possible steps to verify the records as made available to us by the Company through electronic medium and taken confirmation from the Company wherever required, but the audit was done subject to and with a limitation of inspection of documents

**For Sayani & Associates
Practicing Company Secretaries**

**Sd/-
Zoheb S Sayani**
Proprietor
M.No. 10881
C.P. No: 26128
UDIN : F010881D002652278

Place: Hyderabad
Date: 07.12.2022

Information pursuant to Section 197 read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended in respect of our employees

1. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year (Amount in ₹)

| Sr. No. | Name of Director / KMP and Designation | Financial Year 2021-22 | | |
|---------|---|--------------------------------|----------------------------|--|
| | | Remuneration of Director / KMP | % increase in Remuneration | Ratio of Remuneration of each Director to median remuneration of employees |
| 1 | Mrs A VASAVI (Managing Director) | 18,00,000 | Nil | 8.91 |
| 2 | Mr. A. Sarat Chandra Babu (Chairman & Whole Time Director) | 3,85,000 | 16.67% | 1.91 |
| 3 | Mrs. A. Sarada (Non-Executive Director) | Nil | Nil | Nil |
| 4 | Mrs Jonnada Vaghira Kumari (Independent Director) | Nil | Nil | Nil |
| 5 | Mr. Naveen Nandigam (Independent Director) | Nil | Nil | Nil |
| 6 | Mrs Kesara Charita (Executive Director) | 1,15,179 | Nil | 0.57 |
| 7 | Mr A Sri Nagaveer (CEO) | 42,00,000 | Nil | 20.79 |
| 8 | Mr .K Rudragiri Reddy (CFO) | 4,85,167 | Nil | N. A |
| 9 | Mr. S Soumith Kumar (Company Secretary) | 2,19,333 | Nil | N. A |

Note: 1. Mrs. Jonnada Vaghira Kumari appointed effective 03.11.2021

2. Mr. A Sarat Chandra Babu reappointed as WTD effective 03.11.2021 and his remuneration increased to Rs. 35,000 from Rs.30,000/- per month.

3. Mrs. Kesara Charita appointed as Executive Director effective 14.02.2022

4. Mr. K Rudragiri Reddy resigned effective 14.02.2022

5. Mr. Soumith Kumar Sikinderpurkar resigned effective 30.05.2022

6. Mr. Naveen Nandigam resigned effective 20.07.2022

- 2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;**

The median annual remuneration of employees of the Company during the financial year was Rs. 2,02,065 In the financial year, there was increase of 21.86 % in the median remuneration of employees.

- 4. Number of permanent employees on the rolls of Company as on 31st March 2022**

There were 58 permanent employees (other than MD, Executive Director, Whole time Director and CEO) on rolls of the Company as on March 31, 2022

- 5. Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration.**

Average percentile increase already made in the salaries of the employees other than the managerial personnel in this financial year i.e., 2021-22 is 25.19 % whereas there is a increase for about 15.87% in the managerial remuneration for the said financial year when compared to previous financial year

- 6. Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

Yes, it is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company:

Statement of particulars of Employees Pursuant to Provisions of Rule 5(2) of section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Details of top 10 Employees (interns of Remuneration), other than Executive Directors Employed throughout the year/part of the year:

| S. No. | Employee Name | Age | Designation | Qualification | Remuneration (per annum) | Nature of Employment | Exp. (Years) | Date of Commencement of employment | Previous employment | Relationship with Director/Manager | Nature of Duties of employee | % Share holding |
|--------|-------------------|-------------------|-----------------------------|----------------------|--------------------------|----------------------|--------------|------------------------------------|---------------------|---|------------------------------|-----------------|
| 1. | A SRI NAGAVEER | 17 January 1978 | C.E.O | M.C.A | 42,00,000 | Management | 15 yrs | 30 March 2007 | - | Son of A Sarat Chandra Babu and Husband of A Vasavi | C.E.O | 45.44% |
| 2. | R GANGA CHARI | 10 May 1986 | Plant Manager | Diploma in EEE, AMIE | 9,60,216 | Production | 16 yrs | 10 April 2019 | 13 yrs | No | Production | 0.00% |
| 3. | M SRINIVAS REDDY | 30 June 1984 | Head (Business Development) | M.B.A | 9,04,206 | Marketing | 15 yrs | 01 July 2014 | 7 yrs | No | Business Development | 0.00% |
| 4. | M.K. BHASKAR | 01 September 1981 | Head (Finance & Admin) | M.B.A | 7,71,708 | Finance | 15 yrs | 01 October 2014 | 7 yrs | No | Finance | 0.00% |
| 5. | R SURIBABU | 12 June 1976 | Head Projects | Degree | 5,86,575 | Administration | 15 yrs | 01 July 2014 | 7 yrs | No | Administration | 0.00% |
| 6. | V ROSELYN | 28 June 1991 | Head (Accounts) | B.Com , CA Pursuing | 5,63,052 | Accounts | 11 yrs | 01 September 2017 | 6 yrs | No | Accounts | 0.00% |
| 7. | M BALANJANEYULU | 10 May 1986 | Head Production | Degree | 5,23,215 | Production | 15 yrs | 01 July 2014 | 4 yrs | No | Production | 0.00% |
| 8. | K RUDRAGIRI REDDY | 04 April 1974 | CFO | MBA, M.Com, LLB | 4,85,167 | Accounts | 14 yrs | 01 October 2021 | 21 yrs | No | Finance & Accounts | 0.00% |
| 9. | SACHIN SARODE | 03 April 1982 | GENERAL MANAGER | MBA | 4,67,500 | Operations | 4 yrs | 01 August 2021 | 2 yrs | No | Operations | 0.00% |
| 10. | N SRI SASANK | 26 January 1986 | Head (Marketing & Sales) | B. Tech | 4,00,000 | Marketing | 15 yrs | 30-Mar-07 | - | No | Sales & Marketing | 0.00% |

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE INFLOW / OUTFLOW

The particulars as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are as follows:

A. Conservation of Energy: Not Applicable

- i. the steps taken or impact on conservation of energy;
- ii. the steps taken by the company for utilizing alternate sources of energy;
- iii. the capital investment on energy conservation equipment's;

B. Technology Absorption: Not Applicable

- i. the efforts made towards technology absorption;
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution;
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
 - (a) the details of technology imported;
 - (b) the year of import;
 - (c) whether the technology been fully absorbed;
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- iv. the expenditure incurred on Research and Development.

C. Foreign Exchange Inflow and Outflow during the year: Nil

- | | | |
|------------------------------|---|-----|
| i. Foreign Exchange Inflow | : | Nil |
| ii. Foreign Exchange Outflow | : | Nil |

For and on behalf of the Board of
Tanvi Foods (India) Limited

Sd/-
Sri Nagaveer Adusumilli
Additional Director
DIN:02096695

Sd/-
A Vasavi
Whole Time Director
DIN: 02589803

Place: Hyderabad
Date: 07.12.2022

MANAGEMENT DISCUSSION AND ANALYSIS

Disclaimer

The section contains a discussion on the opinions and perceptions of the Management on the trends that impact the Company. It has been collated from Information available publicly and reports by various nodal and governmental agencies that the Management believes to be accurate at the time publishing this report. The Company does not undertake or revise any of the opinions or statements expressed in this report consequent to, inter alia, revisions to the reports mentioned herein, new information, future events or otherwise.

This Management Discussion and Analysis Report presents a brief presentation of Company's performance over the previous years and simultaneously attempts to make a fair and practical analysis of our strengths and weaknesses and our position at micro level vis a vis the global scenario. While we recapitulate our past performance in this Annual Report, we have also endeavored to present our areas of focus which we feel would help the Company to go to next level.

This report contains forward-looking statements, identified by words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates' and so on. All statements that address expectations or projections about the future, but not limited to the Company's strategy for growth, product development, market position, expenditures and financial results, are forward-looking statements. Since these are based on certain assumptions and expectations of future events, we do not guarantee that these are accurate or will be realized.

Our actual results, performance or achievements could thus differ from those projected in any forward-looking statements. We assume no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

INDUSTRY AND DEVELOPMENTS

Global Market for Frozen Food Industry:

The frozen food market size was valued at \$244.3 billion in 2020, and is estimated to reach \$404.8 billion by 2027, registering a CAGR of 5.0% from 2020 to 2027. Frozen food is defined as food products that are preserved under low temperature and used over a long period. The product market comprises various food products, including ready meals, vegetables & fruits, potatoes, meat & poultry, seafood, and soup. Frozen ready meals further include packaged ready-to-eat foods, bakery, snacks, and desserts. Business buyers such as hotels, caterers, restaurants, and fast food chains are among major users of frozen food products that include frozen vegetables & fruits, potatoes, and non-veg products.

Frozen meat & poultry and seafood are among the most commonly used grocery items across North America and Europe. Europe is the largest market of frozen bakery and desserts. The retail frozen food industry is evolving, and is in its nascent phase in markets such as India. However, it has witnessed a steady growth since the past few years.

The world has witnessed a significant growth in the women employment rate. With increase in number of employed women, it becomes significantly difficult for them to cook meals, which results in consuming frozen ready meals. For instance, according to the United States Department of Labour, the U.S. female employment rate in 2020 was 55.9%. Similarly, in China, the women employment rate was around 61.61%, and in South Africa it was around 46.21%. All these factors collectively drive growth of the market during the forecast period.

The report segments the market into product type, user, and region. On the basis of product type, the market is categorized into frozen ready meals, frozen meat & poultry, frozen seafood, frozen vegetables & fruits, frozen & refrigerated soups and frozen potatoes. By end user, it is classified into food service industry, and retail users. Region wise, it is analysed across North America (U.S., Mexico, and Canada), Europe (Germany, UK, France, Italy, Spain, and rest of Europe), Asia-Pacific (China, India, Japan, Australia, South Korea, and rest of Asia-Pacific), and LAMEA (Brazil, South Africa, Argentina and rest of LAMEA).

According to frozen food market analysis On the basis of product type, the ready meals segment is the largest revenue generator in the current scenario, followed by frozen meat and poultry products. This is attributed to surge in use of frozen pizza crusts, bread, and frozen bakery products, which acts as a key driver of the ready meals segment. Frozen potatoes segment is expected to grow at the fastest CAGR of 5.8% from 2022 to 2032, followed by the segment of frozen seafood products segment, which is expected to witness a CAGR of 5.6% by 2028. New launches in frozen ready meals owing to increased investment in R&D of food processing coupled with strengthening distribution network of frozen food items is expected to contribute significantly to the growth of frozen ready meals market segment.

By user, the food service industry segment dominated the market, garnering 58.6% share in 2021, and is expected to continue throughout the frozen food market forecast period. This is attributed to the fact that the food service industry is among the major consumers of frozen foods. The food service industry includes hotel chains, fast food restaurants, cash & carry outlets caterers, and other business buyers. In addition, the popularity of frozen food in the food service sector is increasing, as they can be stored and used over a long period of time, which saves operational costs. Moreover, as they require less time to cook and reduce customer-waiting time, fast food chains and quick service restaurants have adopted them as substitutes to fresh ingredients. In addition, increase in internet penetration and quick access to smartphones have resulted in more purchase through online channels. As a result, several food chains are shifting toward online portals to enhance online food ordering for these fast food chains, which, in turn, augment the growth of the product market.

Region wise, Europe was the prominent market in 2021, which accounted for the maximum share. Large spending capabilities of consumers and economic stability are some of the major reasons for the growth of the product market in the European region. In addition, busy lifestyle of consumers acts as a key factor driving the frozen food market growth. Frozen ready to-eat healthy breakfast segment has gained popularity in recent years, owing to rise in health-conscious consumers in the region. Europe has been one of the most lucrative markets for frozen food, owing to the fact that it is home for numerous food and bakery giants. Moreover, these players operating are continuously striving to increase their market share by means of effective research & development and product innovation. In addition, companies are entering into partnerships with other companies to utilize each other's capabilities and outperform the competitors.

THE INDIAN FOOD INDUSTRY

Introduction

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year. In India, the food sector has emerged as a high-growth and high-profit sector due to its immense potential for value addition, particularly within the food processing industry.

Accounting for about 32 per cent of the country's total food market, The Government of India has been instrumental in the growth and development of the food processing industry. The government through the Ministry of Food Processing Industries (MoFPI) is making all efforts to encourage investments in the business. It has approved proposals for joint ventures (JV), foreign collaborations, industrial licenses, and 100 per cent export oriented units.

Market Size

The Indian food and grocery market is the world's sixth largest, with retail contributing 70 per cent of the sales. The Indian food processing industry accounts for 32 per cent of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. It contributes around 20.2 per cent of Gross Value Added (GVA) in Manufacturing and Agriculture respectively, 19.92 per cent of India's exports and ten per cent of total industrial investment. The Indian gourmet food market is currently valued at US\$ 1.3 billion and is growing at a Compound Annual Growth Rate (CAGR) of 20 per cent. India's organic food market is expected to increase by five times by 2024#.

The online food ordering business in India is in its nascent stage, but witnessing exponential growth. With online food delivery players like Food Panda, Zomato, TinyOwl and Swiggy building scale through partnerships, the organized food business has a huge potential and a promising future. The online food delivery industry grew at 150 per cent year-on-year with an estimated Gross Merchandise Value (GMV) of US\$ 300 million in 2016.

Investments

According to the data provided by the Department of Industrial Policies and Promotion (DIPP), the food processing sector in India has received around US\$ 7.87 billion worth of Foreign Direct Investment (FDI) during the period April 2000-March 2021. The Confederation of Indian Industry (CII) estimates that the food processing sectors have the potential to attract as much as US\$ 33 billion of investment over the next 10 years and also to generate employment of nine million person-days.

Government Initiatives

Some of the major initiatives taken by the Government of India to improve the food processing sector in India are as follows:

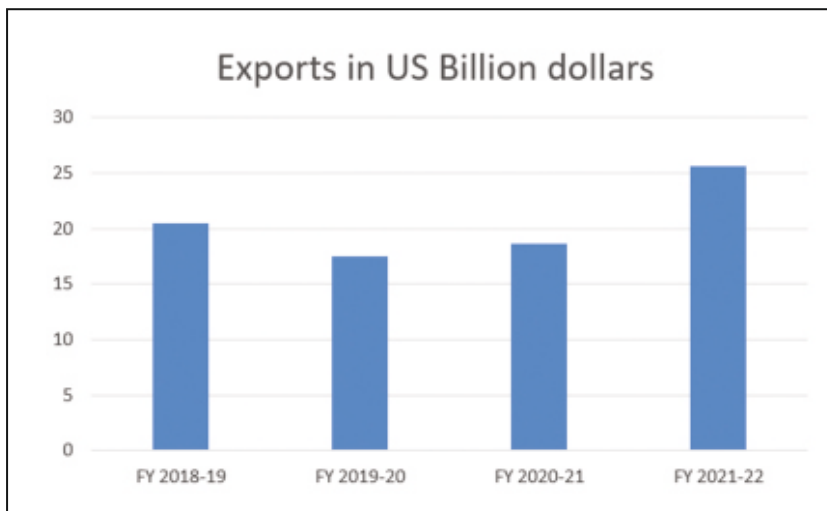
- The Government of India aims to boost growth in the food processing sector by leveraging reforms such as 100 per cent Foreign direct investment (FDI) in marketing of food products and various incentives at central and state government level along with a strong focus on supply chain infrastructure.
- In Union Budget 2017-18, the Government of India has set up a dairy processing infra fund worth Rs 8,000 crore (US\$ 1.2 billion).
- The Government of India has relaxed foreign direct investment (FDI) norms for the sector, allowing up to 100 per cent FDI in food product e-commerce through automatic route.
- The Food Safety and Standards Authority of India (FSSAI) plans to invest around Rs 482 crore (US\$ 72.3 million) to strengthen the food testing infrastructure in India, by upgrading 59 existing food testing laboratories and setting up 62 new mobile testing labs across the country.
- The Indian Council for Fertilizer and Nutrient Research (ICFNR) will adopt international best practices for research in fertiliser sector, which will enable farmers to get good quality fertilisers at affordable rates and thereby achieve food security for the common man.
- The Ministry of Food Processing Industries announced a scheme for Human Resource Development (HRD) in the food processing sector. The HRD scheme is being implemented through State Governments under the National Mission on Food Processing. The scheme has the following four components:
 - Creation of infrastructure facilities for degree/diploma courses in food processing sector
 - Entrepreneurship Development Programmed (EDP)
 - Food Processing Training Centers (FPTC)
 - Training at recognized institutions at State/National level

Road Ahead

Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP) and Good Hygienic Practices (GHP) by the food processing industry offers several benefits. It would enable adherence to stringent quality and hygiene norms and thereby protect consumer health, prepare the industry to face global competition, enhance product acceptance by overseas buyers and keep the industry technologically abreast of international best practices.

Exports of processed food and related products

- During FY21-22, India's exports of processed food and related products (inclusive of animal products) stood at US\$ 25.6 billion.
- Main export destinations for food products have been the Middle East and Southeast Asia.
- In FY23* India's exports stood at US\$ 32.6 billion.



Frozen Foods Market in India

In recent years, the demand for frozen food has witnessed sharp growth in India. The rapid growth in the number of modern retail stores and online grocery stores, along with proper refrigeration facilities are the key factors influencing this demand. Improved shelf-life and packaging of frozen foods has further propelled growth.

Market insights:

The frozen food market was valued at INR 177.07 Bn in 2021 and is anticipated to reach INR 224.90 Bn by 2025, expanding at a compound annual growth rate (CAGR) of ~5.2% during the 2022 – 2030 period. Rise in the number of millennial and gen-Z consumers opting for convenience food, improved awareness and acceptance of frozen food among the urban and semi-urban people are some of the significant factors that push the market forward. Development of the cold chain infrastructure in India and constant support are further propelling the market. However, proper cold storage and supply infrastructure are yet to develop adequately and this is a barrier to the growth of frozen food market's growth.

Segment insights:

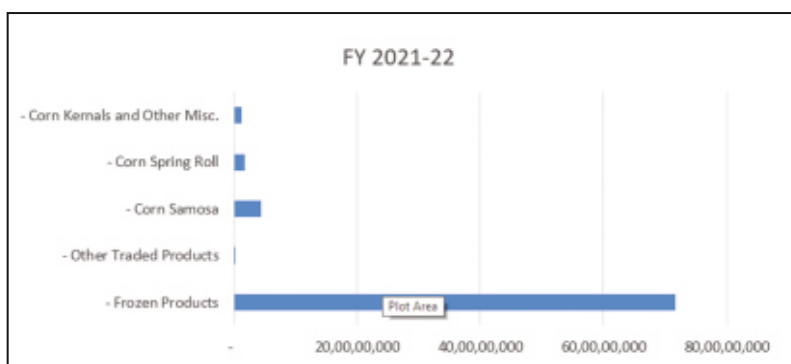
Based on sales channel, the market is segmented into retailers, food service providers, and exporters. In terms of revenue, the export segment dominated the frozen food market, accounting for 52.3% of the overall revenue share in 2021. The retailers segment (online and offline stores) was valued at INR 36.4 Bn in 2021 and is expected to show maximum growth rate during the forecast period, expanding at a CAGR of ~18.64%. The food service providers segment was valued at INR 36.4 Bn in 2021 and is expected to reach INR 102.46 Bn by 2025.

COVID-19 impact analysis:

The frozen food business in India was disrupted due to the pandemic and several prominent manufacturers incurred huge losses due to the shutdown of food joints. However, the overall market witnessed a mixed impact experiencing both positive and negative growth. On the one hand, the demand from food service sectors declined and on the other hand, the online sale of packaged ready-to-eat snacks skyrocketed. Consumers seeking frozen snacks in local flavors helped bring in new product ranges during lockdown. Consumers' perception toward the processed frozen food products changed positively as the manufacture and packaging of these items were done in a hygienic way ensuring sanitization. Online orders of frozen foods and groceries also increased during the nationwide lockdown. The government also introduced policies such as Integrated Development of Horticulture (MIDH) which have provided financial support for building and enhancing cold storage facilities in India, amid the COVID-19 crisis.

| Strengths | Opportunities | Threats |
|--|---|--|
| <p>Experienced Management: The Company has a very good experienced Management team. Mr. A Sri Nagaveer, the Chief Executive Officer posses more than 20 years of experience in the field of Frozen Food business.</p> | <p>Market Space: Currently, the Company is operating in the states of Telangana and Andhra Pradesh and with the upcoming facility and increased production, we have the Immediate Market space to expand to adjacent states like Karnataka, Maharashtra, Odisha, Tamil Nadu and also exploring the option of Exporting our products to various Middle-East & South-East Asian Nations.</p> | <p>Risk due to Liquidity: We are the growing MSME with limited resources of funding that has been accessed for establishing our new facility. However, due to the sudden spread of coVID19 pandemic, our regular cash-flow(s) are being adjusted for the day-to-day working capital and the same time we are at the hope of overcoming these threats in coming days.</p> |
| <p>Good Employee Vintage: All most all the Key Management Personnel are with the Company since longer-time of more than 5 years and are qualified staff at Senior and Middle-level(s)</p> | | |
| <p>Established Brand Name: We operate in Brand sensitive market and developed it through a sustainable growth process over the period of last 17 years and majority of our products are under the brand name “Frozen Kings”, “Cornclub” and the rest are branded with “Samosa”</p> | | <p>Threat due to change of Life-style of people in view of CoVID19 pandemic: In the initial days of spread of Pandemic, there were lot of opinions that the virus is being infected with the fruits, vegetables and frozen Items. However, the World Health Organization (WHO) declared that the impact with this is very low and people are now slowly getting habituated to the pre-coVID19 lifestyle. Hence we are in the risk of meeting our operational performance targets. In order to mitigate this, your company is taking all the precautions of hygiene and getting awareness among all the customers about the same and also maintaining the required safety precautions as well.</p> |
| <p>Acceptance and Credibility across Vendors and Farmers: We have developed goodwill among the Market participants, Vendors, Supermarkets, and all our Farmers, Intermediaries of the Supply chain process and Distribution and all MNCs and other customers who are continuously supporting us all the time.</p> | <p>Temperature Control Fleets: The Company has more than 17 fleet(s) with the facility of Temperature control(s) and storage for Distribution and Transportation of goods, that help us in very much better way to reach our market(s) in a defined and Planned way.</p> | |

SEGMENT-WISE & PRODUCT WISE REVENUE



Segment wise Reporting is Not Applicable. Entire operations of the Company relate to only one segment.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The internal control systems adopted by the Company are adequate and appropriate to its operations. The system has been designed to ensure that assets and interest of the Company are protected and dependability of accounting data and its accuracy are ensured with proper checks and balances.

The Company has appointed an Internal Auditor, to oversee and carry out an internal audit of the Company's activities. The audit is based on an Internal Audit Plan, which is reviewed each year in consultation with the Statutory Auditors and the Audit Committee.

The Internal Audit process is designed to review the adequacy of internal control checks in the system and covers all significant areas of the Company operations. The Company has an Audit Committee, the details of which have been provided in the Corporate Governance Report. The Audit Committee reviews audit reports submitted by the Internal Auditors.

The Company's Audit committee meets the Company's Statutory Auditors to ascertain their views on the adequacy of Internal Control Systems in the Company and keeps the Board of Directors informed of its major observations at periodic intervals.

OTHER RISKS AND CONCERNS

The success of our business depends greatly on our ability to effectively implement our business and growth strategies. We plan to increase our sales from the prepared foods or our self-branded foods being sold under the brand of "Frozen Kings". We also plan to explore additional geographies as well as ramping up our processing capabilities.

We believe our experience and expertise will help us in executing these business strategies; however, we may not be able to execute our strategies in time or at all in the future. Further, our growth strategies could place significant demand on our management team and other resources and would require us to continuously develop and improve our operational, financial and other controls, none of which can be assured. Any failure on our part to scale up our infrastructure and management could cause disruptions to our business and could be detrimental to our long-term business outlook.

FINANCIAL PERFORMANCE Vs OPERATIONAL PERFORMANCE

During the Financial Year 2022, some of the Employee Benefit Expenses and the Financial Cost incurred towards the Loan of Indian Bank have been capitalized towards the expenses incurred for the capital work in progress. Our revenue from operations on standalone basis increased to ₹ 7,954.75 Lakhs from ₹ 5977.38 Lakhs in the previous year, at an increase rate of 33.08%. Your Company has posted yet another impressive year of performance. Out of the total revenue approx. 90% has been generated from the sale of Frozen Products and there is a substantial increase in sale of other products as well.

(Rs. in Lakhs)

| Particulars (Amount in ₹ Lakhs) | FY 2021-22 | FY2020-21 |
|--|-------------------|------------------|
| Income | | |
| Manufacturing & Processing | 7,932.98 | 5,838.36 |
| Sales and Trading | 21.77 | 139.02 |
| Other Income | 41.57 | 41.66 |
| Total | 7,996.32 | 6,019.05 |
| Particulars (Amount in ₹ Lakhs) | FY 2021-22 | FY2020-21 |
| Expenditure | | |
| Cost of Product & Service | 7,107.58 | 5,333.96 |
| Employee Benefit Expenses | 237.42 | 134.12 |
| Financial Expenses | 232.92 | 227.92 |
| Depreciation & Amortization | 63.67 | 67.90 |
| Other Expenses | 197.26 | 138.17 |
| Total | 7,838.90 | 5,902.07 |

During the Financial Year 2022, some of the Employee Benefit Expenses and the Financial Cost incurred towards the Loan of Indian Bank have been capitalized towards the expenses incurred for the capital work in progress.

With the loss of business due to corona virus pandemic and Lockdown impact; there is no significant Fleet vehicle movements. As such, the revenue in Other income has been decreased to such extent.

The Company's (Standalone basis) Network as of FY 2021-22 has been increased to an extent of ₹ 106.99 Lakhs and your Earnings per share stood at ₹ 1.99

Due to the working capital adjustments with the impact of COVID19 pandemic; As of March 2022, the Company has certain outstanding Arrears on the account heads of Statutory Liabilities to an extent of ₹ 28.78 lakhs pending towards the payment of Tax Deducted at Source (TDS) Payable, Provident Fund Payable, ESI Payable and the Professional Tax Payable.

Cost of products & services mentioned above is net of changes in inventories of finished goods, work in progress and stock-in-trade.

Sources of Funds

Currently as of March 31, 2022, we have only one class of shares i.e., Equity Shares of nominal value ₹10/- each. Our Authorized Share Capital is ₹6.50 Crores divided into 65,00,000 equity shares of ₹10/- each. The Issued, Subscribed and Paid Up capital stood at ₹5,36,67,750 divided into 53,66,775 Equity Shares of ₹10/- each.

Other than that, of the Equity, the Company possesses certain reserves added back to the Equity shown as Reserve and Surplus as of March 31, 2022 and the amount in reserve account is ₹2,320.15 Lakhs.

Investments

Your company has not made any new investment during the period under review, Further, the investments made by the Company in its following wholly owned subsidiaries continue to remain as such during the year under review:

- Squarepeg Distribution Services (P) Ltd.
- Polar Cube Cold Storage Solutions (P) Ltd.

Outlook

Currently the Company has the manufacturing facility of producing near 35,000 to 100,000 pieces of product(s) every day. However, with a view to ease-out the complex process of manufacturing and to enhance the production capacities, we are bringing-up a new Manufacturing facility near to the Vijayawada within a space of 80,000 square feet area with the required Food Safety standards that will boost our production facilities to almost 3 times to the existing capacities.

HUMAN RESOURCES / INDUSTRIAL RELATIONS

Our Company, being a man-power intensive unit, employs skilled as well as unskilled employees. The employees are trained in order to deliver the appropriate mix and taste while making corn samosas and other eatables and placed high important to employees.

Currently the company is providing the Provident Fund, ESI benefits to all the eligible employees and providing Health Insurance facility for all the senior employee(s). The Staff vintage with our organization is high.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations therefor, including:

Key Financial Indicators:

| Sr. No. | Particulars | Standalone | | Consolidated | | Explanation |
|---------|--------------------------------|------------|------------|--------------|------------|---|
| | | FY 2021-22 | FY 2021-22 | FY 2021-22 | FY 2021-22 | |
| 1 | Debtors Turnover Ratio (Times) | 7.73 | 3.53 | 5.55 | 3.21 | Debtors' recovery rate has come to normal from PY |
| 2 | Inventory Turnover | 2.21 | 1.83 | 2.24 | 1.85 | Not Applicable |
| 3 | Interest Coverage | 1.68 | 1.51 | 1.78 | 1.62 | Not Applicable |
| 4 | Current Ratio | 1.19 | 1.24 | 1.23 | 1.27 | Not Applicable |
| 5 | Debt Equity Ratio | 0.46 | 0.48 | 0.54 | 0.50 | Not Applicable |
| 6 | Operating Profit Margin | 4.91% | 5.77% | 5.23% | 6.34% | Not Applicable |
| 7 | Net Profit Margin | 1.35% | 1.59% | 1.56% | 1.94% | Not Applicable |
| 8 | Return on Net worth | 3.75% | 3.45% | 4.38% | 4.25% | Not Applicable |

Number of People Employed:

As on 31st March 2022, the employee strength was 58 staff members.

Disclosure of Accounting Treatment

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7(1) of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply.

There has been no deviation in the accounting treatment from that prescribed in the Accounting Standards.

Awards : Nil**Certifications:**

- ISO 22000: 2018 – Food Safety Management System
- ISO 9001 : 2015 – Quality Management System

Cautionary Statement

This report contains forward-looking statements extracted from reports of Government Authorities / Bodies, Industry Associations etc. available on the public domain which may involve risks and uncertainties including, but not limited to, economic conditions, government policies, dependence on certain businesses and other factors. Actual results, performance or achievements could differ materially from those expressed or implied in such forward-looking statements. This report should be read in conjunction with the financial statements included herein and the notes thereto. We assume no responsibility to publicly amend, modify or revise any such statements on the basis of subsequent developments, information or events.

Independent Auditor's Report

To the Members of **M/s. Tanvi Foods (India) Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **M/s. Tanvi Foods (India) Limited (“the Company”)** which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss, and the Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the “Standalone Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act (“AS”) and other accounting principles generally accepted in India, of the State of affairs of the Company as at 31st March, 2022, and its Profit and its Cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 on the Standalone Financial Statements.

Emphasis of Matter

We draw your attention to Note No. 47 of the Standalone Financial Statements which describes Management's assessment of the impact of the Covid – 19 pandemic on the operations and financial results of the company. Our opinion is not modified in respect of the above matter.

Key Audit Matters

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

| Key Audit Matter | How the matter was addressed in the Audit |
|---|---|
| <p>Revenue Recognition</p> <p>Revenue from the sale of goods and sale of Service (hereinafter referred to as “Revenue”) is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods and sale of service is when the control over the same is transferred to the customer, which is mainly upon delivery.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p> <p>Refer Note 1 to the Standalone Financial Statements - Significant Accounting Policies</p> | <p>Principal Audit Procedures</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> • Assessing the appropriateness of the Company's revenue recognition accounting policies in line with AS 9 (“Revenue Recognition”) and testing thereof. • Evaluating the design and implementation of Company's controls in respect of revenue recognition. • Testing the effectiveness of such controls over revenue cut off at year-end. • Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period. • Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing. |

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

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, for example, Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The other information as stated above is expected to be made available to us after the date of this auditor's report. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the other information as stated above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance.

Responsibilities of Management and Those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the Financial position, Financial performance 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. 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 financial statements, the Board of Directors / 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 the Board of Directors / Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibility 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 financial statements.

As part of an audit in accordance with the SAs, we exercise Professional Judgement and maintain Professional Skepticism throughout the audit.

We also;

1. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material

uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. 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.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure – A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by Law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the Internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - 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/provided by the company to its directors during the year is in accordance with the provisions of the section 197 of the Act.
 - h) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 34R to the standalone financial statements);

The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 34R to the standalone financial statements); and

Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under above sub-clauses contain any material misstatement.

- l) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 40 to the financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For V N S S& ASSOCIATES
Chartered Accountants

V N S SRINIVASARAO
Proprietor
M. No. 225281
Firm Regn. No. 018367S
UDIN :2225281AJXXIO3324

Place: Hyderabad
Date : 30.05.2022

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Standalone Financial Statements as at 31st March, 2022, we report that:

- (i)
- a) i. The Company has maintained proper records showing full particulars, including quantitative details and the situation of Property, Plant and Equipment.
 - ii. The company has maintained proper records showing full particulars of Intangible Assets.
 - b) The Property, Plant and Equipment are physically verified by the management according to a phased programme designed to cover all items which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification and the same have been properly dealt with in the books of account.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable property are held in the name of the company.
 - d) The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets does not arise.
 - e) Based on the information and explanations furnished to us, no proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.
- (ii)
- a) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and, in our opinion, the coverage and procedure of such verification by Management is appropriate. No material discrepancies were noticed on physical verification.
 - b) During the year the company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the audited books of account (Also refer Note 2.43F to the financial statements)
- (iii)
- a) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
 - b) The investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and advances provided are not prejudicial to the company's interest.
 - c) In case of loans granted to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3 (iii) (c) of the order is not applicable to the company in respect of repayment of principal amount.
 - d) There are no overdue amounts in respect of the loans granted to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under section 189 of the Companies Act, 2013 (The Act).

- e) The loan or advance in the nature of loan granted which has fallen due during the year, has not been renewed or not extended or no fresh loans granted to settle the overdues of existing loans given to the same parties.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any Loans, made investments of provided Securities to Companies and other parties listed under section 185 and 186 of the Act
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year. 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. Therefore, the provisions of Clause 3 (v) of the Order are not applicable to the Company.
- (vi) The maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of the Company's operations. Therefore the provisions of Clause 3(vi) of the Order are not applicable to the Company.
- (vii)
- a) According to the information and explanations given to us and on the basis of our examination of the records, Undisputed statutory dues including Provident fund, Employee State Insurance, Income-tax, Sales tax, Value Added Tax, Duty of Customs, Goods and Service tax, Cess have generally been deposited with the appropriate authorities and there have been delays in some cases.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employee State Insurance, Income-tax, Sales tax, Value Added Tax, Duty of Customs, Goods and Service tax, Cess and other material statutory dues were in arrears as at 31st March, 2022 for a period of more than six months from the date they became payable except as mentioned in the following Statement of Arrears;

Statement of Arrears of Outstanding Statutory Dues for more than Six months :

| Sl. No. | Name of the Statute | Nature of Dues | (INR in Lakhs) |
|---------|---|----------------|----------------|
| 1 | Employees Provident Fund and Miscellaneous Provisions Act, 1952 | Provident Fund | 5.36 |
| 2 | Income Tax Act, 1961 | TDS | 23.42 |

- c) According to the information and explanations given to us, there are no material statutory dues including Sales tax, Value Added Tax, Duty of Customs, Goods and Service Tax, Cess and any other material statutory dues pending for deposit with the appropriate authorities on account of any dispute, except as mentioned in Note No. 41 of the Standalone Financial Statements;
- (viii) Based According to the information and explanations given to us, there are no such transactions which are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 except as mentioned & disclosed in Note No 34J of the Standalone Financial Statements.
- (ix) a. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest to any lender during the year except as disclosed in Note No 40 & 40A of the Standalone Financial Statements.
- b. According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority. (Also refer Note 34O to the financial statements)
- c. In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained. (Also refer Note 34F to the financial statements)

- d. According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- e. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- f. According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- (x) a. Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (x) of the Order is not applicable.
- b. 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 / partly convertible debentures during the year. So, there was no comment on utilization of such funds.
- (xi) a. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.
- b. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- c. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The Company has an internal audit system commensurate with the size and nature of its business and reports of internal auditors for the period under audit were considered by us.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding or subsidiary company or persons connected with them and hence provisions of section 192 of the Act are not applicable and hence reporting under clause (xv) of the Order is not applicable to the Company.
- (xvi) a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.
- b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.
- c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi) (c) of the Order is not applicable to the Company.
- d) Based on the information and explanations provided by the management of the Company, the Group does not

have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

- (xvii) According to the information and explanations give to us and based on our examination of the records of the Company, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 34C to the financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- (xx) According to the information and explanations given to us and based on our examination of the records of the Company, the provisions of Section 135 of Companies Act, 2013 are not applicable to the company since company is not meeting the criteria specified therein. Hence, the provisions of Clause 3 (xx) of the Order are not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For V N S S& ASSOCIATES
Chartered Accountants

V N S SRINIVASARAO
Proprietor
M. No. 225281
Firm Regn. No. 018367S

Place: Hyderabad
Date : 30.05.2022

Annexure - B to the Auditors' Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **M/s Tanvi Foods (India) Limited** ("the Company") as of 31st March, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For V N S S & ASSOCIATES
Chartered Accountants

V N S SRINIVASARAO
Proprietor
M. No. 225281
Firm Regn. No. 018367S

Place: Hyderabad
Date : 30.05.2022

Standalone Balance Sheet as at 31st March, 2022

| Particulars | Note No | As at 31.03.2022 Amount In Lakhs | As at 31.03.2021 Amount In Lakhs |
|--|---------|-------------------------------------|-------------------------------------|
| I. EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| (a) Share capital | 3 | 536.68 | 536.68 |
| (b) Reserves and surplus | 4 | 2,320.15 | 2,213.16 |
| (c) Money received against share warrants | | - | - |
| Share application money pending allotment | 5 | - | - |
| Non-current liabilities | | | |
| (a) Long-term borrowings | 6 | 982.37 | 1,108.53 |
| (b) Deferred tax liabilities (net) | | 31.82 | 29.32 |
| (c) Other long-term liabilities | 7 | - | - |
| (d) Long-term provisions | 8 | 60.01 | 30.39 |
| Current liabilities | | | |
| (a) Short-term borrowings | 9 | 2,297.31 | 2,017.02 |
| (b) Trade payables | 10 | | |
| - Total Outstanding dues of Micro Enterprises and Small Enterprises | | - | - |
| - Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises | | 290.25 | 280.17 |
| (c) Other current liabilities | 11 | 607.22 | 592.04 |
| (d) Short-term provisions | 12 | 52.85 | 25.57 |
| TOTAL | | 7,178.64 | 6,832.87 |
| II. ASSETS | | | |
| Non-current assets | | | |
| (a) Property, Plant and Equipment | | | |
| (i) Tangible assets | 13 | 537.81 | 593.66 |
| (ii) Intangible assets | | | |
| (iii) Capital work-in-progress | | 1,857.76 | 1,685.91 |
| (iv) Intangible assets under development | | | |
| (b) Non-current investments | 14 | 119.41 | 119.41 |
| (c) Long-term loans and advances | 15 | 782.99 | 814.35 |
| (d) Other Non-Current Assets | 16 | - | - |
| Current Assets | | | |
| (a) Current investments | 17 | - | - |
| (b) Inventories | 18 | 3,595.57 | 3,273.62 |
| (c) Trade receivables | 19 | 223.97 | 249.75 |
| (d) Cash and bank balances | 20 | 27.35 | 25.32 |
| (e) Short-Term loans and advances | 21 | 22.54 | 52.67 |
| (f) Other Current Assets | 22 | 11.24 | 18.18 |
| (g) Branch & Divisions | | | |
| TOTAL | | 7,178.64 | 6,832.87 |
| III. Company Information | | | |
| Summary of Significant Accounting Policies | | | |
| The accompanying notes are an integral part of the financial statements. | 3 to 48 | | |

As per my report of even date

For and on behalf of the Board of Directors

For V N S S & Associates
Chartered AccountantsA. Sarat Chandra Babu
Chairman and WTD
DIN : 02589830Adusumilli Vasavi
Managing Director
DIN : 02589803VNS Srinivasa Rao
Proprietor
Member Ship No.225281
Firm Regn No. 018367SA. Sri Nagaveer
Chief Executive OfficerS. Soumith Kumar
Company SecretaryPlace : Hyderabad
Date : 30th May, 2022

Statement of Profit and Loss for the Period ended 31st March, 2022

| Particulars | Note No | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|---------|--|--|
| I. Revenue from operations | 23 | 7,954.75 | 5,977.38 |
| II. Other income | 24 | 41.57 | 41.66 |
| III. TOTAL REVENUE (I + II) | | 7,996.32 | 6,019.05 |
| IV. Expenses: | | | |
| (a) Cost of Materials Consumed | 25 | 7,386.78 | 5,809.22 |
| (b) Purchases of Stock-in-Trade | 26 | 19.78 | 97.99 |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 27 | (298.98) | (573.25) |
| (d) Employee benefit expenses | 28 | 237.47 | 134.12 |
| (e) Finance costs | 29 | 232.92 | 223.83 |
| (f) Depreciation and amortization expenses | 13 | 63.67 | 67.90 |
| (g) Other Expenses | 30 | 197.26 | 142.26 |
| TOTAL EXPENSES | | 7,838.90 | 5,902.07 |
| V. Profit before exceptional & extraordinary items and tax (III - IV) | | 157.42 | 116.98 |
| VI. Exceptional items | | | |
| VII. Profit before extraordinary items and tax (V-VI) | | 157.42 | 116.98 |
| VIII. Extraordinary items | | | |
| IX. Profit before tax (VII - VIII) | | 157.42 | 116.98 |
| X. Tax expense: | | 50.43 | 22.13 |
| Current Tax | | 50.44 | 23.29 |
| Previous Year | | (2.51) | (1.85) |
| Deferred Tax | | 2.50 | 0.70 |
| MAT Credit Entitlement | | - | - |
| XI. Profit for the period from continuing operations (IX - X) | | 106.99 | 94.84 |
| Discontinuing Operations | | | |
| XII. Profit / (Loss) from discontinuing operations (before tax) | | | - |
| XIII. Tax expense of discontinuing operations | | | - |
| XIV. Profit / (Loss) from discontinuing operations (after tax) | | | - |
| XV. Profit for the Year (XI + XIV) | | 106.99 | 94.84 |
| XVI. Earnings per equity share: (Nominal Value Per Share : Rs. 10) | | | |
| Basic (Including Extraordinary Items) | | 1.99 | 1.77 |
| Diluted (Including Extraordinary Items) | | 1.99 | 1.77 |
| Basic (Excluding Extraordinary Items) | | 1.99 | 1.77 |
| Diluted (Excluding Extraordinary Items) | | 1.99 | 1.77 |
| XVII. Company Information Summary of Significant Accounting Policies The accompanying notes are an integral part of the financial statements. | 3 to 48 | | |

As per my report of even date

For and on behalf of the Board of Directors

For V N S S & Associates
Chartered AccountantsA. Sarat Chandra Babu
Chairman and WTD
DIN : 02589830Adusumilli Vasavi
Managing Director
DIN : 02589803VNS Srinivasa Rao
Proprietor
Member Ship No.225281
Firm Regn No. 018367SA. Sri Nagaveer
Chief Executive OfficerS. Soumith Kumar
Company SecretaryPlace : Hyderabad
Date : 30th May, 2022

Standalone Cash Flow Statement for the year ended 31st March, 2022

| Particulars | As at 31.03.2022 Amount In Lakhs | As at 31.03.2021 Amount In Lakhs |
|---|-------------------------------------|-------------------------------------|
| A. Cash flow from Operating activities | | |
| Profit before exceptional items and tax | 157.42 | 116.98 |
| Adjustments for : | | |
| Depreciation and Amortisation Expense | 63.67 | 67.90 |
| (Profit) / Loss on sale of fixed assets (net) | (2.19) | - |
| (Profit) / Loss on sale of investments (net) | - | - |
| Miscellaneous Expenditure Written Off | 8.69 | 8.69 |
| Other Income | (41.57) | (41.66) |
| Effect of Exchange Rate change | | |
| Finance Costs | 232.92 | 223.83 |
| Cash generated from operations before working capital changes | 418.94 | 375.73 |
| Adjustments for working capital changes | | |
| (Increase)/Decrease in Inventories | (321.96) | (586.43) |
| (Increase)/Decrease in Trade Receivables | 25.78 | 30.82 |
| (Increase)/Decrease in Short term Loans & Advances | 30.12 | 46.51 |
| (Increase)/Decrease in Long term Loans & Advances | 31.36 | (121.10) |
| Increase/(Decrease) in Trade Payables | 10.08 | 13.47 |
| Increase/(Decrease) in Long term/Short term Provisions | 8.97 | (36.49) |
| Increase/(Decrease) in Other current liabilities | 15.18 | 246.12 |
| (Increase)/Decrease in Other Current Assets | (1.74) | (1.32) |
| Cash generated from Operations | 216.73 | (32.69) |
| Direct Taxes paid | - | (40.88) |
| Net Cash from Operating activities | 216.73 | (73.56) |
| B. Cash flow from Investing Activities | | |
| Purchase of tangible/intangible assets | (13.63) | (5.84) |
| Sale proceeds of tangible assets | 8.00 | - |
| Other Adjustments to Fixed Assets (Subsidy) | - | - |
| Other Income | 41.57 | 41.66 |
| Capital Work-in-progress | (171.85) | (187.77) |
| (Purchase) / Sale of Investments (Net) | - | - |
| Cash flow before exceptional items | (135.92) | (151.94) |
| Exceptional Items | - | - |
| Net Cash generated from Investment Activities | (135.92) | (151.94) |
| C. Cash Flow from Financing Activities | | |
| Proceeds from issue of Share Capital/ Share Application Money | - | - |
| Securities Premium on Equity Share Capital | - | - |
| Proceeds / (Repayment) from Long Term Borrowings | (126.16) | 35.21 |
| Proceeds / (Repayment) from Short Term Borrowings | 280.29 | 402.40 |
| Finance Costs | (232.92) | (223.83) |
| Dividends Paid | - | - |
| Dividend tax paid | - | - |
| Effect of Exchange Rate change | - | - |
| Net cash used in financing activities | (78.79) | 213.79 |
| Net (Decrease) / Increase in cash and cash equivalents³ to 30 | 2.02 | (11.71) |
| Cash and cash equivalents at the beginning of the year | 25.32 | 37.04 |
| Cash and Cash equivalents at the end of the year | 27.35 | 25.32 |

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard 3 on Cash Flow Statements notified under section 133 of the Companies Act, 2013.
- Previous Year Figures have been regrouped/ reclassified/ rearranged wherever necessary.

As per my report of even date

For and on behalf of the Board of Directors

For V N S S & Associates
Chartered AccountantsA. Sarat Chandra Babu
Chairman and WTD
DIN : 02589830Adusumilli Vasavi
Managing Director
DIN : 02589803VNS Srinivasa Rao
Proprietor
Member Ship No.225281
Firm Regn No. 018367SA. Sri Nagaveer
Chief Executive OfficerS. Soumith Kumar
Company SecretaryPlace : Hyderabad
Date : 30th May, 2022

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

Note Nos.

1 General Information:

M/s. Tanvi Foods (India) Limited ("the Company") (CIN:U15433TG2007PLC053406) is engaged in the Manufacturing of Corn Samosa, Spring Roll & Trading of Frozen Foods. The company functioning its business in Vijayawada, Krishna District, Andhra Pradesh and Hyderabad, Telangana. The company running its business in the style of "Frozen Kings" and "Corn Club".

2 Summary of Significant Accounting Policies

2.1 Basis of Accounting ;

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7(1) of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013. All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division I) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2.2 Use of Estimates ;

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2.3 Tangible Assets and Intangible Assets ;

Tangible Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of the purchase price including import duties and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management. Subsequent costs related to an item of Property, Plant and Equipment are recognised in the carrying amount of the item if the recognition criteria are met.

Items of Property, Plant and Equipment that have been retired from active use and are held for disposal are stated at the lower of their net carrying amount and net realisable value and are shown separately in the financial statements under the head 'Other current assets'. Any write-down in this regard is recognised immediately in the Statement of Profit and Loss.

An item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Statement of Profit and Loss.

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

2.4 Capital Work-In-Progress

Capital Work-In-Progress is carried at cost, comprising direct cost and related Incidental expenses.

2.5 Depreciation and Amortisation ;

Depreciation on fixed assets is being provided on straight line method at the rates in the manner specified in Schedule II of the Companies Act, 2013. Depreciation on assets sold, scrapped or demolished during the year is being provided at their respective rates up to the date in which such assets are sold, scrapped. Depreciation / Amortisation of Intangibles is in compliance with AS 26 to the extent applicable. The expenditure incurred on Lease Hold premises is depreciated over the Lease period.

2.6 Borrowing Costs ;

Borrowing costs include interest and other costs incurred in connection with borrowing. General and

specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred. The same is in compliance with AS-16 to the extent applicable.

2.7 Impairment of Assets ;

An Asset is impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss is charged when an asset identified as impaired. The impairment loss recognized in prior accounting year is reversed if there has been a change in the estimate of recoverable amount.

2.8 Investments ;

Investments that are readily realisable and are 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 long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments, such reduction being determined and made for each investment individually.

2.9 Inventories ;

- i) Inventories are valued at lower of cost or Net Realisable Value.
- ii) Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition
- iii) The basis of determining cost for various categories of inventories is as follows:
 - a) Stores, Spare parts, Packing material : At Cost
 - b) Raw material : At Cost
 - c) Finished Goods : At lower of cost or net realizable value

2.10 Transactions in Foreign Currency ;

Foreign currency transactions are recorded at the exchange rates prevailing at the date of the transaction. Monetary foreign currency assets and liabilities are translated into Indian rupees at the exchange rate prevailing at the balance sheet date. All exchange differences are dealt with in Profit and Loss Account. In the case of assets and liabilities covered by Forward contracts, the difference between the exchange rate at the inception of forward exchange contract and the forward rate specified in the contract is amortised and recognized in the statement of profit and loss over the period of the contract. Premium or discount on foreign exchange forward contract are amortised and recognized in the statement of profit and loss over the period of the contract. The same is in compliance with AS-11 to the extent applicable.

2.11 Revenue Recognition ;

i) Sale of Goods:

Sales are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which coincides with the delivery of goods and are recognised net of trade discounts, rebates, sales taxes and excise duties.

ii) Other Income:

Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend: Dividend income is recognised when the right to receive dividend is established.

Other revenue : Other Revenue is recognized only when it is reasonably certain that the ultimate collection will be made. The same is in compliance with AS-9 to the extent applicable.

2.12 Retirement and other employee benefits (AS 15);

Defined Contribution Plan : The company makes defined contribution to Provident Fund, which are recognized in the Profit and Loss Account on accrual basis.

Defined Benefit Plan : The company's liability under Payment of Gratuity Act is determined on the basis of actuarial valuation provisional made at the end of financial year. Provision for leave entitlement accounted on accrual basis at the end of the financial year.

2.13 Current and Deferred Tax ;

Tax expense for the period, comprising current tax and deferred tax, are included in the determinatio

of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the prevailing taxation laws.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. In situations, where the Company has unabsorbed depreciation or carry forward losses under tax laws, all deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.14 Provisions and Contingent Liabilities ;

Provisions: Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets are neither recognized nor disclosed in the financial statements. The same is in compliance with AS-29 to the extent applicable.

2.15 Leases ;

Operating Lease payments are recognized as an expense in the statement of profit and loss as per the terms of the agreements which are representative of the time pattern of the user's benefits.

2.16 Cash flow Statement ;

The Cash Flow Statement is prepared by indirect method set in Accounting Standard 3 on Cash flow Statement and presents the cash flows by operating, investing and finance activities of the company. Cash and Cash equivalents presented in cash flow statement consist of cash in hand, cheques on hand and bank balances.

2.17 Earnings per share ;

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.18 Contingencies and events occurring after the balance sheet date ;

All contingencies and events occurring after the balance sheet date which have a material effect on the financial position of the company are considered for preparing the financial statements.

2.19 Government Grants ;

- i) Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants will be received.
- ii) Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.
- iii) Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic and rational basis.

2.20 Extra-ordinary and Exceptional items & Changes in Policies ;

All the extra ordinary and prior period items of Income and expenses are separately disclosed in the statement of Profit and Loss account in the manner such that it's impact on the current profit or loss can be perceived. If there has been any change in the Company's accounting policies or accounting estimate so as to have material impact on the current year profit/loss or that of later periods the same would be disclosed as part of notes to accounts. All the items of Income and Expenses from ordinary activities with such size and nature such that they become relevant to explain the performance of the company have been disclosed separately. The same is in compliance with AS-5 to the extent applicable.

Notes forming part of Standalone Financial Statements As At 31.03.2022

Note No: 3 Share Capital

| S. No. | Particulars | As at 31.03.2022 Amount In Lakhs. | | As at 31.03.2021 Amount In Lakhs. | |
|--------|---|--------------------------------------|---------------|--------------------------------------|---------------|
| | | Number | Amount | Number | Amount |
| (i) | Authorised Equity Shares of Rs. 10/- each with Voting Rights | 65,00,000 | 650.00 | 65,00,000 | 650.00 |
| (ii) | Issued, Subscribed and Paid up Equity Shares of Rs. 10/- each fully paid up with Voting Rights | 53,66,775 | 536.68 | 53,66,775 | 536.68 |
| | Total | 53,66,775 | 536.68 | 53,66,775 | 536.68 |

(a) Reconciliation of number of shares:

| S. No. | Particulars | As at 31.03.2022 Amount In Lakhs. | | As at 31.03.2021 Amount In Lakhs. | |
|--------|--|--------------------------------------|---------------|--------------------------------------|---------------|
| | | Number | Amount | Number | Amount |
| 1 | Equity Shares outstanding at the beginning of the year | 53,66,775 | 536.68 | 53,66,775 | 536.68 |
| 2 | Equity Shares Issued during the year | - | - | - | - |
| 3 | Equity Shares bought back during the year | - | - | - | - |
| 4 | Equity Shares outstanding at the end of the year | 53,66,775 | 536.68 | 53,66,775 | 536.68 |

(b) Rights, preferences and restrictions attached to shares:

The company has one class of equity shares having a par value of Rs.10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of shares held by Shareholders holding more than 5 % of the shares in the company:

| S. No. | Class of shares / Name of shareholder | As at 31.03.2022 | | As at 31.03.2021 | |
|--------|---|--------------------|---------------|---------------------|---------------|
| | | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| | <u>Equity Shares with Voting Rights</u> | | | | |
| 1 | Adusumilli Sri Nagaveer | 24,38,701 | 45.44% | 24,38,701 | 45.44% |
| 2 | Adusumilli Vasavi | 3,38,038 | 6.30% | 3,38,038 | 6.30% |
| 3 | Kesara Charita | 3,04,000 | 5.66% | - | 0.00% |
| | TOTAL | 30,80,739 | 57.40% | 27,76,739.00 | 51.74% |

(d) Details of shares held by Promoters of the company:

| S. No. | Class of shares / Name of shareholder | As at 31.03.2022 | | As at 31.03.2021 | |
|--------|---|--------------------|---------------|--------------------|---------------|
| | | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| | <u>Equity Shares with Voting Rights</u> | | | | |
| 1 | Adusumilli Sri Nagaveer | 24,38,701 | 45.44% | 24,38,701 | 45.44% |
| 2 | Adusumilli Vasavi | 3,38,038 | 6.30% | 3,38,038 | 6.30% |
| 3 | Adusumilli Sarat Chandra Babu | 2,00,000 | 3.73% | 2,00,000 | 3.73% |
| 4 | Adusumilli Sarada | 1,00,000 | 1.86% | 1,00,000 | 1.86% |
| 5 | Sreedevi Polavarapu | 2,000 | 0.04% | 2,000 | 0.04% |
| | TOTAL | 30,78,739 | 57.37% | 30,78,739 | 57.37% |

(e) Aggregate number and class of shares allotted as fully paid up for consideration other than cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date

| S. No. | Particulars | As at 31.03.2022 | | As at 31.03.2021 | |
|--------|-------------------------------|----------------------|-----------------|----------------------|-----------------|
| | | No. of Shares issued | Amount In Lakhs | No. of Shares issued | Amount In Lakhs |
| 1 | Paturi Sarada* | 2,20,013 | 22.00 | 2,20,013 | 22.00 |
| 2 | Mikkilineni Sravanthi* | 2,20,013 | 22.00 | 2,20,013 | 22.00 |
| 3 | Adusumilli Sarat Chandra Babu | 2,52,711 | 25.27 | 2,52,711 | 25.27 |
| 4 | Adusumilli Sarada | 2,038 | 0.20 | 2,038 | 0.20 |

* 4,40,026/- Equity Shares issued on account of Acquisition of Polarcube Cold Storage Solutions Pvt. Ltd in 2015-16

** 2,54,749/- Equity Shares issued on account of Acquisition of Squarepeg Distribution Services Pvt. Ltd. in 2015-16

4. Note: Reserves & Surplus

| Note No. | Particulars | As at 31.03.2022 Amount In Lakhs. | As at 31.03.2021 Amount In Lakhs. |
|-----------------------------------|--|--------------------------------------|--------------------------------------|
| 4 | Note: Reserves & Surplus | | |
| | Securities Premium | | |
| | Balance as at the beginning of the year | 1,259.63 | 1,259.63 |
| | Add: Premium on shares issued during the year | - | - |
| | Less : Utilised during the year | - | - |
| | Balance as at the end of the year | 1,259.63 | 1,259.63 |
| | Surplus in the Statement of Profit and Loss | | |
| | Balance as at the beginning of the year | 953.52 | 858.68 |
| | (+) Net Profit for the current year | 106.99 | 94.84 |
| | (+) Transfer from Reserves* | - | - |
| | (+) Capital subsidy | - | - |
| | (-) Net Loss for the current year | - | - |
| | (-) Proposed Dividends | - | - |
| | (-) Interim Dividends | - | - |
| Balance as at the end of the year | 1,060.52 | 953.52 | |
| Total | 2,320.15 | 2,213.16 | |

5. Note: Share Application money pending allotment

| Note No. | Particulars | As at 31.03.2022 Amount In Lakhs. | As at 31.03.2021 Amount In Lakhs. |
|----------|--|--------------------------------------|--------------------------------------|
| 5 | Note: Share Application money pending allotment | - | - |
| | | - | - |

6. Note: Long Term Borrowings

| Note No. | Particulars | As at 31.03.2022 Amount In Lakhs. | As at 31.03.2021 Amount In Lakhs. |
|---|---|--------------------------------------|--------------------------------------|
| 6 | Note: Long Term Borrowings | | |
| | Secured | | |
| | a) Term Loans * | | |
| | i) From Banks | 1,195.93 | 1,158.08 |
| | The amount represents repayment due in next 12 months classified under head "Short Term Borrowings" | 225.93 | 97.94 |
| | | 969.99 | 1,060.14 |
| | b) Vehicle Loans ** | | |
| | i) From Banks | 5.72 | 31.89 |
| | The amount represents repayment due for the current period and in next 12 months classified under head "Short Term Borrowings" | 5.72 | 31.89 |
| | | - | - |
| | ii) From NBFC's | 8.05 | 14.05 |
| | The amount represents repayment due for the current period and in next 12 months classified under head "Short Term Borrowings" | 5.94 | 6.49 |
| | | 2.11 | 7.56 |
| | Total Secured Loans | 972.11 | 1,067.70 |
| Unsecured | | | |
| Business Loans *** | | | |
| i) From Banks | 29.07 | - | |
| The amount represents repayment due for the current period and in next 12 months classified under head "Short Term Borrowings" | 21.82 | - | |
| | 7.26 | - | |
| ii) From NBFC's | 42.09 | 109.74 | |
| The amount represents repayment due for the current period and in next 12 months classified under head "Short Term Borrowings" | 39.08 | 68.91 | |
| | 3.01 | 40.83 | |
| Loans from Others | - | - | |
| Total Un-Secured Loans | 10.27 | 40.83 | |
| | 982.37 | 1,108.53 | |

* Term Loans are secured against Fixed Assets of the Company, both present and future. (for details Refer Note No 40)

** Vehicles loans are secured by hypothecation of vehicles financed by respective banks. (for details Refer Note No. 40)

*** The Company availed Unsecured Business Loans from Banking & Non Banking Financial Institutions (for Details Refer Note No. 40)

7. Note: Other Long Term Liabilities

| Note No. | Particulars | As at 31.03.2022 Amount In Lakhs. | As at 31.03.2021 Amount In Lakhs. |
|----------|--|--------------------------------------|--------------------------------------|
| 7 | Note: Other Long Term Liabilities | | |
| | Other Liabilities | - | - |
| | | - | - |

8. Note: Long Term Provisions

| Note No. | Particulars | As at 31.03.2022 Amount In Lakhs. | As at 31.03.2021 Amount In Lakhs. |
|----------|-----------------------------------|--------------------------------------|--------------------------------------|
| 8 | Note: Long Term Provisions | | |
| | Provision for Gratuity * | 36.72 | 30.39 |
| | Provision for Taxes | 23.29 | - |
| | Provisions - Others | | |
| | 60.01 | 30.39 | |

* Provision made as per the actuarial valuation dt. 26.05.2022 (For details Refer Note No.42)

9. Note: Short Term Borrowings

| Note No. | Particulars | As at 31.03.2022 Amount In Lakhs. | As at 31.03.2021 Amount In Lakhs. |
|-------------|---|--------------------------------------|--------------------------------------|
| 9 | Note: Short Term Borrowings | | |
| | Secured | | |
| | Loans repayable on demand from Banks * | 1,019.98 | 1,189.92 |
| | Current Maturities of Long Term Debt (Refer Note No.6) | | - |
| | a) Term Loans | | - |
| | From Banks | 225.93 | 97.94 |
| | b) Vehicle Loans | | |
| | From Banks | 5.72 | 31.89 |
| | From NBFC's | 5.94 | 6.49 |
| | Unsecured | | - |
| | Loans and Advances from Related Parties ** | 768.28 | 411.23 |
| | Other Loans and Advances *** | 210.56 | 210.65 |
| | <u>Current Maturities of Long Term Debt (Refer Note No.6)</u> | | |
| | c) Business Loans | | |
| From Banks | 21.82 | - | |
| From NBFC's | 39.08 | 68.91 | |
| | 2,297.31 | 2,017.02 | |

* Working Capital loans are secured by hypothecation of Stocks & Receivables (present & future) of the Company (For details Refer Note No. 40)

** Loans from Related parties carry "Nil" rate of Interest and are repayable on demand

*** The Company has borrowed Un-secured loans from others that carry interest at 18% p.a and are repayable on mutually agreed terms and conditions. The loan has been guaranteed by Key Managerial Person of the company.

10. Note: Trade Payables

| Note No. | Particulars | As at 31.03.2022 Amount In Lakhs. | As at 31.03.2021 Amount In Lakhs. |
|----------|---|--------------------------------------|--------------------------------------|
| 10 | Note: Trade Payables | | |
| | - Total Outstanding dues of Micro Enterprises and Small Enterprises | - | - |
| | Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises | 290.25 | 280.17 |
| | | 290.25 | 280.17 |
| | * The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under: | | |
| | - Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end | - | - |
| | - Interest due to suppliers registered under the MSMED Act and remaining unpaid as the year end | - | - |
| | - Principal amounts paid to Suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| | - Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| | - Interest paid under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| | - Interest due and payable towards suppliers registered under MSMED Act, for payments already made | - | - |
| | - Further Interest remaining due and payable for earlier years | - | - |
| | The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. | | |
| | This has been relied upon by the auditors. | | |

11. Note: Other Current Liabilities

| Note No. | Particulars | As at 31.03.2022 Amount In Lakhs. | As at 31.03.2021 Amount In Lakhs. |
|------------------------------------|--|--------------------------------------|--------------------------------------|
| 11 | Note: Other Current Liabilities | | |
| | Interest Accrued and Due on Borrowings ** | 9.94 | 32.38 |
| | Interest Accrued But not Due on Borrowings *** | 0.64 | 1.91 |
| | Advances received from Customers | 32.58 | 45.14 |
| | Other Payables**** | 564.06 | 512.61 |
| | | 607.22 | 592.04 |
| | <u>** Interest Accrued and Due on Borrowings Consists of:</u> | | |
| | On Working Capital Loan | 9.94 | 32.38 |
| | <u>*** Interest Accrued But not Due on Borrowings consists of:</u> | | |
| | On Business Loans | 0.62 | 1.86 |
| | On Vehicle Loans | 0.02 | 0.06 |
| <u>**** Other Payables include</u> | | | |
| Statutory Liabilities | 65.24 | 54.06 | |
| Rent Creditors | 127.63 | 12.99 | |
| Expenses Payable | 228.45 | 266.70 | |
| Creditors for Capital Works | 17.75 | 53.87 | |
| Deferred Government Grants # | 125.00 | 125.00 | |

The company received government grants in the nature of subsidy (Grant-in-aid) from Andhra Pradesh Food Processing Society for setting up "Ready to cook foods made of corn". During the year, the company received first installment of subsidy (Grant-in-aid) of Rs 1,25,00,000/- under AP Food Processing Policy 2018-19 and same is utilised to purchase Property, plant and equipment.

The deferred government grant will be recognised in statement of profit and loss over the period in proportion in which depreciation expense on the assets is recognised.

12. Note: Short Term Provisions

| Note No. | Particulars | As at 31.03.2022 Amount In Lakhs. | As at 31.03.2021 Amount In Lakhs. |
|-------------------------------------|------------------------------------|--------------------------------------|--------------------------------------|
| 12 | Note: Short Term Provisions | | |
| | Provisions for Employee Benefits | | |
| | Provision for Gratuity | 2.41 | 2.28 |
| | Provisions - Others: | - | - |
| | Provision for Taxes - Current Year | 50.44 | 23.29 |
| Provision for Taxes - Previous Year | - | - | |
| | | 52.85 | 25.57 |

13. Property, Plant & Equipment

| S. No. | Particulars | Gross Block | | | | | | | | | | |
|----------|-----------------------------|--------------------------|---------------|--------------|---|---|---|---|---|---|--------------------------|-------------------|
| | | Balance As At 01.04.2021 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | Balance As At 31.03.2022 | |
| 1 | | | | | | | | | | | 10= 1+2-3+4-5+6-7+8-9 | |
| A | Tangible assets : | | | | | | | | | | | |
| (a) | Computers & Peripherals | | | | | | | | | | | |
| | Owned | 27.68 | 3.81 | - | - | - | - | - | - | - | - | 31.49 |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | - |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | - |
| (b) | Furniture and Fixtures | | | | | | | | | | | |
| | Owned | 37.52 | 2.61 | - | - | - | - | - | - | - | - | 40.13 |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | - |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | - |
| (c) | Plant & Machinery | | | | | | | | | | | |
| | Owned | 442.29 | 5.46 | - | - | - | - | - | - | - | - | 447.75 |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | - |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | - |
| (d) | Office Equipment | | | | | | | | | | | |
| | Owned | 14.15 | 1.75 | - | - | - | - | - | - | - | - | 15.91 |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | - |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | - |
| (e) | Vehicles | | | | | | | | | | | |
| | Owned | 238.38 | - | 23.26 | - | - | - | - | - | - | - | 215.11 |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | - |
| | Given under operating lease | 121.75 | - | 27.29 | - | - | - | - | - | - | - | 94.45 |
| (f) | Civil Structures | | | | | | | | | | | |
| | Owned | 103.28 | - | - | - | - | - | - | - | - | - | 103.28 |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | - |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | - |
| (g) | Land | | | | | | | | | | | |
| | Owned | 93.58 | - | - | - | - | - | - | - | - | - | 93.58 |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | - |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | - |
| | Total (A) | 1,078.62 | 13.63 | 50.56 | - | - | - | - | - | - | - | 1,041.70 |
| | Previous Year | (1,072.79) | (5.84) | - | - | - | - | - | - | - | - | (1,078.62) |
| B | Intangible assets | | | | | | | | | | | |
| | Total (B) | - | - | - | - | - | - | - | - | - | - | - |
| | Previous Year | - | - | - | - | - | - | - | - | - | - | - |
| | Grand Total (A + B) | 1,078.62 | 13.63 | 50.56 | - | - | - | - | - | - | - | 1,041.70 |

| S. No. | Particulars | Accumulated depreciation and impairment | | | | | | | | | | Net Block | |
|----------|---------------------------------|---|--|----------------------------------|---|--|--|------------|--------------------------|-----------------|--------------------------|--------------------------|--------------|
| | | Balance As At 01.04.2021 | Depreciation / amortisation expense for the year | Eliminated on disposal of assets | Adj. due to Change of Accounting policy (i.e from WDV to SLM) | Impairment losses recognised in Statement of Profit and Loss | Reversal of impairment losses recognised in Statement of Profit and Loss | Other Adj. | Balance As At 31.03.2022 | 18=sum(11:17) | 19= (10-18) | Balance As At 31.03.2022 | 20= (1 - 11) |
| | | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18=sum(11:17) | 19= (10-18) | Balance As At 31.03.2022 | 20= (1 - 11) | |
| A | Tangible assets : | | | | | | | | | | | | |
| (a) | Computers & Peripherals | | | | | | | | | | | | |
| | Owned | 24.00 | 2.09 | - | - | - | - | - | 26.09 | 5.40 | 3.68 | | |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | | |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | | |
| (b) | Furniture and Fixtures | | | | | | | | | | | | |
| | Owned | 20.34 | 2.67 | - | - | - | - | - | 23.01 | 17.12 | 17.18 | | |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | | |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | | |
| (c) | Plant & Machinery | | | | | | | | | | | | |
| | Owned | 196.62 | 30.15 | - | - | - | - | - | 226.78 | 220.98 | 245.67 | | |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | | |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | | |
| (d) | Office Equipment | | | | | | | | | | | | |
| | Owned | 11.98 | 1.41 | - | - | - | - | - | 13.39 | 2.52 | 2.18 | | |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | | |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | | |
| (e) | Vehicles | | | | | | | | | | | | |
| | Owned | 125.82 | 19.05 | 18.81 | - | - | - | - | 126.06 | 89.05 | 112.56 | | |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | | |
| | Given under operating lease | 94.17 | 5.02 | 25.94 | - | - | - | - | 73.25 | 21.20 | 27.58 | | |
| (f) | Civil Structures | | | | | | | | | | | | |
| | Owned | 12.04 | 3.27 | - | - | - | - | - | 15.31 | 87.97 | 91.24 | | |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | | |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | | |
| (g) | Land | | | | | | | | | | | | |
| | Owned | - | - | - | - | - | - | - | - | 93.58 | 93.58 | | |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | | |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | | |
| | Total (A) | 484.97 | 63.67 | 44.75 | - | - | - | - | 503.89 | 537.81 | 593.66 | | |
| | Previous Year | (417.07) | (67.90) | - | - | - | - | - | (484.97) | (593.66) | (655.72) | | |
| B | Intangible assets | | | | | | | | | | | | |
| | Total (B) | - | - | - | - | - | - | - | - | - | - | | |
| | Previous Year | - | - | - | - | - | - | - | - | - | - | | |
| C | Capital Work in Progress | | | | | | | | | | | | |
| | Total (C) | - | - | - | - | - | - | - | - | - | - | | |
| | Previous Year | - | - | - | - | - | - | - | - | - | - | | |
| | Grand Total (A+B+C) | 484.97 | 63.67 | 44.75 | - | - | - | - | 503.89 | 2,395.58 | 2,279.56 | | |

14. Note : Non-current investments

| Note No. | Particulars | As at 31.03.2022 Amount In Lakhs. | As at 31.03.2021 Amount In Lakhs. |
|--|---|--------------------------------------|--------------------------------------|
| 14 | Note : Non-current investments | | |
| | Long Term Investments - at cost | | |
| | (a) Trade Investments | | |
| | (b) Other Investments | | |
| | Quoted | | |
| | Unquoted | | |
| | Investments in equity instruments of subsidiaries | | |
| | 4,45,000 Equity Shares of Polarcube Cold Storage Solutions (P) Ltd. of Rs.10/- each fully paid up | 74.80 | 74.80 |
| | 2,67,000 Equity Shares of Sqaurepeg Distribuion Services (P) Ltd. of Rs.10/- each fully paid up | 43.31 | 43.31 |
| | Government and Trust Securities : | | |
| 2.75% Sovereign Gold Bonds Feb 2024 (TR - II) (50 Grams at a Face Value of Rs. 2,600 per gram) | 1.30 | 1.30 | |
| | 119.41 | 119.41 | |
| Aggregate Amount of quoted Investments | 1.30 | 1.30 | |
| Market Value of Quoted Investments | 2.50 | 2.26 | |
| Aggregate Amount of Unquoted Investments | 118.11 | 118.11 | |
| Aggregate provision for diminution in value of Investments | - | - | |

15. Note: Long Term Loans & Advances

| Note No. | Particulars | As at 31.03.2022 Amount In Lakhs. | As at 31.03.2021 Amount In Lakhs. |
|---|---|--------------------------------------|--------------------------------------|
| 15 | Note: Long Term Loans & Advances | | |
| | (a) Capital Advances | | |
| | Secured, considered good | | |
| | Unsecured, considered good | 720.53 | 710.79 |
| | Doubtful | - | - |
| | (b) Security Deposits | | |
| | Secured, considered good | - | - |
| | Unsecured, considered good | - | - |
| | Rent Deposit | 11.30 | 6.92 |
| | Other Deposits | 1.57 | 2.04 |
| | (c) Loans & Advances to related parties | - | - |
| | (d) Loans & Advances to Employees | - | - |
| | (e) Prepaid Expenses | - | - |
| | (f) Balances with Government Authorities | | |
| | Advance Income Tax (Unsecured, Considered good) | 5.55 | 65.76 |
| | MAT Credit Entitlement | 44.04 | 28.84 |
| | (g) Other Loans & Advances | | |
| | Secured, considered good | - | - |
| | Unsecured, considered good | - | - |
| | (h) Doubtful | - | - |
| | 782.99 | 814.35 | |
| Less: Provision for other doubtful loans & advances | - | - | |
| | 782.99 | 814.35 | |
| * MAT Credit entitlement has been brought in to books and it represents previous years. | | | |
| Note: Long Term Loans & Advances include amounts due from | | | |
| Directors - (Rent Deposit) | 0.30 | 0.30 | |
| Other Officers of company | - | - | |
| Firms in which any director is a partner | - | - | |
| Private companies in which any director is a director or member | - | - | |

16. Note: Other Non-Current Assets

| Note No. | Particulars | As at 31.03.2022 Amount In Lakhs. | As at 31.03.2021 Amount In Lakhs. |
|----------|---|--------------------------------------|--------------------------------------|
| 16 | Note: Other Non-Current Assets | | |
| | (a) Long-term trade receivables | - | - |
| | (b) Unamortised expenses (to the extent not written off or not adj.) | - | - |
| | (c) Accruals | - | - |
| | (d) Other Non-current Assets | - | - |
| | | - | - |
| 17 | Note: Current Investments | | |
| | Short Term investments - at cost | | |
| | (a) Trade Investments | | |
| | (b) Other Investments (Investments in shares) | | |
| | Quoted | - | - |
| | Un Quoted | - | - |
| | | - | - |
| 18 | Note: Inventories: | | |
| | (a) Raw materials | 102.14 | 79.16 |
| | Goods-in-transit | - | - |
| | (b) Work-in-progress | 17.67 | 15.32 |
| | Goods-in-transit | - | - |
| | (c) Finished goods / Stock in Trade | 3,475.76 | 3,179.13 |
| | Goods-in-transit | - | - |
| | (d) Stores and spares | - | - |
| | Goods-in-transit | - | - |
| | (e) Loose tools | - | - |
| | Goods-in-transit | - | - |
| | (f) Others (Specify nature) | - | - |
| | Goods-in-transit | - | - |
| | | 3,595.57 | 3,273.62 |
| | * Mode of valuation: | | |
| | As per Accounting Policy Ref. No. 2.9 | | |
| 19 | Note: Trade Receivables | | |
| | Secured, considered good | | |
| | - Outstanding for a period exceeding six months from the date they were due for payment | - | - |
| | - Others | - | - |
| | Unsecured, considered good | - | - |
| | - Outstanding for a period exceeding six months from the date they were due for payment | 3.05 | - |
| | - Others | 220.93 | 249.75 |
| | Unsecured Considered Doubtful | - | - |
| | - Outstanding for a period exceeding six months from the date they were due for payment | - | - |
| | - Others | - | - |
| | | 223.97 | 249.75 |
| | Less: Provision for doubtful trade receivables | - | - |
| | | 223.97 | 249.75 |
| | Trade receivables include debts due from: | | |
| | Directors | - | - |
| | Firms in which any Director / KMP is interested (M/s Sri Sai Agencies, Proprietorship) | - | 62.14 |
| | Other officers of the Company | - | - |
| | Private companies in which any director is a director or member (give details per company) | 118.91 | - |
| | Wholly Owned Subsidiaries | - | - |

20. Note: Cash and Bank Balances

| Note No. | Particulars | As at 31.03.2022 Amount in Lakhs. | As at 31.03.2021 Amount in Lakhs. |
|------------|---|--------------------------------------|--------------------------------------|
| 20 | Note: Cash and Bank Balances | | |
| | (a) Cash and Cash Equivalents | | |
| | (i) Balances with banks; | | |
| | - In Current Accounts | 1.45 | 0.54 |
| | (ii) Cheques, drafts on hand | | |
| | (iii) Cash on hand | 25.90 | 24.79 |
| | (b) Other Bank balances | - | - |
| | - In Deposit Accounts | - | - |
| | | 27.35 | 25.32 |
| 21 | Note: Short Term Loans & Advances | | |
| | (a) Loans & Advances to related parties | - | - |
| | (b) Security deposits | - | - |
| | (c) Loans and advances to employees | - | - |
| | Secured, considered good | - | - |
| | Unsecured, considered good | - | -22.96 |
| | Doubtful | - | - |
| | (d) Prepaid expenses - Unsecured, considered good * | 9.44 | 10.50 |
| | (e) Balances with government authorities | - | - |
| | Unsecured, considered good | - | - |
| | Advance Tax and TDS ** | 1.90 | 1.21 |
| | (f) Inter-corporate deposits | - | - |
| | (g) MAT Credit entitlement - Unsecured, considered good *** | - | - |
| | (h) Other Loans & Advances **** | - | - |
| | Secured, considered good | - | - |
| | Unsecured, considered good | 11.21 | 18.00 |
| | Doubtful | 22.54 | 52.67 |
| | Less: Provision for other doubtful loans and advances | | |
| | | 22.54 | 52.67 |
| | * "Prepaid Expenses" pertains to Insurance, Annual Maintenance Contracts. | | |
| | ** Other Loans & Advances includes | | |
| | Advances to Suppliers | 5.88 | 7.64 |
| | Advance for Expenses | 4.31 | 10.08 |
| | Other Advances | 1.02 | 0.28 |
| | Note: Short Term Loans & Advances include amounts due from | | |
| | Directors | - | - |
| | Other Officers of company | - | - |
| | Firms in which any director is a partner | - | - |
| | Private companies in which any director is a director or member | - | - |
| 22. | Note: Other Current Assets | | |
| | (a) Unbilled revenue | | |
| | (b) Unamortised expenses | 1.53 | 10.22 |
| | (c) Accruals | - | - |
| | (d) Other Current Assets | 9.71 | 7.96 |
| | | 11.24 | 18.18 |
| | Note: Other Current Assets include amounts due from | | |
| | Directors | - | - |
| | Other Officers of company | - | - |
| | Firms in which any director is a partner | - | - |
| | Private companies in which any director is a director or member | - | - |
| | Wholly Owned Subsidiaries | - | - |

| Note No. | Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 | |
|---|--|--|--|-------|
| 23 | Note: Revenue from operations | | | |
| | Sales - Manufacturing and Processing | 7,932.98 | 5,838.36 | |
| | Sales - Trading | 21.77 | 139.02 | |
| | | 7,954.75 | 5,977.38 | |
| | Sale of Goods under broad heads; | | | |
| | - Frozen Products | 7,172.62 | 4,924.40 | |
| | - Other Traded Products | 35.40 | 139.02 | |
| | - Corn Samosa | 449.97 | 388.79 | |
| | - Corn Spring Roll | 174.54 | 175.55 | |
| | - Corn Kernals and Other Misc. | 122.21 | 349.63 | |
| | 7,954.75 | 5,977.38 | | |
| 24 | Note: Other income | | | |
| | Corp. Office Sub-Let Income | - | 0.90 | |
| | Income through hiring of Vehicles | 11.97 | - | |
| | Other Income | 27.41 | 40.76 | |
| | Profit on sale of Asset / Investment | 2.19 | - | |
| | 41.57 | 41.66 | | |
| 25. | Note: Cost of Materials Consumed | | | |
| | Raw Material Consumed | | | |
| | Opening Inventory | 79.16 | 65.98 | |
| | Add: Purchases (Net) | 7,333.78 | 5,786.67 | |
| | Less: Inventory at the end of the year | 102.14 | 79.16 | |
| | Cost of Raw Materials Consumed during the year | 7,310.81 | 5,773.49 | |
| | Add : Direct Expenses | 75.97 | 35.72 | |
| | Total | 7,386.78 | 5,809.22 | |
| | 26. | Note: Purchase of Stock -in- Trade | | |
| | | Purchase - Stock in Trade | 19.78 | 97.99 |
| | | 19.78 | 97.99 | |
| Purchase of Goods / Raw Materials under broad heads; | | | | |
| - Frozen Products & Corn Kernals | | 7,216.92 | 5,743.58 | |
| - Other Traded Products | | 19.78 | 97.99 | |
| - Other Misc. | | 116.86 | 43.09 | |
| | | 7,353.56 | 5,884.67 | |
| 27. | | Note: Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade | | |
| | | Inventories at the end of the year: | | |
| | Finished Goods / Stock in Trade | 3,475.76 | 3,179.13 | |
| | Work in Progress | 17.67 | 15.32 | |
| | | 3,493.44 | 3,194.45 | |
| | Inventories at the beginning of the year: | | | |
| | Finished Goods / Stock in Trade | 3,179.13 | 2,616.39 | |
| | Work in Progress | 15.32 | 4.81 | |
| | | 3,194.45 | 2,621.20 | |
| | Net increase / (decrease) | 298.98 | 573.25 | |

| Note No. | Particulars | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|-------------------------|---|--|--|
| 28 | Note: Employee benefit expenses | | |
| | Salaries and Wages | 190.61 | 94.97 |
| | Directors Remuneration | 23.00 | 19.35 |
| | Contribution to provident and other funds * | 18.71 | 15.16 |
| | Staff Welfare Expenses | 5.14 | 4.64 |
| | 237.47 | 134.12 | |
| | * Includes contribution to Employee Provident fund, Employee State Insurance and Gratuity. For Details on Gratuity refer Note 42. | | |
| 29 | Note: Finance costs | | |
| | Interest Expense | | |
| | Interest | 211.61 | 215.62 |
| | Interest on others * | 11.78 | 3.95 |
| | Other Borrowing Costs: | | |
| Loan Processing Charges | 9.52 | 4.26 | |
| | 232.92 | 223.83 | |
| | * includes Interest on TDS, Income Tax and GST | | |
| 30 | Note: Other Expenses | | |
| | Administrative Expenses: | | |
| | Administrative Expenses | 5.40 | 5.41 |
| | Audit Fee | 3.75 | 4.00 |
| | Bad Debts | 9.54 | - |
| | Bank charges | 3.26 | 4.10 |
| | Consultancy Fee | 3.53 | 0.53 |
| | Donations | 0.14 | 0.15 |
| | Electricity Charges | 26.73 | 20.99 |
| | Fuel Expenses | 23.26 | 28.00 |
| | Insurance Expenses | 0.10 | 0.33 |
| | Miscellaneous Expenses | 1.10 | 0.44 |
| | Net, Cable & News Paper Bill | 0.04 | 0.39 |
| | Office Maintenance | 3.80 | 1.21 |
| | Postage & Telegrams | 0.11 | 0.04 |
| | Printing & Stationery | 3.54 | 1.73 |
| | Rent Expenses | 47.40 | 21.41 |
| | Repairs & Maintenance | 13.16 | 5.68 |
| | Royalty Expenses | 2.00 | 2.40 |
| | Stock Insurance | 4.09 | 2.19 |
| | Taxes & Licences | 6.39 | 6.52 |
| | Telephone & Internet Charges | 1.60 | 1.30 |
| | Travelling, Boarding & Conveyance | 1.91 | 0.53 |
| | Vehicle Insurance | 2.96 | 4.78 |
| | Vehicle Maintenance | 9.03 | 8.20 |
| | Website Design Charges | 2.40 | 1.66 |
| | Miscellaneous Expenses Written off | 8.69 | 8.69 |
| | Selling & Distribution Expenses | | |
| | Advertising & Marketing Expenses | 2.55 | 1.15 |
| | Business Promotion | 0.77 | 0.20 |
| | Counter Expenses | 0.11 | 0.38 |
| | Transportation Charges | 9.91 | 9.86 |
| | 197.26 | 142.26 | |

| Note No: | Particulars | As at 31.03.2022 Amount In Lakhs. | As at 31.03.2021 Amount In Rs. |
|----------|---|--|--|
| 31 | Note: Auditors Remuneration Payments to Auditors comprises: As Auditors - Statutory Audit For taxation matters For company law matters For management services For other services Reimbursement of Expenses | 3.00 0.75 - - - - | 3.00 1.00 - - - - |
| 32 | Note: Deferred Tax Liability / (Deferred Tax Asset) (Net) Deferred Tax Liability on account of i) Depreciation and Amortisation ii) Miscellaneous expenditure written off Total Deferred Tax Assets on account of i) Gratuity ii) Professional Tax Total Net Deferred Tax Liability | 4.29 0.00 4.29 1.80 - 1.80 2.50 | 2.35 0.00 2.35 1.66 - 1.66 0.70 |

33 Note: Related Party Disclosures

| S.No. | Name of the Related Party | Nature of Relationship |
|-------|---|--|
| 1 | Sri. A. Sri Nagaveer | Key Managerial Personnel |
| 2 | Smt. A. Vasavi | Key Managerial Personnel |
| 3 | Sri. A. Sarat Chandra Babu | Key Managerial Personnel |
| 4 | Smt. A. Sarada | Key Managerial Personnel |
| 5 | Smt. K. Charita | Key Managerial Personnel (Appointed as ED w.e.f. 14.02.2022) |
| 6 | Mr. Avneet Singh Kohli | Key Managerial Personnel (Resigned as CS w.e.f. 10.11.2020) |
| 7 | Mr. Soumith Kumar Sikinderpurkar | Key Managerial Personnel (Appointed as CS w.e.f. 09.09.2021 and resigned on 30.05.2022) |
| 8 | Mr. Marredupally Srinivasa Reddy | Key Managerial Personnel (Resigned as CFO w.e.f. 05.04.2021) |
| 9 | Ms. Roselyn Villuri | Key Managerial Personnel (Resigned as CFO w.e.f. 10.11.2021) |
| 10 | Mr. Rudragiri Reddy | Key Managerial Personnel (Appointed as CFO w.e.f. 11.11.2021 and resigned on 14.02.2022) |
| 11 | M/s Squarepeg Distribution Services Pvt Ltd | Wholly Owned Subsidiary |
| 12 | M/s Polar Cube Cold Storage Solutions Pvt Ltd | Wholly Owned Subsidiary |
| 13 | M/s Sri Sai Agencies (Prop. A Sri Nagaveer) | Enterprise over which Directors having Significant Influence (EDS) |
| 14 | M/s. Novica Foods Private Limited | Enterprise over which Directors having Significant Influence (EDS) |
| 15 | M/s. Brango Foods India Private Limited | Enterprise over which Directors having Significant Influence (EDS) |

Transactions with Related Parties:

| S. No. | Nature of Transaction | FY 2021-22 | | | | FY 2020-21 | | | |
|--------|----------------------------------|------------|-------|------------|--------|------------|------|------------|--------|
| | | KMP | EDS | Subsidiary | Total | KMP | EDS | Subsidiary | Total |
| 1 | Remuneration / Fees to Directors | 23.00 | | | 23.00 | 19.35 | - | - | 19.35 |
| 2 | Salary | 63.72 | | | 63.72 | 49.47 | - | - | 49.47 |
| 3 | Rent (Expenses) | 12.57 | | | 12.57 | 5.48 | - | - | 5.48 |
| 4 | Royalty (Expenses) | | 2.00 | | 2.00 | - | 2.40 | - | 2.40 |
| 5 | Freezer Placing Expenses | | | 6.00 | 6.00 | - | - | 6.00 | 6.00 |
| 6 | Vehicle Hire Charges (Income) | | | - | - | - | - | - | - |
| 7 | Purchases | | 48.35 | - | 48.35 | - | 1.80 | - | 1.80 |
| 8 | Sales | | 9.21 | - | 9.21 | - | 7.30 | - | 7.30 |
| 9 | Unsecured Loans (Received) | 672.83 | | - | 672.83 | 421.05 | - | - | 421.05 |
| 10 | Unsecured Loans (Repaid) | 315.78 | | - | 315.78 | 129.84 | - | - | 129.84 |

Balances with Related Parties As At 31.03.2022 :

| S. No. | Nature of Transaction | FY 2021-22 | | | | FY 2020-21 | | | |
|--------|-------------------------------|------------|--------|------------|--------|------------|-------|------------|--------|
| | | KMP | EDS | Subsidiary | Total | KMP | EDS | Subsidiary | Total |
| 1 | Rent Deposit | 0.30 | - | - | 0.30 | 0.30 | - | - | 0.30 |
| 2 | Remuneration / Salary Payable | 82.79 | - | - | 82.79 | 51.71 | - | - | 51.71 |
| 3 | Rent Payable | 13.98 | - | - | 13.98 | 2.66 | - | - | 2.66 |
| 4 | Advance to Suppliers | - | - | - | - | - | - | - | - |
| 5 | Trade Receivables | - | 118.91 | - | 118.91 | - | 62.14 | - | 62.14 |
| 6 | Trade Payables | - | - | - | - | - | - | - | - |
| 7 | Expenses Payable | - | - | 121.98 | 121.98 | - | - | 73.95 | 73.95 |
| 8 | Investments | - | - | 118.11 | 118.11 | - | - | 118.11 | 118.11 |
| 9 | Loans and Advances | - | - | - | - | - | - | - | - |
| 10 | Unsecured Loans | 768.28 | - | - | 768.28 | 411.23 | - | - | 411.23 |

Disclosure in respect of material transactions during the year:

| Sl. No. | Particulars | FY 2021-22 | FY 2020-21 |
|---------|---|--|--------------------------------------|
| 1 | <u>Directors Remuneration</u> Smt. A. Vasavi Sri. A. Sarat Chandra Babu Smt. K. Charita | 18.00 3.85 1.15 | 15.75 3.60 - |
| 2 | <u>Directors Sitting Fee</u> Sri. N Naveen Sri. R V Radhakrishna | - - | - - |
| 3 | <u>Salary</u> Sri. A. Sri Nagaveer Mr. M Srinivasa Reddy Mrs. Roselyn Villuri Mr. Rudragiri Reddy Mr. Soumith Kumar Sikinderpurkar Mr. Avneeth Singh Kohli | 42.00 9.04 5.63 4.85 2.19 - | 36.75 9.56 - - - 3.16 |
| 4 | <u>Rent (Expenses)</u> Smt. A. Vasavi | 12.57 | 5.48 |
| 5 | <u>Freezer Placing Expenses</u> M/s. Polar Cube Cold Storage Solutions Private Limited | 6.00 | 6.00 |
| 6 | <u>Transport Charges</u> M/s. Squarepeg Distribution Services Private Limited | - | - |
| 7 | <u>Royalty (Expenses)</u> M/s. Sri Sai Agencies (Prop. A Sri Nagaveer) | 2.00 | 2.40 |
| 8 | <u>Sales</u> M/s. Sri Sai Agencies (Prop. A Sri Nagaveer) M/s. Brango Foods India Private Limited | 8.28 0.93 | 7.30 - |
| 9 | <u>Purchases</u> M/s. Sri Sai Agencies (Prop. A Sri Nagaveer) | 48.35 | 1.80 |

34

34A Trade Payables ageing schedule as on 31.03.2022

| Particulars | Trade Payables ageing schedule | | | |
|-----------------------------|--|-------------|--------------|---------------|
| | Outstanding for following periods from the date of transaction | | | |
| | Less than 1 year | 1-2 years | 2-3 years | Total |
| (i) MSME | | | | - |
| (ii) Others | 250.30 | 6.06 | 33.88 | 290.25 |
| (iii) Disputed dues - MSME | | | | - |
| (iv) Disputed dues - Others | | | | - |
| Total | 250.30 | 6.06 | 33.88 | 290.25 |

Trade Payables ageing schedule as on 31.03.2021

| Particulars | Trade Payables ageing schedule | | | |
|-----------------------------|--|--------------|--------------|---------------|
| | Outstanding for following periods from the date of transaction | | | |
| | Less than 1 year | 1-2 years | 2-3 years | Total |
| (i) MSME | | | | - |
| (ii) Others | 198.13 | 66.82 | 15.23 | 280.17 |
| (iii) Disputed dues - MSME | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - |
| Total | 198.13 | 66.82 | 15.23 | 280.17 |

34B Trade Receivables ageing schedule as on 31.03.2022

| Particulars | Outstanding for following periods from the date of Transaction | | | | | |
|---|--|-------------------|-------------|-------------|-------------------|---------------|
| | Less than 6 Months | 6 Months - 1 Year | 1-2 years | 2-3 years | More than 3 Years | Total |
| (i) Undisputed Trade receivables - considered good | 220.93 | 1.52 | 1.30 | 0.22 | - | 223.97 |
| (ii) Undisputed Trade Receivables - considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade Receivables considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables considered doubtful | - | - | - | - | - | - |
| Total | 220.93 | 1.52 | 1.30 | 0.22 | - | 223.97 |

34B Trade Receivables ageing schedule as on 31.03.2021

| Particulars | Outstanding for following periods from the date of Transaction | | | | | |
|---|--|-------------------|-----------|-----------|-------------------|---------------|
| | Less than 6 Months | 6 Months - 1 Year | 1-2 years | 2-3 years | More than 3 Years | Total |
| (i) Undisputed Trade receivables - considered good | 249.75 | - | - | - | - | 249.75 |
| (ii) Undisputed Trade Receivables - considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade Receivables considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables considered doubtful | - | - | - | - | - | - |
| Total | 249.75 | - | - | - | - | 249.75 |

34C Ratios

| Ratio | Numerator | Denominator | Current Period | Previous Period | Explanation |
|-----------------------------|---------------------------|---------------------|----------------|-----------------|--|
| Current Ratio | Current Assets | Current Liabilities | 1.19 | 1.24 | Not Applicable |
| Debt Equity | Total Debt | SH Equity | 1.15 | 1.14 | Not Applicable |
| DSCR | Earnings for Debt Service | Debt Service | 1.38 | 2.32 | This variance is due to moratorium given by the banks (lender) on account of covid pandemic situation |
| Return on Equity | PAT | SH Equity | 0.04 | 0.03 | Not Applicable |
| Inventory Turnover Ratio | Total Sales | Average Inventory | 2.32 | 2.01 | Not Applicable |
| Trade Receivables Turn Over | Total Service Income | Accounts Receivable | 35.52 | 23.93 | This variance is due to the Operations of the company & debtors recovery is effected in FY 2020-21 |
| Trade Payables Turn Over | Total Direct Expenses | Trades Payable | 25.60 | 21.13 | Not Applicable |
| Net Capital Turn Over | Total Service Income | Working Capital | 12.57 | 8.48 | This variance is due to the Operations of the company is effected in FY 2020-21 but working capital remains the same |
| Net Profit Ratio | PAT | Net Sales | 0.01 | 0.02 | Not Applicable |
| Return on Capital Employed | EBIT | Capital Employed | 0.06 | 0.06 | Not Applicable |
| Return on Investment | PAT | Opening SH Equity | 0.04 | 0.04 | Not Applicable |

* Explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding year

Note:

Total Debt = Long Term Borrowings + Short Term Borrowings

SH Equity = Paid up Capital + Free Reserves

Earnings for Debt Service = PAT + Deferred Tax + Depreciation + Interest on OD, TL & VL +/- Loss/Profit on sale of FA

Debt Service = Interest on TL & VL + Lease Payments (in case of Finance Lease) + Principal Repayment

Capital Employed = Total Assets - Current Liabilities (Excl. Short Term Borrowings)

EBIT = PBT + Interest

Average balances are arrived based on accounting period beginning and ending balances

Note - 2:

1. Above ratios are not annualized

2. Average balances are arrived based on accounting period beginning and ending balances

34D Capital Work In Progress:

| Particulars | CWIP Ageing Schedule (Amount in Rs.) | | | | |
|--------------------------------|--------------------------------------|-----------|-----------|-------------------|----------|
| | Amount in CWIP for a period of | | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in Progress | 171.85 | 187.77 | 756.52 | 741.62 | 1,857.76 |
| Projects temporarily Suspended | - | - | - | - | - |
| Total | - | - | - | - | - |

34D Assets Pledged as Security :

The carrying amounts of assets pledged as security for current and non-current borrowings are :

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|-----------------------------|------------------|------------------|
| Non Current Assets : | | |
| Land | 93.58 | 93.58 |
| Fixed Assets | 444.24 | 500.08 |
| Current Assets : | | |
| Inventories | 3,595.57 | 3,273.62 |
| Trade Receivables | 223.97 | 249.75 |
| | 4,357.36 | 4,117.03 |

- 34F **Utilisation of borrowings availed from banks and financial institutions**
The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken
- 34G **Borrowing secured against current assets**
The company has availed the borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks are in agreement with the books of accounts.
- 34H **Relationship with struck off companies**
The Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013
- 34I **Registration of charges or satisfaction with Registrar of Companies (ROC)**
There are no charges or satisfaction yet to be registered with Registrar of Companies (ROC) beyond the statutory period
- 34J **Undisclosed Income**
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account except as mentioned & disclosed in Note No 41 to Standalone Financial Statements
- 34K **Title Deeds of Immovable Properties**
The title deeds of all the immovable properties, as disclosed in Note No.13 to the financial statements, are held in the name of the company
- 34L **Valuation of Property Plant & Equipment, Intangible Asset**
The company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.
- 34M **Loans or advances to specified persons**
No loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.
- 34N **Details of benami property held**
No proceedings have been initiated on or pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- 34O **Wilful Defaulter**
The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- 34P **Compliance with number of layers of companies**
The company has complied with the number of layers prescribed under Section 2(87) of Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.
- 34Q **Details of Crypto currency or virtual currency**
The company has not traded or invested in Crypto Currency or virtual currency during the current or previous year
- 34R **Utilisation of borrowed funds and share premium**
No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the company (Ultimate beneficiaries). The company has not received any fund from any party (Funding Party) with the understanding that the company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 34S **Compliance with approved scheme(s) of arrangements**
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

| Note No. | Particulars | As at 31.03.2022 Amount In Lakhs. | As at 31.03.2021 Amount In Lakhs. |
|-----------|--|--------------------------------------|--------------------------------------|
| 35 | Note: Earnings Per Share | | |
| | Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (INR) | 106.99 | 94.84 |
| | Profit before Exceptional & Extraordinary Items; & Prior-period | 106.99 | 94.84 |
| | Profit after Exceptional & Extraordinary Items ; & Prior-period | 106.99 | 94.84 |
| | No of Equity shares | 53,66,775 | 53,66,775 |
| | Face value per share (INR) | 10.00 | 10.00 |
| | Weighted average No of Equity shares (For Basic Earnings) | 53,66,775 | 53,66,775 |
| | Weighted average No of Equity shares (For Diluted Earnings) | 53,66,775 | 53,66,775 |
| | EPS before Exceptional & Extraordinary Items ; & Prior-period | | |
| | Basic Earnings per share (INR) | 1.99 | 1.77 |
| | Diluted Earnings per share (INR) | 1.99 | 1.77 |
| | EPS after Exceptional & Extraordinary Items ; & Prior-period | | |
| | Basic Earnings per share (INR) | 1.99 | 1.77 |
| | Diluted Earnings per share (INR) | 1.99 | 1.77 |
| | The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India. | | |
| 36 | Note: Earnings in foreign currency | | |
| | Export of Goods calculated on FOB basis | - | - |
| 37 | Note: Expenditure in foreign currency | | |
| | CIF Value of import of Capital goods | - | - |
| 38 | Note: Tax Expense | | |
| | The Tax Expenses for the year comprises of; | | |
| | Income Tax | 47.93 | 21.44 |
| | Current Year | 50.44 | 23.29 |
| | Less : MAT Credit | - | - |
| | Previous Year | (2.51) | (1.85) |
| | Deferred Tax | 2.50 | 0.70 |
| 39 | Note: Obligations towards operating leases | | |
| | The Company has Significant Operating lease arrangements for premises. These lease arrangements range for a period between 11 Months and 15 Years which include both cancellable and non - cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses. The company has entered into some sub-leases and all such sub-leases are cancellable and are for a period of 11 months, with an option of renewal on mutually agreeable terms. | | |
| | Lease payments recognized in the Statement of Profit and Loss | 47.40 | 21.41 |
| | Sublease payments received / receivable recognized in the Statement of Profit and Loss | - | 0.90 |
| | With respect to Non cancellable operating leases, the future minimum lease payments are as follows. | | |
| | Future minimum lease payments | | |
| | not later than one year | 48.07 | 16.30 |
| | later than one year and not later than five years | 26.41 | 51.48 |
| | later than five years | - | 12.51 |
| | The future minimum lease rental obligation under non-cancellable operating leases in respect of these assets is on account of lock-in period and notice period in some of the lease agreements entered by the company for operating of offices: | | |
| | On account of Lock-in Period | - | - |
| | On account of Notice Period | - | - |

Note No.

1.0 Nature of Security and terms of repayment for term loans from banks:

| S.No. | Lender | Primary Security | Collateral Security | Terms of Payment | Int. Rate |
|-------|---|---|---|--|------------------------------------|
| 1 | Indian Bank (Term Loan) - 1275.00 Lakhs (Sanctioned limit of Rs. 1400.00 Lakhs reduced by first installment of subsidy of Rs.125 Lakhs received dt. 29.06.2020) | 1. EM of Ac 3.50 of land in Survey No Sy No. 37-4, 37-5, 41-1, 41-2, Seetaramapuram Village, Nuzvid mandal, Krishna District. 2. EM of Factory Buildings & Other Civil works to be constructed there on 3. Hypothecation of Plant and Machinery to be purchased by the company. | 1. Equitable Mortgage of property belonging to Promoter as specified in the below schedule. | Repayment of Principal in 30 Quarterly installments Starting from June 2022. However, some portion of interest accrued on the said loan is pending for payment as at balance sheet date. | 1Y MCLR + 3% (Presently 11.35%) |
| 2 | Indian Bank (Term Loan) - 1275.00 Lakhs (Sanctioned limit of Rs. 1400.00 Lakhs reduced by first installment of subsidy of Rs.125 Lakhs received dt. 29.06.2020) | | | Repayment of Principal in 20 Quarterly installments Starting from June 2022. However, some portion of interest accrued on the said loan is pending for payment as at balance sheet date. | 1Y MCLR + 3% (Presently 10.30%) |
| 3 | Union Bank of India (CELC) - 102 Lakhs (As per sanction letter dt. 31.08.2020) | Hypothecation of Inventory and receivables | Collateral Security given for OCC & Term Loan are given for this CELC Limit also. | Repayment of Principal in 18 Equated Monthly installments of Rs. 5.67 Lakhs (after moratorium period of 6 months from the date of first disbursement) commencing from April 2021. However, some portion of Principal and interest accrued (Approx. 3 EMIs) on the said loan is pending for payment as at balance sheet date. | Interest Rate - 8.00% p.a. (Fixed) |

2.0 Nature of Security and terms of repayment for working capital limits from banks:

| S.No. | Lender | Primary Security | Collateral Security | Terms of Payment | Int. Rate |
|-------|---|--|---|--|---|
| 1 | Union Bank of India (CC) - 1020 Lakhs as per sanction letter Dt. 30.03.2022 | Hypothecation of Inventory and receivables | 1. Equitable Mortgage of properties belonging to Promoters & their friends and family members as specified in the below schedule in the name of the persons as detailed below 2. Hypothecation of plant and machinery and other fixed assets after excluding the value of vehicles from WDV of Fixed Assets since the company has taken vehicle loans from other Banks | On demand Margins : Stock in trade - 25% Receivables -30% | EBLR (6.80) + 4.25% - 0.25% = 10.80% p.a. |

1.3 Schedule of Collateral property

| S.No. | Type | Belonging To | Address | Offered to | Others |
|-------|---|--|---|---------------------|--------|
| 1 | Residential Flat (UDS 45 Sq.Yds, extent of 1279 sft. Including common area) | Adusumilli Sri Nagaveer | Flat No. FF2 in First floor, Sai Ganesh Apartment situated at D.No 59A-7-28 & 29, RS No. 134/2, Municipal Ward No. 32/5, State Bank of Hyderabad Staff Colony, Patamata, Vijayawada Municipal Corporation | Indian Bank | |
| 2 | Residential Vacant Site (721 Sq.Yds) | Adusumilli Vasavi W/o Nagaveer | Plot No.151 & 152, L.P.No.33/2013/MJS, R.S No. 262/1, 263, 273/3B, beside Airport Area, Kesarapalli (V) and GP, Gannavaram(M), Krishna Dist. | Union Bank of India | |
| 3 | Vacant Residential Plot (209 Sq.Yds) | Tammareddy Venkataratnam S/o Seetharamaiah | Plot No.980, Near Door No. 2-94, Tadigadapa Donka Road, LRS No.3571/2008, R.S No.95/1, Poranki Village and GP, Janachaitanya Layout, Penamaluru Mandal, Vijayawada, Krishna Dist. | Union Bank of India | |
| 4 | Vacant Residential Plot (331.89 Sq.Yds) | Adusumilli Vasavi W/o Nagaveer | R.S No. 302 to 310, 320, 321, 322, 324, 361, 363 to 365, 384, 385, 387 to 391, 399, Plot no. 295, LIG, Nallagandla HUDA Residential Complex, Nallagandla (V), Serilingampally, GHMC & Mandal, Hyderabad, Rangareddy Dist. | Union Bank of India | |
| 5 | Residential Flat (UDS 61.04 Sq.Yds) | Adusumilli Vasavi W/o Nagaveer | Flat No.PH-5, Fourth floor at D. No. 59-1-15/1, Sai Kakatiya Apartments, Ramachandra Nagar, Old 5th No. Route, near Stella College, Vijayawada | Union Bank of India | |
| 6 | Residential Flat (UDS 61.04 Sq.Yds) | Adusumilli Sarat chandra Babu | Flat No. S-4 Second floor, Sai Kakatiya Apartments, R S No 8, D No 59-1-15/1, No 5 Bus route, Ashok Nagar, Ramachandra Nagar, Patamata, Vijayawada | Union Bank of India | |
| 7 | Residential Residential Plot (200 Sq.Yds) | Adusumilli Sri Nagaveer | R.s No. 278/3, plot No.171, RS No. 278/3, Kesarapalli Village, Gannavaram mandal, Krishna Dist. | Union Bank of India | |
| 8 | Residential Flat (61.04 Sq.Yds) | Adusumilli Sarat chandra Babu | Flat No. F-4 First floor, Sai Kakatiya Apartments, R S No 8, D No 59-1-15/1, No 5 Bus route, Ashok Nagar, Ramachandra Nagar, Patamata, Vijayawada | Union Bank of India | |
| 9 | Vacant Residential Plot (365 Sq.Yds) | Adusumilli Vasavi W/o Nagaveer | R.s No. 263, plot No.95, LP No. 33/2012, Saipriya Construction Layout, Backside of Airport Area Kesarapalli Village, Gannavaram mandal, Krishna Dist. | Union Bank of India | |
| 10 | Residential Flat (UDS 27.90 Sq.Yds) | Mr. Maddali Vijayewara Prasad S/o Rama Koteswara Rao | Ftlat No.F-1, First floor, D.No.57-13-158, Anadam Heights, 2nd west veechi, New Postat Cotony, Patamata, Vijayawada. | Union Bank of India | |
| 11 | Hypothecation of Plant & Machinery and other Fixed Assets | Tanvi Foods (India) Limited | Computers and Software, Furniture and Fixtures, Plant and Machinery, Office Equipment | Union Bank of India | |

1.4 Personal Guarantees of the following persons:

| S.No. | Particulars | Offered to |
|-------|----------------------------------|----------------------------------|
| 1 | A. Vasavi | Union Bank of India, Indian Bank |
| 2 | A. Sarat Chandra Babu | Union Bank of India, Indian Bank |
| 3 | A. Sarada | Union Bank of India, Indian Bank |
| 4 | A. Sri Nagaveer | Union Bank of India, Indian Bank |
| 5 | Tammareddy Venkata Ratnam | Union Bank of India |
| 6 | Maddali Vijayeswara Durga Prasad | Union Bank of India |

Note No. 40A**Vehicle Loans**

Vehicle Loans are secured by Hypothecation of Vehicles financed by respective banks

| S.No. | Lender | Category | Terms of Payment | ROI |
|-------|---|-----------------------|--|--------|
| 1 | Axis Bank Vehicle Loan - 752057 - Honda Jazz | Bank | <p>1. Repayable in 60 Monthly Installments of Rs. 0.17 Lakhs each commencing from 15-Mar-2016</p> <p>2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 Months.</p> <p>As of Balance Sheet date, The company has defaulted payment of principal of Rs 1.78 Lakhs, this needs to be paid alongwith interest and applicable charges.</p> | 9.90% |
| 2 | Toyoto Vehicle Loan - 124839 - Innova Crysta | Financial Institution | <p>1. Repayable in 60 Monthly Installments of Rs. 0.49 Lakhs each commencing from 20-Jan-2018</p> <p>2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 Months.</p> <p>3. As of Balance Sheet date, Overdue of 1 EMI of Rs 0.49 Lakhs of this loan.</p> | 8.17% |
| 3 | Axis Bank Vehicle Loan - 172759 - Mahindra Camper | Bank | <p>1. Repayable in 47 Monthly Installments of Rs. 0.18 Lakhs each commencing from 20-Jun-2018</p> <p>2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 Months.</p> <p>The company has defaulted payment of this loan as on 31-03-2022</p> <p>Period of Default : 13 Months</p> <p>Amount of Default : Rs. 2.34 Lakhs</p> <p>Principal Overdue : Rs. 2.02 Lakhs</p> <p>Interest Overdue : Rs. 0.33 Lakhs</p> | 11.50% |

Unsecured Business Loans

| S.No. | Lender | Category | Terms of Payment | ROI |
|-------|---|-----------------------|--|--------|
| 1 | Capital First Limited - Business Loan | Financial Institution | <p>1. Repayable in 36 Monthly Installments of Rs. 1.79 Lakhs each commencing from 02-Sep-2018</p> <p>2. The company has availed moratorium of 6 months from Mar'20 to Aug'20.</p> <p>3. The Company has not paid 5 Installments from Sept'20 to Jan'21. Then the loan has been restructured and sanctioned moratorium for 6 months from Feb'21 to July'21. Remaining 25 Installments commencing from Aug'21.</p> <p>The company has defaulted payment of this loan as on 31-03-2022</p> <p>Period of Default : 02 Months Amount of Default : Rs. 3.59 Lakhs Principal Overdue : Rs. 2.72 Lakhs Interest Overdue : Rs. 0.87 Lakhs</p> | 19.00% |
| 2 | Oxyzo Financial Services Private Limited - Business Loan - Purchase Financing | Financial Institution | Repayable in 90days from the date of payment to Suppliers/ Service Providers / Other creditors | 19.00% |
| 3 | Clix Capital Services Private Limited - Business Loan | Financial Institution | <p>1. This loan has been restructured in Jan'21 with EMI moratorium for Feb'21 to Jul'21.</p> <p>2. Repayable in 14 installments of Rs.1.39 lakhs each commencing from Aug'21 to Sept'22 and balance 6 installments of 2.16 lakhs each from Oct'22 to Mar'23.</p> <p>The company has defaulted payment of this loan as on 31-03-2022</p> <p>Period of Default : 02 Months Amount of Default : Rs. 2.78 Lakhs Principal Overdue : Rs. 2.17 Lakhs Interest Overdue : Rs. 0.61 Lakhs</p> | 18.50% |

41. Note: Contingent Liabilities:
Following are the claims against the Company that are not acknowledged as debts.

| Sl. No. | Name of the Statute | Nature of Dues | Disputed Amount | Period | Forum, where the dispute is pending | Amount deposited towards disputed demand amount | Remarks |
|---------|----------------------|----------------|-----------------|---------|--------------------------------------|---|--|
| 1 | Income Tax Act, 1961 | Income Tax | | 2012-13 | Income Tax Appellate Tribunal (ITAT) | | As per Asst Order (Consequential) dt 04.10.21 Addl Income of Rs 51.65 Lakhs is admitted by the company on account of not eligible for exemption u/sec 80IB of Income Tax Act. However, Tax payable is adjusted against Self Asst Tax and Appeal Deposit and Company has received Refund of Rs 0.92 Lakhs. Hence, Net tax outflow during FY2122 is Nil |
| 2 | Income Tax Act, 1961 | Income Tax | | 2013-14 | Income Tax Appellate Tribunal (ITAT) | | <ol style="list-style-type: none"> Addl Income of Rs 174.55 Lakhs is admitted by the company as per Asst Order (Consequential) dt 04/10/21 and the said additional income is eligible for exemption u/sec 80IB. Consequentially, Tax effect (MAT) effect on the said income is Nil Hence, Company has received Refund of Rs 18.53 Lakhs. MAT Credit of Rs 5.03 Lakhs is also recognised in the books of accounts during the FY 2021-22 as per said consequential Order. |
| 3 | Income Tax Act, 1961 | Income Tax | | 2014-15 | Income Tax Appellate Tribunal (ITAT) | | <ol style="list-style-type: none"> Addl Income of Rs 272.24 Lakhs is admitted by the company as per Asst Order (Consequential) dt 04/10/21 and the said additional income is eligible for exemption u/sec 80IB. Consequentially, Tax effect (MAT) effect on the said income is Nil Hence, Company has received Refund of Rs 23.96 Lakhs dt 29/10/21 MAT Credit of Rs 19.89 Lakhs is also recognised in the books of accounts during the FY 2021-22 as per said consequential Order. Tax Payable of Rs 1.67 Lakhs on business income (other than income eligible u/sec 80IB) is set off against MAT Credit for FY 2013-14 Income Tax Department has filed an appeal on 23.12.2021 before Hon'ble High Court of Telangana at Hyderabad against said Consequential Order and Received Notice dt 25.01.22 from said High Court stating that the company is not eligible to claim deduction u/ec 80 IB and Income Tax Payable of Rs 103.27 Lakhs for this year. Company has appointed Advocate for the said appeal and pending for hearing & response to be submitted. |

| | | | | | | | |
|---|----------------------|------------|-------|---------|--------------------------------------|--|--|
| 4 | Income Tax Act, 1961 | Income Tax | | 2015-16 | Income Tax Appellate Tribunal (ITAT) | | 1. Addl Income of Rs 24.36 Lakhs is admitted by the company as per Asst Order (Consequential) dt 29/10/21 and the said additional income is not eligible for exemption u/sec 80IB. 2. Consequentially, Tax effect (Normal) of Rs 8.05 Lakhs has been set off against MAT Credit available related to Prior Years. |
| 5 | Income Tax Act, 1961 | Income Tax | 3.94 | 2017-18 | CPC, Bangalore | | As per Notice of Demand issued by CPC dt 16.10.2019 |
| | | | 36.29 | 2017-18 | ITO, Ward 2(1), Hyderabad | | Notice u/sec 148 dt 13.04.2022 has been issued stating that the company is not eligible to claim Rs 36.29 Lakhs as deduction u/sec 80IB of Itax Act. |
| 6 | Income Tax Act, 1961 | Income Tax | 1.80 | 2018-19 | CPC, Bangalore | | As per Notice of Demand issued by CPC dt 29.07.2020 |
| 7 | Income Tax Act, 1961 | Income Tax | 14.93 | 2019-20 | CPC, Bangalore | | 1. As per Notice of Demand issued by CPC dt 24.12.2021 2. Rs 5.00 Lakhs paid vide Challan No 01705 dt 24.02.2021 & Rs 5.88 Lakhs paid vide challan No 20509 dt 25.02.2021 Total of Rs 10.88 Lakhs/- paid. Balance amount of Rs 4.06 Lakhs is yet to be paid |

It is not practicable for the Company to estimate the timings of cash outflows, if any, for FY 2017-18, FY 2018-19 & FY 2019-20 in respect of the abovepending resolution of the respective proceedings.

42. Note: Retirement Benefits :

The Gratuity liability is recognised in the books of accounts based on Actuarial Valuation in accordance with the Revised AS-15.

The Process and Assumptions taken for the purpose calculation of Gratuity is as follows :

| Particulars | As at 31.03.2022 Amount In Rs. | As at 31.03.2021 Amount In Rs. |
|--|-----------------------------------|-----------------------------------|
| Changes in Present value of Obligation : | | |
| Opening defined benefit obligation | 32.66 | 26.71 |
| Interest cost | 2.26 | 1.81 |
| Current services cost | 6.75 | 6.61 |
| Benefits paid | - | - |
| Actuarial (gains)/losses on obligation | (2.54) | (2.47) |
| Defined Benefit Obligation at the end | 39.12 | 32.66 |
| Asset and Liability (Balance Sheet) Position | | |
| Present Value of Defined benefit obligations at the end | 39.12 | 32.66 |
| Fair Value of Plan assets at the end | - | - |
| Funded Status - Deficit / (Surplus) | 39.12 | 32.66 |
| Unrecognised past service cost | - | - |
| Effects of Asset Ceiling | - | - |
| Net Liability / (Asset) at the end of the period | 39.12 | 32.66 |
| Expenses recognised in the statement of Profit and Loss | | |
| Current service cost | 6.75 | 6.61 |
| Interest cost on Obligation | 2.26 | 1.81 |
| Past Service cost | - | - |
| Expected return on Plan Assets | - | - |
| Amortization of Prior Service costs | - | - |
| Net Actuarial Gain / (Loss) to be recognised | (2.54) | (2.47) |
| Transfer In / (Out) | - | - |
| Curtailement (Gain) / Loss recognised | - | - |
| Settlement (Gain) / Loss recognised | - | - |
| Expense recognised in Statement of Profit and Loss | 6.46 | 5.95 |
| Assumptions : | | |
| Date of Valuation | 31.03.2022 | 31.03.2021 |
| Retirement age | 60 years | 60 years |
| Salary Growth rate (Per Annum) | 7.50% | 7.50% |
| Discount Rate (Per Annum) | 7.34% | 6.92% |
| Mortality Table | IALM (2012-14) | IALM (2012-14) |
| Average Future Service | 21.74 Years | 21.47 Years |
| GRATUITY LIABILITY | | |
| Short Term Liability | 2.41 | 2.28 |
| Long Term Liability | 36.72 | 30.39 |
| TOTAL NET LIABILITY | 39.12 | 32.66 |

43. Note: Capital Commitments

| Particulars | As at 31.03.2022 Amount In Lakhs. | As at 31.03.2021 Amount In Lakhs. |
|--|--------------------------------------|--------------------------------------|
| (a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances) | 3,977.08 | 1,547.43 |
| (b) Uncalled liability on shares and other investments partly paid | - | - |
| (c) Other commitments (specify nature) | - | - |

- 44** a) Sri Nagaveer Adusumilli, holds 5 Equity Shares in Polarcube Cold Storage Solutions (P) Ltd., Wholly Owned Subsidiary, in compliance of Sec.3 of Companies Act, 2013 and the beneficial ownership lies with the company.
- b) Sri Nagaveer Adusumilli, holds 5 Equity Shares in Squarepeg Distribution Services (P) Ltd., Wholly Owned Subsidiary, in compliance of Sec.3 of Companies Act, 2013 and the beneficial ownership lies with the company.
- 45** In the opinion of the Board, current assets, loans and advances are stated at a value, which could be realized in the ordinary course of business. The provision for all known liabilities made is adequate and not in excess of the amount reasonably necessary.
- 46** Some of the balances in Sundry Debtors, Sundry Creditors, Advances, Deposits, Secured loans and Unsecured Loans are subject to confirmation, reconciliations and adjustments, if any, which in the opinion of the management will not be significant.
- 47** The retail industry as a whole has been adversely impacted by the spread of COVID-19. The operations of the company have been impacted owing to the Lock Down imposed in May'21 to Jun'21 control the spread of Covid - 19. In this crisis, our priorities are to protect the employees, their families and the society associated with it from COVID-19. The company has begun restoration of operations after the said lockdown in Jun'21 as permitted by the Government and Local/Regulatory authorities, with controlled movement, maintaining social distancing, taking appropriate hygiene measures and following the directions of Regulatory Authorities. The Company believes that the pandemic is not likely to impact the recoverability of the carrying value of its assets. The Company is closely monitoring the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. As the situation is continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these Results.
- 48** The figures of the previous year are re-grouped / re-classified wherever necessary to make them comparable with that of the current year classification.

As per my report of even date

For and on behalf of the Board of Directors

For V N S S & Associates
Chartered Accountants

A. Sarat Chandra Babu
Chairman and WTD
DIN : 02589830

Adusumilli Vasavi
Managing Director
DIN : 02589803

VNS Srinivasa Rao
Proprietor
Member Ship No.225281
Firm Regn No. 018367S

A. Sri Nagaveer
Chief Executive Officer

S. Soumith Kumar
Company Secretary

Place : Hyderabad
Date : 30th May, 2022

Independent Auditor's Report

To the Members of **M/s. Tanvi Foods (India) Limited**
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of **M/s. Tanvi Foods (India) Limited** ("hereinafter referred to as the Holding Company") and its subsidiaries **M/s. Squarepeg Distribution Services Private Limited**, Vijayawada and **M/s. Polarcube Cold Storage Solutions Private Limited**, Hyderabad (Holding Company and its Subsidiaries together referred to as the 'Group') which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss, and the Consolidated Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated State of affairs of the Group as at 31st March, 2022, and its Consolidated Profit and their Consolidated Cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw your attention to Note No. 33 of the Consolidated Financial Statements which describes Management's assessment of the impact of the Covid – 19 pandemic on the operations and Financial results of the Group. Our opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the

| Key Audit Matter | How the matter was addressed in the Audit |
|---|---|
| <p>Revenue Recognition</p> <p>Revenue from the sale of goods and sale of Service (hereinafter referred to as "Revenue") is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods and sale of service is when the control over the same is transferred to the customer, which is mainly upon delivery.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance. There is a risk of revenue being recorded before control is transferred.</p> <p>Refer Note 2 to the Consolidated Financial Statements - Significant Accounting Policies</p> | <p>Principal Audit Procedures</p> <p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> ● Assessing the appropriateness of the Company's revenue recognition accounting policies in line with AS 9 ("Revenue Recognition") and testing thereof. ● Evaluating the design and implementation of Company's controls in respect of revenue recognition. ● Testing the effectiveness of such controls over revenue cut off at year-end. ● Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period. ● Performing analytical procedures on current year revenue based on monthly trends and where appropriate, conducting further enquiries and testing. |

Consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Other Information :

The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, for example, Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Consolidated financial statements and our auditor's report thereon. The other information as stated above is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated 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 Consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information as stated above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance.

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

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidated Financial statements that give a true and fair view of the Consolidated Financial position, Consolidated Financial performance and Consolidated Cash flows of the Group in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 Consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of Consolidated financial Statements of the Holding Company, as aforesaid.

In preparing the Consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the Going concern basis of accounting unless the Board of Directors either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the Financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements:

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the SAs, we exercise Professional Judgement and maintain Professional Skepticism throughout the audit.

We also;

1. Identify
1. and assess the risks of material misstatement of the Consolidated Financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 Consolidated Financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the Consolidated Financial statements, including the disclosures, and whether the Financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the Financial statements of such entities or business activities included in the Consolidated Financial statements of which we are the Independent auditors. For the other entities or business activities included in the Consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company 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 Consolidated Financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, 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.

Other Matters

We did not audit the Financial Information of the two Subsidiaries whose financial statements reflect total Assets of Rs. 282.12 Lakhs as at 31st March, 2022, total revenues of Rs.117.17 Lakhs and Net Cash flows amounting to Rs. 0.53 Lakhs for the year ended on that date, as considered in the Consolidated Financial statements. These Financial information have been audited by N S V R & Associates LLP, Chartered Accountants, Hyderabad, whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respective of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion on the Consolidated Financial Statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure – A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
 - b) In our opinion, proper books of account as required by Law relating to preparation of the Consolidated Financial Statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
 - d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the Statutory Auditors of its Subsidiary Companies, none of the directors of the Group Companies is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the Internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"
 - 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 / provided by the holding company to its directors during the year is in accordance with the provisions of the section 197 of the Act
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Consolidated financial Statements disclose the impact of pending litigations on the consolidated financial positions of the Group – Refer Note 42 to the Consolidated Financial statements;

- (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (iv) The management of the holding company has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other person or entity, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 34N to the Consolidated financial statements);

The management of the holding company has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 34N to the Consolidated financial statements); and

ased on such audit procedures that we considered reasonable and appropriate in the circumstances performed by us for holding company, nothing has come to our notice that has caused us to believe that the representations under above sub-clauses contain any material misstatement.

For V N S S& ASSOCIATES
Chartered Accountants

V N S SRINIVASARAO
Proprietor
M. No. 225281
Firm Regn. No. 018367S
UDIN :2225281AJXXSK5504

Place: Hyderabad
Date : 30.05.2022

Annexure - A to the Auditors' Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **M/s Tanvi Foods (India) Limited** ("the Company") as of 31st March, 2022 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For V N S S& ASSOCIATES
Chartered Accountants

V N S SRINIVASARAO
Proprietor
M. No. 225281
Firm Regn. No. 018367S

Place: Hyderabad
Date : 30.05.2022

Consolidated Balance Sheet as at 31st March, 2022

| Particulars | Note No | As at 31.03.2022 Amount In Lakhs | As at 31.03.2021 Amount In Lakhs |
|--|---------|-------------------------------------|-------------------------------------|
| I. EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| (a) Share capital | 3 | 536.68 | 536.68 |
| (b) Reserves and surplus | 4 | 2,354.91 | 2,228.31 |
| (c) Money received against share warrants | | - | - |
| Share application money pending allotment | 5 | - | - |
| Minority interest | | | |
| Non-current liabilities | | | |
| (a) Long-term borrowings | 6 | 995.66 | 1,133.44 |
| (b) Deferred tax liabilities (net) | | 28.46 | 23.27 |
| (c) Other long-term liabilities | 7 | - | - |
| (d) Long-term provisions | 8 | 60.01 | 30.39 |
| Current liabilities | | | |
| (a) Short-term borrowings | 9 | 2,335.60 | 2,070.32 |
| (b) Trade payables | 10 | | |
| - Total Outstanding dues of Micro Enterprises and Small Enterprises | | - | - |
| - Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises | | 314.50 | 311.56 |
| (c) Other current liabilities | 11 | 549.33 | 535.03 |
| (d) Short-term provisions | 12 | 63.34 | 38.60 |
| TOTAL | | 7,238.48 | 6,907.59 |
| II. ASSETS | | | |
| Non-current assets | | | |
| (a) Property, Plant and Equipment | | | |
| (i) Tangible assets | 13 | 544.48 | 609.49 |
| (ii) Intangible assets | | 28.32 | 28.32 |
| (iii) Capital work-in-progress | | 1,857.76 | 1,685.91 |
| (iv) Intangible assets under development | | | |
| (b) Non-current investments | 14 | 1.30 | 1.30 |
| (c) Long-term loans and advances | 15 | 782.99 | 814.35 |
| (d) Other Non-Current Assets | 16 | - | - |
| Current Assets | | | |
| (a) Current investments | 17 | - | - |
| (b) Inventories | 18 | 3,595.57 | 3,273.62 |
| (c) Trade receivables | 19 | 330.39 | 322.87 |
| (d) Cash and bank balances | 20 | 28.71 | 29.85 |
| (e) Short-Term loans and advances | 21 | 56.45 | 122.96 |
| (f) Other Current Assets | 22 | 12.51 | 18.93 |
| TOTAL | | 7,238.48 | 6,907.59 |
| III. Company Information | 1 | | |
| Summary of Significant Accounting Policies | 2 | | |
| The accompanying notes are an integral part of the financial statements. | 3 to 50 | | |

As per my report of even date

For and on behalf of the Board of Directors

For V N S S & Associates
Chartered AccountantsA. Sarat Chandra Babu
Chairman and WTD
DIN : 02589830Adusumilli Vasavi
Managing Director
DIN : 02589803VNS Srinivasa Rao
Proprietor
Member Ship No.225281
Firm Regn No. 018367SA. Sri Nagaveer
Chief Executive OfficerS. Soumith Kumar
Company SecretaryPlace : Hyderabad
Date : 30th May, 2022

Consolidated Statement of Profit and Loss for the Period ended 31st March, 2022

| Particulars | Note No | For the year ended 31st March, 2022 | For the year ended 31st March, 2021 |
|--|--------------|--|--|
| I. Revenue from operations | 23 | 8,052.23 | 6,060.54 |
| II. Other income | 24 | 52.95 | 85.16 |
| III. TOTAL REVENUE (I + II) | | 8,105.17 | 6,145.70 |
| IV. Expenses: | | | |
| (a) Cost of Materials Consumed | 25 | 7,380.78 | 5,803.22 |
| (a) Purchases of Stock-in-Trade | 26 | 19.78 | 97.99 |
| (a1) Direct Expenses | 26A | 35.37 | 16.80 |
| (b) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 27 | (298.98) | (573.25) |
| (c) Employee benefit expenses | 28 | 260.82 | 160.08 |
| (e) Finance costs | 29 | 236.65 | 232.94 |
| (f) Depreciation and amortization expenses | 13 | 66.07 | 96.78 |
| (g) Other Expenses | 30 | 220.12 | 164.87 |
| TOTAL EXPENSES | | 7,920.61 | 5,999.42 |
| V. Profit before exceptional & extraordinary items and tax (III - IV) | | 184.56 | 146.27 |
| VI. Exceptional items | | | |
| VII. Profit before extraordinary items and tax (V-VI) | | 184.56 | 146.27 |
| VIII. Extraordinary items | | | |
| IX. Profit before tax (VII - VIII) | | 184.56 | 146.27 |
| X. Tax expense: | | 57.96 | 28.83 |
| Current Tax | | 54.96 | 26.94 |
| Previous Year | | (2.19) | (1.85) |
| Deferred Tax | | 5.19 | 3.75 |
| MAT Credit Entitlement | | - | - |
| XI. Profit for the period from continuing operations (IX - X) | | 126.60 | 117.44 |
| Discontinuing Operations | | | |
| XII. Profit / (Loss) from discontinuing operations (before tax) | | | - |
| XIII. Tax expense of discontinuing operations | | | - |
| XIV. Profit / (Loss) from discontinuing operations (after tax) | | | - |
| XV. Profit for the Year (XI + XIV) | | 126.60 | 117.44 |
| Minority Interest | | - | - |
| | | 126.60 | 117.44 |
| XVI. Earnings per equity share: (Nominal Value Per Share : Rs. 10) | | | |
| Basic (Including Extraordinary Items) | | 2.36 | 2.19 |
| Diluted (Including Extraordinary Items) | | 2.36 | 2.19 |
| Basic (Excluding Extraordinary Items) | | 2.36 | 2.19 |
| Diluted (Excluding Extraordinary Items) | | 2.36 | 2.19 |
| XVII. Company Information | | | |
| Summary of Significant Accounting Policies | 1 | | |
| The accompanying notes are an integral part of the financial statements. | 2 3 to 50 | | |

As per my report of even date

For and on behalf of the Board of Directors

For V N S S & Associates
Chartered AccountantsA. Sarat Chandra Babu
Chairman and WTD
DIN : 02589830Adusumilli Vasavi
Managing Director
DIN : 02589803VNS Srinivasa Rao
Proprietor
Member Ship No.225281
Firm Regn No. 018367SA. Sri Nagaveer
Chief Executive OfficerS. Soumith Kumar
Company SecretaryPlace : Hyderabad
Date : 30th May, 2022

Consolidated Cash Flow Statement for the year ended 31st March, 2022

| Particulars | As at 31.03.2022 Amount In Lakhs | As at 31.03.2021 Amount In Lakhs |
|---|-------------------------------------|-------------------------------------|
| A. Cash flow from Operating activities | | |
| Profit before exceptional items and tax | 184.56 | 146.27 |
| Adjustments for : | | |
| Depreciation and Amortisation Expense | 66.07 | 96.78 |
| (Profit) / Loss on sale of fixed assets (net) | (10.43) | - |
| (Profit) / Loss on sale of investments (net) | - | - |
| Miscellaneous Expenditure Written Off | 8.69 | 8.69 |
| Other Income | (52.95) | (85.16) |
| Effect of Exchange Rate change | | |
| Finance Costs | 236.65 | 232.94 |
| Cash generated from operations before working capital changes | 432.59 | 399.52 |
| Adjustments for working capital changes | | |
| (Increase)/Decrease in Inventories | (321.96) | (586.43) |
| (Increase)/Decrease in Trade Receivables | (7.52) | 46.97 |
| (Increase)/Decrease in Short term Loans & Advances | 66.51 | 70.58 |
| (Increase)/Decrease in Long term Loans & Advances | 31.36 | (121.10) |
| Increase/(Decrease) in Trade Payables | 2.95 | (3.61) |
| Increase/(Decrease) in Long term/Short term Provisions | 1.58 | (36.49) |
| Increase/(Decrease) in Other current liabilities | 14.30 | 205.57 |
| (Increase)/Decrease in Other Current Assets | (2.27) | (1.32) |
| Cash generated from Operations | 217.55 | (26.31) |
| Direct Taxes paid | - | (44.52) |
| Net Cash from Operating activities | 217.55 | (70.84) |
| B. Cash flow from Investing Activities | | |
| Purchase of tangible/intangible assets | (13.63) | (6.00) |
| Sale proceeds of tangible assets | 23.00 | 29.00 |
| Other Adjustments to Fixed Assets (Subsidy) | - | - |
| Other Income | 52.95 | 56.16 |
| Capital Work-in-progress | (171.85) | (187.77) |
| (Purchase) / Sale of Investments (Net) | - | - |
| Cash flow before exceptional items | (109.54) | (108.60) |
| Exceptional Items | - | - |
| Net Cash generated from Investment Activities | (109.54) | (108.60) |
| C. Cash Flow from Financing Activities | | |
| Proceeds from issue of Share Capital/ Share Application Money | - | - |
| Securities Premium on Equity Share Capital | - | - |
| Proceeds / (Repayment) from Long Term Borrowings | (137.78) | 30.20 |
| Proceeds / (Repayment) from Short Term Borrowings | 265.28 | 370.99 |
| Finance Costs | (236.65) | (232.94) |
| Dividends Paid | - | - |
| Dividend tax paid | - | - |
| Effect of Exchange Rate change | - | - |
| Net cash used in financing activities | (109.15) | 168.26 |
| Net (Decrease) / Increase in cash and cash equivalents³ to 30 | (1.14) | (11.18) |
| Cash and cash equivalents at the beginning of the year | 29.85 | 41.03 |
| Cash and Cash equivalents at the end of the year | 28.71 | 29.85 |

- The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard 3 on Cash Flow Statements notified under section 133 of the Companies Act, 2013.
- Previous Year Figures have been regrouped/ reclassified/ rearranged wherever necessary.

As per my report of even date

For and on behalf of the Board of Directors

For V N S S & Associates
Chartered AccountantsA. Sarat Chandra Babu
Chairman and WTD
DIN : 02589830Adusumilli Vasavi
Managing Director
DIN : 02589803VNS Srinivasa Rao
Proprietor
Member Ship No.225281
Firm Regn No. 018367SA. Sri Nagaveer
Chief Executive OfficerS. Soumith Kumar
Company SecretaryPlace : Hyderabad
Date : 30th May, 2022

Notes forming part of Consolidated Financial Statements As At 31.03.2022**A1 Accounting policies adopted in the preparation of Consolidated Financial Statements**

The consolidated accounts related to M/s. Tanvi Foods (India) Limited, Hyderabad (Holding Company) and M/s. Squarepeg Distribution Services Private Limited, Vijayawada (Subsidiary Company) & M/s. Polar Cube Cold Storage Solutions Private Limited, Hyderabad (Subsidiary Company) have been prepared in accordance with AS - 21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

The consolidated accounts have been prepared based on line by line consolidation by adding together the book values of each & every item like assets, liabilities, income and expenses as per the standalone financials of the holding company and its subsidiary company and intra group balances/ intra group transactions have been eliminated.

The consolidated accounts have been prepared using uniform policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the holding company's individual accounts.

A2 Details of subsidiary company considered in the consolidated accounts

| Name of the subsidiary | Country of Incorporation | Share holding as on | Extent of Holding (%) Direct |
|---|--------------------------|---------------------|------------------------------|
| Squarepeg Distribution Services Pvt. Ltd. | India | 31.03.2022 | 100.00% |
| Polar Cube Cold Storage Solutions Pvt. Ltd. | India | 31.03.2022 | 100.00% |

Disclosure Relating to Uniform Accounting Policies:

Inrelation to Depreciation, M/s. Tanvi Foods (India) Limited (Holding Company) is following the SLM as per Companies Act,2013, Whereas the Subsidiary companies namely M/s.Squarepeg Distribution Services Private Limited & M/s. Polar Cube Cold Storage Solutions Private Limited are following the WDV method.

Due to the above reason, While preparing the Consoliated Financial Statements of M/s. Tanvi Foods (India)Limited (Holding Company), we have made the appropriate adjustments to the Accumulated Depreciation of Consolidated Assets, Deferred Tax liability and also to the Consolidated Profit of the Holding company to nullify the Impact of variation in following the method of depreciation by the Holding company and its Subsidiary companies. That is as follows :

| Name of the Company | Impact on Accumulated Depn. | | Impact on Deffered Tax Liability |
|--|-----------------------------|--------------------------|----------------------------------|
| | Relating to Prev Years | Relating to Current Year | |
| 1. Squarepeg Distribution Services Private Limited | - | (0.54) | (1.18) |
| 2. Polar Cube Cold Storage Solutions Private Limited | - | (1.84) | (0.52) |

A3 Other significant accounting policies:

Accounting Standards 1 to 32 (to the extent applicable) issued by the Institute of Chartered Accountants of India have been duly considered while preparing the accounts of both holding and subsidiary company and the same have been explained in detail in the notes on accounts of the respective companies which may be referred to Notes to Accounts annexed to respective financial statements forming part of this Consolidated Financial Statements.

A4 Additional information on Consolidated Financial Statements as prescribed by Schedule III to the Companies Act, 2013

| Name of the Company | Net assets, i.e., total assets minus total liabilities | | Share in Profit/ (Loss) | |
|---|--|--------------|---|--------------|
| | As a % of consolidated net assets | Amount (INR) | As a % of consolidated profit or (loss) | Amount (INR) |
| Parent | | | | |
| M/s Tanvi Foods (India) Limited | 98.80% | 2,856.83 | 91.10% | 106.99 |
| Subsidiaries in India | | | | |
| Squarepeg Distribution Services Pvt. Ltd. | 1.65% | 47.60 | 3.63% | 4.26 |
| Polar Cube Cold Storage Solutions Pvt. Ltd. | 2.88% | 83.19 | 9.81% | 11.52 |
| Sub-total | 103.32% | 2,987.62 | 104.54% | 122.77 |
| Less: | | | | |
| Minority Interest | | | | |
| In Indian Subsidiaries | | | | |
| Squarepeg Distribution Services Pvt. Ltd. | 0.00% | - | 0.00% | - |
| Polar Cube Cold Storage Solutions Pvt. Ltd. | 0.00% | - | 0.00% | - |
| Sub-total | 0.00% | - | 0.00% | - |
| Less: | | | | |
| Adjustments arising out of Consolidation | - | 3.32% | (96.03)-4.54% | (5.33) |
| Total | 100.00% | 2,892 | 100.00% | 117 |

Notes forming part of Consolidated Financial Statements As At 31.03.2022**Note Nos.1 General Information:**

M/s. Tanvi Foods (India) Limited ("the Company") (CIN:U15433TG2007PLC053406) is engaged in the Manufacturing of Corn Samosa, Spring Roll & Trading of Frozen Foods. The company functioning its business in Vijayawada, Krishna District, Andhra Pradesh and Hyderabad, Telangana. The company running its business in the style of "Frozen Kings" and "Corn Club".

2 Summary of Significant Accounting Policies**2.1 Basis of Accounting ;**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7(1) of the Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these financial statements have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013. All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III (Division I) to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current - non-current classification of assets and liabilities.

2.2 Use of Estimates ;

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

2.3 Tangible Assets and Intangible Assets ;

Tangible Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of the purchase price including import duties and non-refundable taxes, and directly attributable expenses incurred to bring the asset to the location and condition necessary for it to be capable of being operated in the manner intended by management. Subsequent costs related to an item of Property, Plant and Equipment are recognised in the carrying amount of the item if the recognition criteria are met. Items of Property, Plant and Equipment that have been retired from active use and are held for disposal are stated at the lower of their net carrying amount and net realisable value and are shown separately in the financial statements under the head 'Other current assets'. Any write-down in this regard is recognised immediately in the Statement of Profit and Loss.

An item of Property, Plant and Equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on derecognition is recognised in the Statement of Profit and Loss.

Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.

2.4 Capital Work-In-Progress

Capital Work-In-Progress is carried at cost, comprising direct cost and related Incidental expenses.

2.5 Depreciation and Amortisation ;

Depreciation on fixed assets is being provided on straight line method at the rates in the manner specified in Schedule II of the Companies Act, 2013. Depreciation on assets sold, scrapped or demolished during the year is being provided at their respective rates up to the date in which such assets are sold, scrapped.

Depreciation / Amortisation of Intangibles is in compliance with AS 26 to the extent applicable. The expenditure incurred on Lease Hold premises is depreciated over the Lease period.

2.6 Borrowing Costs ;

Borrowing costs include interest and other costs incurred in connection with borrowing. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred. The same is in compliance with AS-16 to the extent applicable.

2.7 Impairment of Assets ;

An Asset is impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss is charged when an asset identified as impaired. The impairment loss recognized in prior accounting year is reversed if there has been a change in the estimate of recoverable amount.

2.8 Investments ;

Investments that are readily realisable and are 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 long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments, such reduction being determined and made for each investment individually.

2.9 Inventories ;

i) Inventories are valued at lower of cost or Net Realisable Value.

ii) Cost of inventories have been computed to include all cost of purchases, cost of conversion and other costs incurred in bringing the inventories to their present location and condition

iii) The basis of determining cost for various categories of inventories is as follows:

a) Stores, Spare parts, Packing material : At Cost

b) Raw material : At Cost

c) Finished Goods : At lower of cost or net realizable value

2.10 Transactions in Foreign Currency ;

Foreign currency transactions are recorded at the exchange rates prevailing at the date of the transaction. Monetary foreign currency assets and liabilities are translated into Indian rupees at the exchange rate prevailing at the balance sheet date. All exchange differences are dealt with in Profit and Loss Account. In the case of assets and liabilities covered by Forward contracts, the difference between the exchange rate at the inception of forward exchange contract and the forward rate specified in the contract is amortised and recognized in the statement of profit and loss over the period of the contract. Premium or discount on foreign exchange forward contract are amortised and recognized in the statement of profit and loss over the period of the contract. The same is in compliance with AS-11 to the extent applicable.

2.11 Revenue Recognition ;**i) Sale of Goods:**

Sales are recognised when the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, which coincides with the delivery of goods and are recognised net of trade discounts, rebates, sales taxes and excise duties.

ii) Other Income:

Interest: Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend: Dividend income is recognised when the right to receive dividend is established.

Other revenue : Other Revenue is recognized only when it is reasonably certain that the ultimate collection will be made. The same is in compliance with AS-9 to the extent applicable.

2.12 Retirement and other employee benefits (AS 15);

Defined Contribution Plan : The company makes defined contribution to Provident Fund, which are recognized in the Profit and Loss Account on accrual basis.

Defined Benefit Plan : The company's liability under Payment of Gratuity Act is determined on the basis of actuarial valuation provisional made at the end of financial year. Provision for leave entitlement accounted on accrual basis at the end of the financial year.

2.13 Current and Deferred Tax ;

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the prevailing taxation laws.

Deferred tax is recognised for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognised and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. In situations, where the Company has unabsorbed depreciation or carry forward losses under tax laws, all deferred tax assets are recognised only to the extent that there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits. At each Balance Sheet date, the Company re-assesses unrecognised deferred tax assets, if any.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off assets against liabilities representing current tax and where the deferred tax assets and the deferred tax liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. Such asset is reviewed at each Balance Sheet date and the carrying amount of the MAT credit asset is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.14 Provisions and Contingent Liabilities ;

Provisions: Provisions are recognised when there is a present obligation 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 there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent Liabilities: Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets are neither recognized nor disclosed in the financial statements. The same is in compliance with AS-29 to the extent applicable.

2.15 Leases ;

Operating Lease payments are recognized as an expense in the statement of profit and loss as per the terms of the agreements which are representative of the time pattern of the user's benefits.

2.16 Cash flow Statement ;

The Cash Flow Statement is prepared by indirect method set in Accounting Standard 3 on Cash flow Statement and presents the cash flows by operating, investing and finance activities of the company. Cash and Cash equivalents presented in cash flow statement consist of cash in hand, cheques on hand and bank balances.

2.17 Earnings per share ;

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

2.18 Contingencies and events occurring after the balance sheet date ;

All contingencies and events occurring after the balance sheet date which have a material effect on the financial position of the company are considered for preparing the financial statements.

2.19 Government Grants ;

i) Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attached to them and the grants will be received.

ii) Government grants whose primary condition is that the Group should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.

iii) Other government grants are recognised as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic and rational basis.

2.20 Extra-ordinary and Exceptional items & Changes in Policies ;

All the extra ordinary and prior period items of Income and expenses are separately disclosed in the statement of Profit and Loss account in the manner such that it's impact on the current profit or loss can be perceived. If there has been any change in the Company's accounting policies or accounting estimate so as to have material impact on the current year profit/loss or that of later periods the same would be disclosed as part of notes to accounts. All the items of Income and Expenses from ordinary activities with such size and nature such that they become relevant to explain the performance of the company have been disclosed separately. The same is in compliance with AS-5 to the extent applicable.

Notes forming part of Consolidated Financial Statements As At 31.03.2022

Note No: 3 Share Capital

| S. No. | Particulars | As at 31.03.2022 Consolidated Amount In Lakhs. | | As at 31.03.2021 Consolidated Amount In Lakhs. | |
|--------|--|--|---------------|--|---------------|
| | | Number | Amount | Number | Amount |
| (i) | Authorised Equity Shares of Rs. 10/- each with Voting Rights | 65,00,000 | 650.00 | 65,00,000 | 650.00 |
| (ii) | Issued, Subscribed and Paid up Equity Shares of Rs. 10/- each fully paid up with Voting Rights | 53,66,775 | 536.68 | 53,66,775 | 536.68 |
| | Total | 53,66,775 | 536.68 | 53,66,775 | 536.68 |

(a) Reconciliation of number of shares:

| S. No. | Particulars | As at 31.03.2022 Consolidated Amount In Lakhs. | | As at 31.03.2021 Consolidated Amount In Lakhs. | |
|--------|--|--|---------------|--|---------------|
| | | Number | Amount | Number | Amount |
| 1 | Equity Shares outstanding at the beginning of the year | 53,66,775 | 536.68 | 53,66,775 | 536.68 |
| 2 | Equity Shares Issued during the year | - | - | - | - |
| 3 | Equity Shares bought back during the year | - | - | - | - |
| 4 | Equity Shares outstanding at the end of the year | 53,66,775 | 536.68 | 53,66,775 | 536.68 |

(b) Rights, preferences and restrictions attached to shares:

The company has one class of equity shares having a par value of Rs. 10/- each. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of shares held by Shareholders holding more than 5 % of the shares in the company:

| S. No. | Class of shares / Name of shareholder | As at 31.03.2022 | | As at 31.03.2021 | |
|--------|---|--------------------|---------------|---------------------|---------------|
| | | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| | <u>Equity Shares with Voting Rights</u> | | | | |
| 1 | Adusumilli Sri Nagaveer | 24,38,701 | 45.44% | 24,38,701 | 45.44% |
| 2 | Adusumilli Vasavi | 3,38,038 | 6.30% | 3,38,038 | 6.30% |
| 3 | Kesara Charita | 3,04,000 | 5.66% | - | 0.00% |
| | TOTAL | 30,80,739 | 57.40% | 27,76,739.00 | 51.74% |

(d) Details of shares held by Promoters of the company:

| S. No. | Class of shares / Name of shareholder | As at 31.03.2022 | | As at 31.03.2021 | |
|--------|---|--------------------|---------------|--------------------|---------------|
| | | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| | <u>Equity Shares with Voting Rights</u> | | | | |
| 1 | Adusumilli Sri Nagaveer | 24,38,701 | 45.44% | 24,38,701 | 45.44% |
| 2 | Adusumilli Vasavi | 3,38,038 | 6.30% | 3,38,038 | 6.30% |
| 3 | Adusumilli Sarat Chandra Babu | 2,00,000 | 3.73% | 2,00,000 | 3.73% |
| 4 | Adusumilli Sarada | 1,00,000 | 1.86% | 1,00,000 | 1.86% |
| 5 | Sreedevi Polavarapu | 2,000 | 0.04% | 2,000 | 0.04% |
| | TOTAL | 30,78,739 | 57.37% | 30,78,739 | 57.37% |

(e) Aggregate number and class of shares allotted as fully paid up for consideration other than cash, bonus shares and shares bought back for the period of 5 years immediately preceding the Balance Sheet date

| S. No. | Particulars | As at 31.03.2022 | | As at 31.03.2021 | |
|--------|---------------------------|----------------------|-----------------|----------------------|-----------------|
| | | No. of Shares issued | Amount In Lakhs | No. of Shares issued | Amount In Lakhs |
| 1 | Paturi Sarada* | 2,20,013 | 22.00 | 2,20,013 | 22.00 |
| 2 | M Sravanthi* | 2,20,013 | 22.00 | 2,20,013 | 22.00 |
| 3 | Adusumilli Sri Nagaveer** | 2,52,711 | 25.27 | 2,52,711 | 25.27 |
| 4 | Adusumilli Vasavi** | 2,038 | 0.20 | 2,038 | 0.20 |

* 4,40,026/- Equity Shares issued on account of Acquisition of Polarcube Cold Storage Solutions Pvt. Ltd in 2015-16

** 2,54,749/- Equity Shares issued on account of Acquisition of Squarepeg Distribution Services Pvt. Ltd. in 2015-16

4. Note: Reserves & Surplus

| Note No. | Particulars | As at 31.03.2022 Consolidated Amount In Lakhs. | As at 31.03.2021 Consolidated Amount In Lakhs. |
|-----------------------------------|--|--|--|
| 4 | Note: Reserves & Surplus | | |
| | Securities Premium | | |
| | Balance as at the beginning of the year | 1,259.63 | 1,259.63 |
| | Add: Premium on shares issued during the year | - | - |
| | Less : Utilised during the year | - | - |
| | Balance as at the end of the year | 1,259.63 | 1,259.63 |
| | Surplus in the Statement of Profit and Loss | | |
| | Balance as at the beginning of the year | 968.68 | 851.24 |
| | (+) Net Profit for the current year | 126.60 | 117.44 |
| | (+) Transfer from Reserves* | - | - |
| (+) Capital subsidy | - | - | |
| (-) Net Loss for the current year | - | - | |
| (-) Proposed Dividends | - | - | |
| (-) Interim Dividends | - | - | |
| Balance as at the end of the year | 1,095.28 | 968.68 | |
| Total | 2,354.91 | 2,228.31 | |

5. Note: Share Application money pending allotment

| Note No. | Particulars | As at 31.03.2022 Consolidated Amount In Lakhs. | As at 31.03.2021 Consolidated Amount In Lakhs. |
|----------|--|--|--|
| 5 | Note: Share Application money pending allotment | - | - |
| | | - | - |

6. Note: Long Term Borrowings

| Note No. | Particulars | As at 31.03.2022 Consolidated Amount In Lakhs. | As at 31.03.2021 Consolidated Amount In Lakhs. |
|---|---|--|--|
| 6 | Note: Long Term Borrowings | | |
| | Secured | | |
| | a) Term Loans * | | |
| | i) From Banks | 1,195.93 | 1,158.08 |
| | The amount represents repayment due in next 12 months classified under head "Short Term Borrowings" | 225.93 | 97.94 |
| | | 969.99 | 1,060.14 |
| | b) Vehicle Loans ** | | |
| | i) From Banks | 16.91 | 64.32 |
| | The amount represents repayment due for the current period and in next 12 months classified under head "Short Term Borrowings" | 16.91 | 60.34 |
| | ii) From NBFC's | - | 3.98 |
| | The amount represents repayment due for the current period and in next 12 months classified under head "Short Term Borrowings" | 39.45 | 14.05 |
| | | 24.04 | 6.49 |
| | Total Secured Loans | 15.40 | 7.56 |
| | Unsecured | 985.40 | 1,071.68 |
| Business Loans *** | | | |
| i) From Banks | 29.07 | - | |
| The amount represents repayment due for the current period and in next 12 months classified under head "Short Term Borrowings" | 21.82 | - | |
| ii) From NBFC's | 7.26 | - | |
| The amount represents repayment due for the current period and in next 12 months classified under head "Short Term Borrowings" | 42.09 | 146.52 | |
| | 39.08 | 84.76 | |
| Loans from Others | 3.01 | 61.76 | |
| | - | - | |
| Total Un-Secured Loans | 10.27 | 61.76 | |
| | 995.66 | 1,133.44 | |

* Term Loans are secured against Fixed Assets of the Company, both present and future. (for details Refer Note No 41)

** Vehicles loans are secured by hypothecation of vehicles financed by respective banks. (for details Refer Note No. 41)

*** The Company availed Unsecured Business Loans from Banking & Non Banking Financial Institutions (for Details Refer Note No. 41)

7. Note: Other Long Term Liabilities

| Note No. | Particulars | As at 31.03.2022 Consolidated Amount In Lakhs. | As at 31.03.2021 Consolidated Amount In Lakhs. |
|----------|--|--|--|
| 7 | Note: Other Long Term Liabilities | | |
| | Other Liabilities | - | - |
| 8 | Note: Long Term Provisions | | |
| | Provision for Gratuity * | 36.72 | 30.39 |
| | Provision for Taxes | 23.29 | - |
| | Provisions - Others | 60.01 | 30.39 |

* Provision made as per the actuarial valuation dt. 26.05.2022 (For details Refer Note No.42)

9. Note: Short Term Borrowings

| Note No. | Particulars | As at 31.03.2022 Amount In Lakhs. | As at 31.03.2021 Amount In Lakhs. |
|------------------|---|--------------------------------------|--------------------------------------|
| 9 | Note: Short Term Borrowings | | |
| | Secured | | |
| | Loans repayable on demand from Banks * | 1,019.98 | 1,189.92 |
| | Unsecured | | |
| | Loans and Advances from Related Parties ** | 777.28 | 420.23 |
| | Other Loans and Advances *** | 210.56 | 210.65 |
| | <u>Current Maturities of Long Term Debt (Secured) (Refer Note No.6)</u> | | |
| | a) Term Loans | | |
| | From Banks | 225.93 | 97.94 |
| | b) Business Loans | | |
| | From Banks | 21.82 | - |
| | From NBFC's | 57.19 | 84.76 |
| c) Vehicle Loans | | | |
| From Banks | 16.91 | 60.34 | |
| From NBFC's | 5.94 | 6.49 | |
| | 2,335.60 | 2,070.32 | |

* Working Capital loans are secured by hypothecation of Stocks & Receivables (present & future) of the Company (For details Refer Note No. 41)

** Loans from Related parties carry "Nil" rate of Interest and are repayable on demand

*** The Company has borrowed Un-secured loans from others that carry interest at 18% p.a and are repayable on mutually agreed terms and conditions. The loan has been guaranteed by Key Managerial Person of the company.

10. Note: Trade Payables

| Note No. | Particulars | As at 31.03.2022 Consolidated Amount In Lakhs. | As at 31.03.2021 Consolidated Amount In Lakhs. |
|---|--|--|--|
| 10 | Note: Trade Payables | | |
| | - Total Outstanding dues of Micro Enterprises and Small Enterprises | - | - |
| | Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises | 303.83 | 340.99 |
| | Balances between Holding & Subsidiaries | 10.67 | (29.43) |
| | | 314.50 | 311.56 |
| | * The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under: | | |
| | - Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end | - | - |
| | - Interest due to suppliers registered under the MSMED Act and remaining unpaid as the year end | - | - |
| | - Principal amounts paid to Suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| | - Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| | - Interest paid under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| | - Interest due and payable towards suppliers registered under MSMED Act, for payments already made | - | - |
| - Further Interest remaining due and payable for earlier years | - | - | |
| The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. | | | |
| This has been relied upon by the auditors. | | | |

11. Note: Other Current Liabilities

| Note No. | Particulars | As at 31.03.2022 Consolidated Amount In Lakhs. | As at 31.03.2021 Consolidated Amount In Lakhs. |
|----------|--|--|--|
| | Interest Accrued and Due on Borrowings ** | 9.94 | 32.38 |
| | Interest Accrued But not Due on Borrowings *** | 0.64 | 1.91 |
| | Advances received from Customers | 32.58 | 45.35 |
| | Other Payables**** | 506.18 | 455.39 |
| | | 549.33 | 535.03 |
| | <u>** Interest Accrued and Due on Borrowings Consists of:</u> | | |
| | On Working Capital Loan | 9.94 | 32.38 |
| | <u>*** Interest Accrued But not Due on Borrowings consists of:</u> | | |
| | On Business Loans | 0.62 | 1.86 |
| | On Vehicle Loans | 0.02 | 0.06 |
| | <u>**** Other Payables include</u> | | |
| | Statutory Liabilities | 74.45 | 59.04 |
| | Rent Creditors | 127.63 | 12.99 |
| | Expenses Payable | 283.33 | 278.44 |
| | Creditors for Capital Works | 17.75 | 53.87 |
| | Deferred Government Grants # | 125.00 | 125.00 |
| | Expenses payable to Subsidiaries / Holding Comp. | (121.98) | (73.95) |

The company received government grants in the nature of subsidy (Grant-in-aid) from AndhraPradesh Food Processing Society for setting up "Ready to cook foods made of corn". During theyear, the company received first installment of subsidy (Grant-in-aid) of Rs 1,25,00,000/- under APFood Processing Policy 2018-19 and same is utilised to purchase Property, plant and equipment.

The deferred government grant will be recognised in statement of profit and loss over the period inproportion in which depreciation expense on the assets is recognised.

12. Note: Short Term Provisions

| Note No. | Particulars | As at 31.03.2022 Consolidated Amount In Lakhs. | As at 31.03.2021 Consolidated Amount In Lakhs. |
|----------|-------------------------------------|--|--|
| 12 | Note: Short Term Provisions | | |
| | Provisions for Employee Benefits | | |
| | Provision for Gratuity | 2.41 | 2.28 |
| | Provisions - Others: | - | - |
| | Provision for Taxes - Current Year | 60.93 | 30.36 |
| | Provision for Taxes - Previous Year | - | 5.97 |
| | | 63.34 | 38.60 |

13. Property, Plant & Equipment

| S. No. | Particulars | Gross Block | | | | | | | | |
|----------|-----------------------------|-------------------|---------------|--|-------------------------------|----------------------|--|----------------------------|------------|--------------------------|
| | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
| | Balance As At 01.04.2021 | Additions | Disposals | Acquisitions through business combinations | Reclassified as held for sale | Revaluation increase | Effect of foreign exchange differences | Borrowing cost capitalised | Other Adj. | Balance As At 31.03.2022 |
| A | Tangible assets : | | | | | | | | | |
| (a) | Computers & Peripherals | | | | | | | | | |
| | Owned | 27.96 | 3.81 | - | - | - | - | - | - | 31.77 |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - |
| | Given under operating lease | - | - | - | - | - | - | - | - | - |
| (b) | Furniture and Fixtures | | | | | | | | | |
| | Owned | 39.98 | 2.61 | - | - | - | - | - | - | 42.60 |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - |
| | Given under operating lease | - | - | - | - | - | - | - | - | - |
| (c) | Plant & Machinery | | | | | | | | | |
| | Owned | 511.42 | 5.46 | - | - | - | - | - | - | 516.88 |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - |
| | Given under operating lease | - | - | - | - | - | - | - | - | - |
| (d) | Office Equipment | | | | | | | | | |
| | Owned | 14.83 | 1.75 | - | - | - | - | - | - | 16.59 |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - |
| | Given under operating lease | - | - | - | - | - | - | - | - | - |
| (e) | Vehicles | | | | | | | | | |
| | Owned | 261.43 | - | 23.26 | - | - | - | - | - | 238.17 |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - |
| | Given under operating lease | 212.10 | - | 109.54 | - | - | - | - | - | 102.57 |
| (f) | Civil Structures | | | | | | | | | |
| | Owned | 103.28 | - | - | - | - | - | - | - | 103.28 |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - |
| | Given under operating lease | - | - | - | - | - | - | - | - | - |
| (g) | Land | | | | | | | | | |
| | Owned | 93.58 | - | - | - | - | - | - | - | 93.58 |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - |
| | Given under operating lease | - | - | - | - | - | - | - | - | - |
| | Total (A) | 1,264.60 | 13.63 | 132.80 | - | - | - | - | - | 1,145.43 |
| | Previous Year | (1,372.01) | (6.00) | (113.42) | - | - | - | - | - | (1,264.60) |
| B | Intangible assets | | | | | | | | | |
| | Total (B) | 28.32 | - | - | - | - | - | - | - | 28.32 |
| | Previous Year | (28.32) | - | - | - | - | - | - | - | (28.32) |
| | Grand Total (A + B) | 1,292.91 | 13.63 | 132.80 | - | - | - | - | - | 1,173.75 |

| S. No. | Particulars | Accumulated depreciation and impairment | | | | | | | | | | Net Block | |
|----------|---------------------------------|---|---|----------------------------------|---|--|--|------------|--------------------------|--------------------------|--------------------------|-----------|--|
| | | Balance As At 01.04.2021 | Depreciation/ amortisation expense for the year | Eliminated on disposal of assets | Adj. due to Change of Accounting policy (i.e from WDV to SLM) | Impairment losses recognised in Statement of Profit and Loss | Reversal of impairment losses recognised in Statement of Profit and Loss | Other Adj. | Balance As At 31.03.2022 | Balance As At 31.03.2022 | Balance As At 31.03.2021 | | |
| | | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18=sum(11:17) | 19= (10-18) | 20= (1 - 11) | | |
| A | Tangible assets : | | | | | | | | | | | | |
| (a) | Computers & Peripherals | | | | | | | | | | | | |
| | Owned | 24.00 | 2.09 | - | - | - | - | - | 26.35 | 5.42 | 3.70 | | |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | | |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | | |
| (b) | Furniture and Fixtures | | | | | | | | | | | | |
| | Owned | 21.49 | 2.67 | - | - | - | 0.08 | - | 24.39 | 18.20 | 18.50 | | |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | | |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | | |
| (c) | Plant & Machinery | | | | | | | | | | | | |
| | Owned | 260.88 | 30.15 | - | - | - | (1.82) | - | 291.83 | 225.05 | 250.55 | | |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | | |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | | |
| (d) | Office Equipment | | | | | | | | | | | | |
| | Owned | 12.46 | 1.41 | - | - | - | (0.00) | - | 13.94 | 2.64 | 2.37 | | |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | | |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | | |
| (e) | Vehicles | | | | | | | | | | | | |
| | Owned | 213.97 | 19.05 | 94.29 | - | - | (0.65) | - | 140.03 | 98.14 | 47.46 | | |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | | |
| | Given under operating lease | 110.01 | 5.02 | 25.94 | - | - | - | - | 89.09 | 13.48 | 102.09 | | |
| (f) | Civil Structures | | | | | | | | | | | | |
| | Owned | 12.04 | 3.27 | - | - | - | - | - | 15.31 | 87.97 | 91.24 | | |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | | |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | | |
| (g) | Land | | | | | | | | | | | | |
| | Owned | - | - | - | - | - | - | - | - | 93.58 | 93.58 | | |
| | Taken under finance lease | - | - | - | - | - | - | - | - | - | - | | |
| | Given under operating lease | - | - | - | - | - | - | - | - | - | - | | |
| | Total (A) | 655.11 | 68.45 | 120.23 | - | - | (2.38) | - | 600.95 | 544.48 | 609.49 | | |
| | Previous Year | (671.75) | (89.68) | (113.42) | - | - | (7.10) | - | (655.11) | (609.49) | (700.27) | | |
| B | Intangible assets | | | | | | | | | | | | |
| | Total (B) | - | - | - | - | - | - | - | - | 28.32 | 28.32 | | |
| | Previous Year | - | - | - | - | - | - | - | - | 28.32 | 28.32 | | |
| C | Capital Work in Progress | | | | | | | | | | | | |
| | Total (C) | - | - | - | - | - | - | - | - | 1,857.76 | 1,685.91 | | |
| | Grand Total (A+B+C) | 655.11 | 68.45 | 120.23 | - | - | (2.38) | - | 600.95 | 2,430.56 | 2,323.71 | | |

| Note No. | Particulars | As at 31.03.2022 Consolidated Amount In Lakhs. | As at 31.03.2021 Consolidated Amount In Lakhs. |
|----------|--|--|--|
| 14 | Note : Non-current investments | | |
| | Long Term Investments - at cost | | |
| | (a) Trade Investments | | |
| | (b) Other Investments | | |
| | Quoted | | |
| | Unquoted | | |
| | Investments in equity instruments of subsidiaries | | |
| | 4,45,000 Equity Shares of Polarcube Cold Storage Solutions (P) Ltd. of Rs.10/- each fully paid up | - | - |
| | 2,67,000 Equity Shares of Sqaurepeg Distribuion Services (P) Ltd. of Rs.10/- each fully paid up | - | - |
| | Government and Trust Securities : | | |
| | 2.75% Sovereign Gold Bonds Feb 2024 (TR - II) (50 Grams at a Face Value of Rs. 2,600 per gram) | 1.30 | 1.30 |
| | | 1.30 | 1.30 |
| | Aggregate Amount of quoted Investments | - | 1.30 |
| | Market Value of Quoted Investments | 2.50 | 2.26 |
| | Aggregate Amount of Unquoted Investments | - | - |
| | Aggregate provision for diminution in value of Investments | - | - |

| Note No. | Particulars | As at 31.03.2022 Consolidated Amount In Lakhs. | As at 31.03.2021 Consolidated Amount In Lakhs. |
|----------|---|--|--|
| 15 | Note: Long Term Loans & Advances | | |
| | (a) Capital Advances | | |
| | Secured, considered good | | |
| | Unsecured, considered good | 720.53 | 710.79 |
| | Doubtful | - | - |
| | (b) Security Deposits | | |
| | Secured, considered good | - | - |
| | Unsecured, considered good | - | - |
| | Rent Deposit | 11.30 | 6.92 |
| | Other Deposits | 1.57 | 2.04 |
| | (c) Loans & Advances to related parties | - | - |
| | (d) Loans & Advances to Employees | - | - |
| | (e) Prepaid Expenses | - | - |
| | (f) Balances with Government Authorities | - | - |
| | Advance Income Tax (Unsecured, Considered good) | 5.55 | 65.76 |
| | MAT Credit Entitlement | 44.04 | 28.84 |
| | (g) Other Loans & Advances | - | - |
| | Secured, considered good | - | - |
| | Unsecured, considered good | - | - |
| | (h) Doubtful | - | - |
| | | 782.99 | 814.35 |
| | Less: Provision for other doubtful loans & advances | - | - |
| | | 782.99 | 814.35 |
| | * MAT Credit entitlement has been brought in to books and it represents previous years. | | |
| | Note: Long Term Loans & Advances include amounts due from | | |
| | Directors - (Rent Deposit) | 0.30 | 0.30 |
| | Other Officers of company | - | - |
| | Firms in which any director is a partner | - | - |
| | Private companies in which any director is a director or member | - | - |

| Note No. | Particulars | As at 31.03.2022 Consolidated Amount In Lakhs. | As at 31.03.2021 Consolidated Amount In Lakhs. |
|-----------|---|--|--|
| 16 | Note: Other Non-Current Assets | | |
| | (a) Long-term trade receivables | - | - |
| | (b) Unamortised expenses (to the extent not written off or not adj.) | - | - |
| | (c) Accruals | - | - |
| | (d) Other Non-current Assets | - | - |
| | | - | - |
| 17 | Note: Current Investments | | |
| | Short Term investments - at cost | | |
| | (a) Trade Investments | | |
| | (b) Other Investments (Investments in shares) | | |
| | Quoted | - | - |
| | Un Quoted | - | - |
| | | - | - |
| 18 | Note: Inventories: | | |
| | (a) Raw materials | 102.14 | 79.16 |
| | Goods-in-transit | - | - |
| | (b) Work-in-progress | 17.67 | 15.32 |
| | Goods-in-transit | - | - |
| | (c) Finished goods / Stock in Trade | 3,475.76 | 3,179.13 |
| | Goods-in-transit | - | - |
| | (d) Stores and spares | - | - |
| | Goods-in-transit | - | - |
| | (e) Loose tools | - | - |
| | Goods-in-transit | - | - |
| | (f) Others (Specify nature) | - | - |
| | Goods-in-transit | - | - |
| | | 3,595.57 | 3,273.62 |
| | * Mode of valuation: | | |
| | As per Accounting Policy Ref. No. 2.9 | | |
| 19 | Note: Trade Receivables | | |
| | Secured, considered good | | |
| | - Outstanding for a period exceeding six months from the date they were due for payment | - | - |
| | - Others | - | - |
| | Unsecured, considered good | | |
| | - Outstanding for a period exceeding six months from the date they were due for payment | - | - |
| | - Others | 357.23 | 393.97 |
| | Unsecured Considered Doubtful | | |
| | - Outstanding for a period exceeding six months from the date they were due for payment | - | - |
| | - Others | - | - |
| | Balances between Holding & Subsidiaries | (26.84) | (71.10) |
| | | 330.39 | 322.87 |
| | Less: Provision for doubtful trade receivables | - | - |
| | | 330.39 | 322.87 |
| | Trade receivables include debts due from: | | |
| | Directors | - | - |
| | Firms in which any Director / KMP is interested (M/s Sri Sai Agencies, Proprietorship) | - | 62.14 |
| | Other officers of the Company | - | - |
| | Private companies in which any director is a director or member (give details per company) | 118.91 | - |
| | Wholly Owned Subsidiaries | - | - |

| Note No. | Particulars | As at 31.03.2022 Consolidated Amount In Lakhs. | As at 31.03.2021 Consolidated Amount In Lakhs. |
|------------|---|--|--|
| 20 | Note: Cash and Bank Balances | | |
| | (a) Cash and Cash Equivalents | | |
| | (i) Balances with banks; | | |
| | - In Current Accounts | 1.52 | 3.59 |
| | (ii) Cheques, drafts on hand | | |
| | (iii) Cash on hand | 27.19 | 26.26 |
| | (b) Other Bank balances | - | - |
| | - In Deposit Accounts | - | - |
| | | 28.71 | 29.85 |
| 21 | Note: Short Term Loans & Advances | | |
| | (a) Loans & Advances to related parties | - | - |
| | (b) Security deposits | - | - |
| | (c) Loans and advances to employees | - | - |
| | Secured, considered good | - | - |
| | Unsecured, considered good | - | -22.96 |
| | Doubtful | - | - |
| | (d) Prepaid expenses - Unsecured, considered good * | 9.51 | 10.59 |
| | (e) Balances with government authorities | - | - |
| | Unsecured, considered good | - | - |
| | Advance Tax and TDS ** | 11.10 | 12.89 |
| | Others | - | - |
| | (f) Inter-corporate deposits | - | - |
| | (g) MAT Credit entitlement - Unsecured, considered good *** | - | - |
| | (h) Other Loans & Advances **** | - | - |
| | Secured, considered good | - | - |
| | Unsecured, considered good | 35.84 | 76.53 |
| | Doubtful | - | - |
| | | 56.45 | 122.96 |
| | Less: Provision for other doubtful loans and advances | - | - |
| | | 56.45 | 112.96 |
| | * "Prepaid Expenses" pertains to Insurance, Annual Maintenance Contracts. | | |
| | ** Other Loans & Advances includes | | |
| | Advances to Suppliers | 5.88 | 7.64 |
| | Advance for Expenses | 4.31 | 10.08 |
| | Other Advances | 110.12 | 91.10 |
| | Balances between Holding & Subsidiaries | (84.47) | (32.29) |
| | Note: Short Term Loans & Advances include amounts due from | | |
| | Directors | - | - |
| | Other Officers of company | - | - |
| | Firms in which any director is a partner | - | - |
| | Private companies in which any director is a director or member | - | - |
| 22. | Note: Other Current Assets | | |
| | (a) Unbilled revenue | | |
| | (b) Unamortised expenses | 1.53 | 10.22 |
| | (c) Accruals | - | - |
| | (d) Other Current Assets | 10.98 | 8.71 |
| | | 12.51 | 18.93 |
| | Note: Other Current Assets include amounts due from | | |
| | Directors | - | - |
| | Other Officers of company | - | - |
| | Firms in which any director is a partner | - | - |
| | Private companies in which any director is a director or member | - | - |
| | Wholly Owned Subsidiaries | - | - |

| Note No. | Particulars | For the Year ended 31st March 2022 Amount In Lakhs. | For the Year ended 31st March 2021 Amount In Lakhs. | |
|---|---|--|---|------|
| 23 | Note: Revenue from operations | | | |
| | Sales - Manufacturing and Processing | 7,932.98 | 5,838.36 | |
| | Sales - Trading | 21.77 | 139.02 | |
| | | 7,954.75 | 5,977.38 | |
| | Operating Revenues of Subsidiaries : | | | |
| | Squarepeg Distribution Services Pvt. Ltd. | 28.46 | 27.81 | |
| | Polar Cube Cold Storage Solutions Pvt. Ltd. | 75.02 | 61.34 | |
| | Revenues generated between Holding & Subsidiaries | (6.00) | (6.00) | |
| | | 8,052.23 | 6,060.54 | |
| | Sale of Goods under broad heads; | | | |
| - Frozen Products | 7,172.62 | 4,924.40 | | |
| - Other Traded Products | 35.40 | 139.02 | | |
| - Corn Samosa | 449.97 | 388.79 | | |
| - Corn Spring Roll | 174.54 | 175.55 | | |
| - Corn Kernals and Other Misc. | 122.21 | 349.63 | | |
| | 7,954.75 | 5,977.38 | | |
| 24 | Note: Other income | | | |
| | Corp. Office Sub-Let Income | 2.05 | 0.90 | |
| | Income through hiring of Vehicles | 11.97 | - | |
| | Profit on sale of Asset / Investment | 7.29 | 29.00 | |
| | Other Income | 28.49 | 46.66 | |
| | Revenues generated from Among Holding & Subsidiaries | 3.14 | - | |
| | 52.95 | 85.16 | | |
| 25. | Note: Cost of Materials Consumed | | | |
| | Raw Material Consumed | | | |
| | Opening Inventory | 79.16 | 65.98 | |
| | Add: Purchases (Net) | 7,333.78 | 5,786.67 | |
| | Less: Inventory at the end of the year | 102.14 | 79.16 | |
| | Cost of Raw Materials Consumed during the year | 7,310.81 | 5,773.49 | |
| | Add : Direct Expenses | 75.97 | 35.72 | |
| | Freezer Placing Expenses Paid to Subsidiaries | (6.00) | (6.00) | |
| | Total | 7,380.78 | 5,803.22 | |
| | 26. | Note: Purchase of Stock -in- Trade | | |
| Purchase - Stock in Trade | | 19.78 | 97.99 | |
| | | 19.78 | 97.99 | |
| Purchase of Goods / Raw Materials under broad heads; | | | | |
| - Frozen Products & Corn Kernals | | 7,216.92 | 5,743.58 | |
| - Dairy Products | | 19.78 | 97.99 | |
| - Other Misc. | | 116.86 | 43.09 | |
| | | 7,353.56 | 5,884.67 | |
| 26A. | | Note: Direct Expenses of Subsidiaries (Squarepeg & Polarcube) : | | |
| | | Petrol & Diesel | 12.97 | 0.68 |
| | Repairs and Maintainence | 3.36 | 2.09 | |
| | Toll Fees | - | 1.06 | |
| | Transport Expenses | 0.15 | - | |
| | Electricity Expenditure | 17.26 | 11.83 | |
| | Loading, Unloading Charges & Maintenance Charges | 1.63 | 1.14 | |
| | Less : Expenditure Incurred in Inter company Transactions | - | - | |
| | | 35.37 | 16.80 | |

| Note No. | Particulars | For the Year ended 31st March 2022 Amount In Lakhs. | For the Year ended 31st March 2021 Amount In Lakhs. |
|----------|---|--|---|
| 27. | Note: Changes in inventories of Finished goods, Work-in-progress and Stock-in-trade <u>Inventories at the end of the year:</u> Finished Goods / Stock in Trade Work in Progress | 3,475.76 17.67 | 3,179.13 15.32 |
| | | 3,493.44 | 3,194.45 |
| | <u>Inventories at the beginning of the year:</u> Finished Goods / Stock in Trade Work in Progress | 3,179.13 15.32 | 2,616.39 4.81 |
| | | 3,194.45 | 2,621.20 |
| | Net increase / (decrease) | 298.98 | 573.25 |
| 28 | Note: Employee benefit expenses Salaries and Wages Directors Remuneration Contribution to provident and other funds * Staff Welfare Expenses | 210.12 23.00 19.31 8.39 | 120.53 19.35 15.51 4.69 |
| | | 260.82 | 160.88 |
| | * Includes contribution to Employee Provident fund, Employee State Insurance and Gratuity. For Details on Gratuity refer Note 43. | | |
| 29 | Note: Finance costs Interest Expense Interest Interest on others * Other Borrowing Costs: Loan Processing Charges Other Finance Expenses: | 215.35 11.78 9.52 - | 224.73 3.95 4.26 |
| | | 236.65 | 232.94 |
| | * includes Interest on TDS, Income Tax and GST | | |
| 30 | Note: Other Expenses Administrative Expenses: Administrative Expenses Audit Fee Bad Debts Bank charges Consultancy Fee Donations Electricity Charges Fuel Expenses Insurance Expenses Miscellaneous Expenses Net, Cable & News Paper Bill Office Maintenance Postage & Telegrams Printing & Stationery Rent Expenses Repairs & Maintenance Royalty Expenses Stock Insurance Taxes & Licences Telephone & Internet Charges Travelling, Boarding & Conveyance Vehicle Insurance Vehicle Maintenance Website Design Charges Miscellaneous Expenses Written off Selling & Distribution Expenses Advertising & Marketing Expenses Business Promotion Counter Expenses Transportation Charges | 5.40 4.45 9.54 4.90 3.53 0.14 26.73 26.15 0.29 3.79 0.04 3.80 0.11 3.54 59.11 13.16 2.00 4.09 9.02 2.01 1.91 2.96 9.03 2.40 8.69 2.55 0.77 0.11 9.91 | 5.41 4.70 4.82 0.57 0.15 21.28 28.12 0.44 1.97 0.39 1.25 0.05 1.78 38.62 5.68 2.40 2.19 7.83 1.77 0.53 4.78 8.20 1.66 8.69 1.15 0.20 0.38 9.86 |
| | | 197.26 | 142.26 |

| Note No: | Particulars | For the Year ended 31st March 2022 Amount In Lakhs. | For the Year ended 31st March 2021 Amount In Lakhs. |
|----------|--|---|---|
| 31 | Note: Auditors Remuneration Payments to Auditors comprises: As Auditors - Statutory Audit For taxation matters For company law matters For management services For other services Reimbursement of Expenses | 3.70 0.75 - - - - | 3.90 1.20 - - - - |
| 32 | Note: Deferred Tax Liability / (Deferred Tax Asset) (Net) Deferred Tax Liability on account of i) Depreciation and Amortisation ii) Adjustment Due to Difference in method of Depreciation of Subsidiary Companies (i.e WDV) & Holding Companies Method of Depreciation (i.e SLM) iii) Miscellaneous expenditure written off Total Deferred Tax Assets on account of Gratuity Professional Tax Total | 5.29 1.69 0.00 6.98 1.80 - 1.80 | 3.00 2.40 0.00 5.40 1.66 - 1.66 |
| | Net Deferred Tax Liability | 5.19 | 3.75 |

33 The retail industry as a whole has been adversely impacted by the spread of COVID-19. The operations of the company have been impacted owing to the Lock Down imposed in May'21 to Jun'21 control the spread of Covid - 19. In this crisis, our priorities are to protect the employees, their families and the society associated with it from COVID-19. The company has begun restoration of operations after the said lockdown in Jun'21 as permitted by the Government and Local/Regulatory authorities, with controlled movement, maintaining social distancing, taking appropriate hygiene measures and following the directions of Regulatory Authorities. The Company believes that the pandemic is not likely to impact the recoverability of the carrying value of its assets. The Company is closely monitoring the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. As the situation is continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these Results.

34

34A Trade Payables ageing schedule as on 31.03.2022

| Particulars | Trade Payables ageing schedule | | | |
|-----------------------------|--|--------------|--------------|---------------|
| | Outstanding for following periods from the date of transaction | | | |
| | Less than 1 year | 1-2 years | 2-3 years | Total |
| (i) MSME | | | | - |
| (ii) Others | 253.27 | 19.46 | 41.77 | 314.50 |
| (iii) Disputed dues - MSME | | | | - |
| (iv) Disputed dues - Others | | | | - |
| Total | 253.27 | 19.46 | 41.77 | 314.50 |

Trade Payables ageing schedule as on 31.03.2021

| Particulars | Trade Payables ageing schedule | | | |
|-----------------------------|--|--------------|--------------|---------------|
| | Outstanding for following periods from the date of transaction | | | |
| | Less than 1 year | 1-2 years | 2-3 years | Total |
| (i) MSME | | | | - |
| (ii) Others | 220.54 | 74.40 | 16.61 | 311.56 |
| (iii) Disputed dues - MSME | - | - | - | - |
| (iv) Disputed dues - Others | - | - | - | - |
| Total | 220.54 | 74.40 | 16.61 | 311.56 |

34B Trade Receivables ageing schedule as on 31.03.2022

| Particulars | Outstanding for following periods from the date of Transaction | | | | | |
|---|--|-------------------|--------------|--------------|-------------------|---------------|
| | Less than 6 Months | 6 Months - 1 Year | 1-2 years | 2-3 years | More than 3 Years | Total |
| (i) Undisputed Trade receivables - considered good | 238.66 | 8.28 | 27.57 | 30.09 | 25.78 | 330.39 |
| (ii) Undisputed Trade Receivables - considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade Receivables considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables considered doubtful | - | - | - | - | - | - |
| Total | 238.66 | 8.28 | 27.57 | 30.09 | 25.78 | 330.39 |

Trade Receivables ageing schedule as on 31.03.2021

| Particulars | Outstanding for following periods from the date of Transaction | | | | | |
|---|--|-------------------|-----------|-----------|-------------------|---------------|
| | Less than 6 Months | 6 Months - 1 Year | 1-2 years | 2-3 years | More than 3 Years | Total |
| (i) Undisputed Trade receivables - considered good | 322.87 | - | - | - | - | 322.87 |
| (ii) Undisputed Trade Receivables - considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade Receivables considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables considered doubtful | - | - | - | - | - | - |
| Total | 322.87 | - | - | - | - | 322.87 |

34C Capital Work In Progress:

| Particulars | CWIP Ageing Schedule (Amount in Rs.) | | | | |
|--------------------------------|--------------------------------------|---------------|---------------|-------------------|-----------------|
| | Amount in CWIP for a period of | | | | |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| Projects in Progress | 171.85 | 187.77 | 756.52 | 741.62 | 1,857.76 |
| Projects temporarily Suspended | - | - | - | - | - |
| Total | 171.85 | 187.77 | 756.52 | 741.62 | 1,857.76 |

34D Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the company from banks and financial institutions have been applied for the purposes for which such loans were taken

34E Borrowing secured against current assets

The company has availed the borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks are in agreement with the books of accounts.

34F Relationship with struck off companies

The Company has no transactions with the companies struck off under section 248 of the Companies Act, 2013

34G Undisclosed Income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded previously in the books of account except as mentioned & disclosed in Note No 41 to Standalone Financial Statements

34H Valuation of Property Plant & Equipment, Intangible Asset

The company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

34I Loans or advances to specified persons

No loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment.

34J Details of benami property held

No proceedings have been initiated on or pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

34K Wilful Defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

34L Compliance with number of layers of companies

The company has complied with the number of layers prescribed under Section 2(87) of Companies Act, 2013 read with Companies (Restriction on number of layers) Rules, 2017.

34M Details of Crypto currency or virtual currency

The company has not traded or invested in Crypto Currency or virtual currency during the current or previous year

34N Utilisation of borrowed funds and share premium

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("intermediaries") with the understanding, whether recorded in writing or otherwise, that the intermediary shall lend or invest in party identified by or on behalf of the company (Ultimate beneficiaries). The company has not received any fund from any party (Funding Party) with the understanding that the company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

35 Note: Related Party Disclosures

| S.No. | Name of the Related Party | Nature of Relationship |
|-------|---|--|
| 1 | Sri. A. Sri Nagaveer | Key Managerial Personnel |
| 2 | Smt. A. Vasavi | Key Managerial Personnel |
| 3 | Sri. A. Sarat Chandra Babu | Key Managerial Personnel |
| 4 | Smt. A. Sarada | Key Managerial Personnel |
| 5 | Smt. K. Charita | Key Managerial Personnel (Appointed as ED w.e.f. 14.02.2022) |
| 6 | Mr. Avneet Singh Kohli | Key Managerial Personnel (Resigned as CS w.e.f. 10.11.2020) |
| 7 | Mr. Soumith Kumar Sikinderpurkar | Key Managerial Personnel (Appointed as CS w.e.f. 09.09.2021 and resigned on 30.05.2022) |
| 8 | Mr. Marredupally Srinivasa Reddy | Key Managerial Personnel (Resigned as CFO w.e.f. 05.04.2021) |
| 9 | Ms. Roselyn Villuri | Key Managerial Personnel (Resigned as CFO w.e.f. 10.11.2021) |
| 10 | Mr. Rudragiri Reddy | Key Managerial Personnel (Appointed as CFO w.e.f. 11.11.2021 and resigned on 14.02.2022) |
| 11 | M/s Sri Sai Agencies (Prop. A Sri Nagaveer) | Enterprise over which Directors having Significant Influence (EDS) |
| 12 | M/s. Brango Foods India Private Limited | Enterprise over which Directors having Significant Influence (EDS) |
| 13 | M/s. Novica Foods Private Limited | Enterprise over which Directors having Significant Influence (EDS) |

Transactions with Related Parties:

| S. No. | Nature of Transaction | FY 2021-22 | | | | FY 2020-21 | | | |
|--------|----------------------------|------------|-------|------------|--------|------------|------|------------|--------|
| | | KMP | EDS | Subsidiary | Total | KMP | EDS | Subsidiary | Total |
| 1 | Remuneration | 23.00 | - | - | 23.00 | 19.35 | - | - | 19.35 |
| 2 | Salary | 63.72 | - | - | 63.72 | 49.47 | - | - | 49.47 |
| 3 | Rent (Expenses) | 12.57 | - | - | 12.57 | 5.48 | - | - | 5.48 |
| 4 | Royalty (Expenses) | - | 2.00 | - | 2.00 | - | 2.40 | - | 2.40 |
| 5 | Sales | - | 9.21 | - | 9.21 | - | 7.30 | - | 7.30 |
| 6 | Purchases | - | 48.35 | - | 48.35 | - | 1.80 | - | 1.80 |
| 7 | Unsecured Loans (Received) | 672.83 | - | - | 672.83 | 421.05 | - | - | 421.05 |
| 8 | Unsecured Loans (Repaid) | 315.78 | - | - | 315.78 | 129.84 | - | - | 129.84 |

Balances with Related Parties As At 31.03.2022 :

| S. No. | Nature of Transaction | FY 2021-22 | | | | FY 2020-21 | | | |
|--------|---------------------------------|------------|--------|------------|--------|------------|-------|------------|--------|
| | | KMP | EDS | Subsidiary | Total | KMP | EDS | Subsidiary | Total |
| 1 | Rent Deposit | 0.30 | - | - | 0.30 | 0.30 | - | - | 0.30 |
| 2 | Remuneration Payable | 82.79 | - | - | 82.79 | 51.71 | - | - | 51.71 |
| 3 | Rent Payable | 13.98 | - | - | 13.98 | 2.66 | - | - | 2.66 |
| 4 | Un Secured Loans | 768.28 | - | - | 768.28 | 411.23 | - | - | 411.23 |
| 5 | Advance to Suppliers | - | - | - | - | - | - | - | - |
| 6 | Trade Receivables | - | 118.91 | - | 118.91 | - | 62.14 | - | 62.14 |
| 7 | Trade Payables | - | - | - | - | - | - | - | - |
| 8 | Other Current Liabilities | - | - | - | - | - | - | - | - |
| 9 | Investments | - | - | - | - | - | - | - | - |
| 10 | Advance received from Customers | - | - | - | - | - | 1.18 | - | 1.18 |

Disclosure in respect of material transactions during the year:

| Sl. No. | Particulars | FY 2021-22 | FY 2020-21 |
|---------|--|------------|------------|
| 1 | <u>Directors Remuneration</u> | | |
| | Smt. A. Vasavi | 18.00 | 15.75 |
| | Sri. A. Sarat Chandra Babu | 3.85 | 3.60 |
| | Smt. K. Charita | 1.15 | - |
| 2 | <u>Salary</u> | | |
| | Sri. A. Sri Nagaveer | 42.00 | 36.75 |
| | Mr. M Srinivasa Reddy | 9.04 | 9.56 |
| | Mrs. Roselyn Villuri | 5.63 | - |
| | Mr. Rudragiri Reddy | 4.85 | - |
| | Mr. Soumith Kumar Sikinderpurkar | 2.19 | - |
| | Mr. Avneeth Singh Kohli | - | 3.16 |
| 3 | <u>Rent (Expenses)</u> | | |
| | Smt. A. Vasavi | 12.57 | 5.48 |
| 4 | <u>Royalty (Expenses)</u> | | |
| | M/s. Sri Sai Agencies (Prop. A Sri Nagaveer) | 2.00 | 2.40 |
| 5 | <u>Sales</u> | | |
| | M/s. Sri Sai Agencies (Prop. A Sri Nagaveer) | 8.28 | 7.30 |
| | M/s. Novica Foods Private Limited | 0.93 | 0.07 |
| | M/s. Brango Foods India Private Limited | - | - |
| 6 | <u>Purchases</u> | | |
| | M/s. Sri Sai Agencies (Prop. A Sri Nagaveer) | 48.35 | 1.80 |

| Note No. | Particulars | For the Year ended 31st March 2022 Amount In Lakhs. | For the Year ended 31st March 2021 Amount In Lakhs. |
|-----------|--|---|---|
| 36 | Note: Earnings Per Share | | |
| | Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (INR) | 126.60 | 117.44 |
| | Profit before Exceptional & Extraordinary Items; & Prior-period | 126.60 | 117.44 |
| | Profit after Exceptional & Extraordinary Items ; & Prior-period | 126.60 | 117.44 |
| | No of Equity shares | 53,66,775 | 53,66,775 |
| | Face value per share (INR) | 10.00 | 10.00 |
| | Weighted average No of Equity shares (For Basic Earnings) | 53,66,775 | 53,66,775 |
| | Weighted average No of Equity shares (For Diluted Earnings) | 53,66,775 | 53,66,775 |
| | EPS before Exceptional & Extraordinary Items ; & Prior-period | | |
| | Basic Earnings per share (INR) | 2.36 | 2.19 |
| | Diluted Earnings per share (INR) | 2.36 | 2.19 |
| | EPS after Exceptional & Extraordinary Items ; & Prior-period | | |
| | Basic Earnings per share (INR) | 2.36 | 2.19 |
| | Diluted Earnings per share (INR) | 2.36 | 2.19 |
| | The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India. | | |
| 37 | Note: Earnings in foreign currency | | |
| | Export of Goods calculated on FOB basis | - | - |
| 38 | Note: Expenditure in foreign currency | | |
| | CIF Value of import of Capital goods | - | - |
| 39 | Note: Tax Expense | | |
| | The Tax Expenses for the year comprises of; | | |
| | Income Tax | 57.96 | 28.83 |
| | Current Year | 54.96 | 26.94 |
| | Less : MAT Credit | - | - |
| | Previous Year | (2.19) | (1.85) |
| | Deferred Tax | 5.19 | 3.75 |
| 40 | Note: Obligations towards operating leases | | |
| | The Company has Significant Operating lease arrangements for premises. These lease arrangements range for a period between 11 Months and 15 Years which include both cancellable and non - cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses. The company has entered into some sub-leases and all such sub-leases are cancellable and are for a period of 11 months, with an option of renewal on mutually agreeable terms. | | |
| | Lease payments recognized in the Statement of Profit and Loss | 59.11 | 38.62 |
| | Sublease payments received / receivable recognized in the Statement of Profit and Loss | 2.05 | 9.50 |
| | With respect to Non cancellable operating leases, the future minimum lease payments are as follows. | | |
| | Future minimum lease payments | | |
| | not later than one year | 50.93 | 27.30 |
| | later than one year and not later than five years | 26.41 | 56.15 |
| | later than five years | - | 12.51 |
| | The future minimum lease rental obligation under non-cancellable operating leases in respect of these assets is on account of lock-in period and notice period in some of the lease agreements entered by the company for operating of offices: | | |
| | On account of Lock-in Period | - | - |
| | On account of Notice Period | - | - |

Note No. 41

1.0 Nature of Security and terms of repayment for term loans from banks:

| S.No. | Lender | Primary Security | Collateral Security | Terms of Payment | Int. Rate |
|-------|---|---|---|--|------------------------------------|
| 1 | Indian Bank (Term Loan) - 1275.00 Lakhs (Sanctioned limit of Rs. 1400.00 Lakhs reduced by first installment of subsidy of Rs.125 Lakhs received dt. 29.06.2020) | 1. EM of Ac 3.50 of land in Survey No Sy No. 37-4, 37-5, 41-1, 41-2, Seetaramapuram Village, Nuzvid mandal, Krishna District. 2. EM of Factory Buildings & Other Civil works to be constructed there on 3. Hypothecation of Plant and Machinery to be purchased by the company. | 1. Equitable Mortgage of property belonging to Promoter as specified in the below schedule. | Repayment of Principal in 30 Quarterly installments Starting from June 2022. However, some portion of interest accrued on the said loan is pending for payment as at balance sheet date. | 1Y MCLR + 3% (Presently 11.35%) |
| 2 | Indian Bank (Term Loan) - 1275.00 Lakhs (Sanctioned limit of Rs. 1400.00 Lakhs reduced by first installment of subsidy of Rs.125 Lakhs received dt. 29.06.2020) | | | Repayment of Principal in 20 Quarterly installments Starting from June 2022. However, some portion of interest accrued on the said loan is pending for payment as at balance sheet date. | 1Y MCLR + 3% (Presently 10.30%) |
| 3 | Union Bank of India (CELC) - 102 Lakhs (As per sanction letter dt. 31.08.2020) | Hypothecation of Inventory and receivables | Collateral Security given for OCC & Term Loan are given for this CELC Limit also. | Repayment of Principal in 18 Equated Monthly installments of Rs. 5.67 Lakhs (after moratorium period of 6 months from the date of first disbursement) commencing from April 2021. However, some portion of Principal and interest accrued (Approx. 3 EMIs) on the said loan is pending for payment as at balance sheet date. | Interest Rate - 8.00% p.a. (Fixed) |

2.0 Nature of Security and terms of repayment for working capital limits from banks:

| S.No. | Lender | Primary Security | Collateral Security | Terms of Payment | Int. Rate |
|-------|---|--|---|--|---|
| 1 | Union Bank of India (CC) - 1020 Lakhs as per sanction letter Dt. 30.03.2022 | Hypothecation of Inventory and receivables | 1. Equitable Mortgage of properties belonging to Promoters & their friends and family members as specified in the below schedule in the name of the persons as detailed below 2. Hypothecation of plant and machinery and other fixed assets after excluding the value of vehicles from WDV of Fixed Assets since the company has taken vehicle loans from other Banks | On demand Margins : Stock in trade - 25% Receivables -30% | EBLR (6.80) + 4.25% - 0.25% = 10.80% p.a. |

1.3 Schedule of Collateral property

| S.No. | Type | Belonging To | Address | Offered to | Others |
|-------|---|--|---|---------------------|--------|
| 1 | Residential Flat (UDS 45 Sq.Yds, extent of 1279 sft. Including common area) | Adusumilli Sri Nagaveer | Flat No. FF2 in First floor, Sai Ganesh Apartment situated at D.No 59A-7-28 & 29, RS No. 134/2, Municipal Ward No. 32/5, State Bank of Hyderabad Staff Colony, Patamata, Vijayawada Municipal Corporation | Indian Bank | |
| 2 | Residential Vacant Site (721 Sq.Yds) | Adusumilli Vasavi W/o Nagaveer | Plot No. 151 & 152, L.P No.33/2013/VJS, R.S No. 262/1, 263, 273/3B, beside Airport Area, Kesarapalli (V) and GP, Gannavaram(M), Krishna Dist. | Union Bank of India | |
| 3 | Vacant Residential Plot (209 Sq.Yds) | Tammareddy Venkataratnam S/o Seetharamaiah | Plot No.980, Near Door No. 2-94, Tadigadapa Donka Road, LRS No.3571/2008, R.S No.95/1, Poranki Village and GP, Janachaitanya Layout, Penamaluru Mandal, Vijayawada, Krishna Dist. | Union Bank of India | |
| 4 | Vacant Residential Plot (331.89 Sq.Yds) | Adusumilli Vasavi W/o Nagaveer | R.S No. 302 to 310, 320, 321, 322, 324, 361, 363 to 365, 384, 385, 387 to 391, 399, Plot no. 295, LIG, Nallagandla HUDA Residential Complex, Nallagandla (V), Serilingampally, GHMC & Mandal, Hyderabad, Rangareddy Dist. | Union Bank of India | |
| 5 | Residential Flat (UDS 61.04 Sq.Yds) | Adusumilli Vasavi W/o Nagaveer | Flat No.PH-5, Fourth floor at D. No. 59-1-15/1, Sai Kakatiya Apartments, Ramachandra Nagar, Old 5th No. Route, near Stella College, Vijayawada | Union Bank of India | |
| 6 | Residential Flat (UDS 61.04 Sq.Yds) | Adusumilli Sarat chandra Babu | Flat No. S-4 Second floor, Sai Kakatiya Apartments, R S No 8, D No 59-1-15/1, No 5 Bus route, Ashok Nagar, Ramachandra Nagar, Patamata, Vijayawada | Union Bank of India | |
| 7 | Residential Residential Plot (200 Sq.Yds) | Adusumilli Sri Nagaveer | R.s No. 278/3, plot No.171, RS No. 278/3, Kesarapalli Village, Gannavaram mandal, Krishna Dist. | Union Bank of India | |
| 8 | Residential Flat (61.04 Sq.Yds) | Adusumilli Sarat chandra Babu | Flat No. F-4 First floor, Sai Kakatiya Apartments, R S No 8, D No 59-1-15/1, No 5 Bus route, Ashok Nagar, Ramachandra Nagar, Patamata, Vijayawada | Union Bank of India | |
| 9 | Vacant Residential Plot (365 Sq.Yds) | Adusumilli Vasavi W/o Nagaveer | R.s No. 263, plot No.95, LP No. 33/2012, Saipriya Construction Layout, Backside of Airport Area Kesarapalli Village, Gannavaram mandal, Krishna Dist. | Union Bank of India | |
| 10 | Residential Flat (UDS 27.90 Sq.Yds) | Mr. Maddali Vijayewara Prasad S/o Rama Koteswara Rao | Ftat No.F-1, First floor, D.No.57-13-158, Anadam Heights, 2nd west veedhi, New Postat Cotony, Patamata, Vijayawada. | Union Bank of India | |
| 11 | Hypothecation of Plant & Machinery and other Fixed Assets | Tanvi Foods (India) Limited | Computers and Software, Furniture and Fixtures, Plant and Machinery, Office Equipment | Union Bank of India | |

1.4 Personal Guarantees of the following persons:

| S.No. | Particulars | Offered to |
|-------|----------------------------------|----------------------------------|
| 1 | A. Vasavi | Union Bank of India, Indian Bank |
| 2 | A. Sarat Chandra Babu | Union Bank of India, Indian Bank |
| 3 | A. Sarada | Union Bank of India, Indian Bank |
| 4 | A. Sri Nagaveer | Union Bank of India, Indian Bank |
| 5 | Tammareddy Venkata Ratnam | Union Bank of India |
| 6 | Maddali Vijayeswara Durga Prasad | Union Bank of India |

Note No. 41A**Vehicle Loans**

Vehicle Loans are secured by Hypothecation of Vehicles financed by respective banks

| S.No. | Lender | Category | Terms of Payment | ROI |
|-------|---|-----------------------|--|--------|
| 1 | Axis Bank Vehicle Loan - 752057 - Honda Jazz | Bank | <ol style="list-style-type: none"> 1. Repayable in 60 Monthly Installments of Rs. 0.17 Lakhs each commencing from 15-Mar-2016 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 Months. As of Balance Sheet date, The company has defaulted payment of principal of Rs 1.78 Lakhs, this needs to be paid alongwith interest and applicable charges. | 9.90% |
| 2 | Toyoto Vehicle Loan - 124839 - Innova Crysta | Financial Institution | <ol style="list-style-type: none"> 1. Repayable in 60 Monthly Installments of Rs. 0.49 Lakhs each commencing from 20-Jan-2018 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 Months. 3. As of Balance Sheet date, Overdue of 1 EMI of Rs 0.49 Lakhs of this loan. | 8.17% |
| 3 | Axis Bank Vehicle Loan - 172759 - Mahindra Camper | Bank | <ol style="list-style-type: none"> 1. Repayable in 47 Monthly Installments of Rs. 0.18 Lakhs each commencing from 20-Jun-2018 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 Months. The company has defaulted payment of this loan as on 31-03-2022 Period of Default : 13 Months Amount of Default : Rs. 2.34 Lakhs Principal Overdue : Rs. 2.02 Lakhs Interest Overdue : Rs. 0.33 Lakhs | 11.50% |

Unsecured Business Loans

| S.No. | Lender | Category | Terms of Payment | ROI |
|-------|---|-----------------------|--|--------|
| 1 | Capital First Limited - Business Loan | Financial Institution | <p>1. Repayable in 36 Monthly Installments of Rs. 1.79 Lakhs each commencing from 02-Sep-2018</p> <p>2. The company has availed moratorium of 6 months from Mar'20 to Aug'20.</p> <p>3. The Company has not paid 5 Installments from Sept'20 to Jan'21. Then the loan has been restructured and sanctioned moratorium for 6 months from Feb'21 to July'21. Remaining 25 Installments commencing from Aug'21.</p> <p>The company has defaulted payment of this loan as on 31-03-2022</p> <p>Period of Default : 02 Months Amount of Default : Rs. 3.59 Lakhs Principal Overdue : Rs. 2.72 Lakhs Interest Overdue : Rs. 0.87 Lakhs</p> | 19.00% |
| 2 | Oxyzo Financial Services Private Limited - Business Loan - Purchase Financing | Financial Institution | Repayable in 90days from the date of payment to Suppliers/ Service Providers / Other creditors | 19.00% |
| 3 | Clix Capital Services Private Limited - Business Loan | Financial Institution | <p>1. This loan has been restructured in Jan'21 with EMI moratorium for Feb'21 to Jul'21.</p> <p>2. Repayable in 14 installments of Rs.1.39 lakhs each commencing from Aug'21 to Sept'22 and balance 6 installements of 2.16 lakhs each from Oct'22 to Mar'23.</p> <p>The company has defaulted payment of this loan as on 31-03-2022</p> <p>Period of Default : 02 Months Amount of Default : Rs. 2.78 Lakhs Principal Overdue : Rs. 2.17 Lakhs Interest Overdue : Rs. 0.61 Lakhs</p> | 18.50% |

Disclosures relating to Borrowings of M/s Squarepeg Distribution Services Private Limited (Subsidiary)**Vehicle Loans**

Vehicle Loans are secured by Hypothecation of Vehicles financed by respective banks

| S.No. | Lender | Category | Terms of Payment | ROI (p.a) |
|-------|------------------------------------|----------|---|-----------|
| 1 | Axis Bank Vehicle Loan-TATA 2518_3 | Bank | <p>1. Repayable in 35 Monthly Installments of Rs. 0.60 Lakhs each commencing from Sep-2018</p> <p>2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 Months.</p> <p>As of Balance Sheet date, The company has defaulted payment of principal of Rs 10.83 Lakhs this needs to be paid alongwith interest and applicable charges.</p> | 11.00% |

Unsecured Business Loans

| S.No. | Lender | Category | Terms of Payment | ROI (p.a) |
|-------|------------------------------------|-----------------------|---|-----------|
| 1 | Shriram City Union Finance Limited | Financial Institution | <p>1. Repayable in 36 Monthly Installments of Rs. 1.10 Lakhs each commencing from Sep-2018</p> <p>2. The company has availed moratorium of 6 months from Mar'20 to Aug'20.</p> <p>3. The Company has defaulted in 6 Installments from Sept'20 to Mar'21. Then the loan has been restructured in March'21.</p> <p>4. Repayable in 12 installments of Rs.0.40 Lakhs each commencing from Apr'21 to Mar'22 and balance 27 installments of Rs.1.00 lakhs each from Apr'22 to Jun'24.</p> | 19.00% |
| 2 | Dewan Housing Finance Limited | Financial Institution | <p>1. Repayable in 36 Monthly Installments of Rs. 0.73 Lakhs each commencing from Oct-2018</p> <p>2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 Months.</p> <p>The company has defaulted payment of this loan as on 31-03-2022</p> <p>Period of Default : 11 Months</p> <p>Amount of Default : Rs. 8.76 Lakhs</p> <p>Principal Overdue : Rs. 7.13 Lakhs</p> <p>Interest Overdue : Rs. 0.90 Lakhs</p> | 18.00% |

42. Note: Contingent Liabilities:
Following are the claims against the Company that are not acknowledged as debts.

| Sl. No. | Name of the Statute | Nature of Dues | Disputed Amount | Period | Forum, where the dispute is pending | Amount deposited towards disputed demand amount | Remarks |
|---------|----------------------|----------------|-----------------|---------|--------------------------------------|---|--|
| 1 | Income Tax Act, 1961 | Income Tax | | 2012-13 | Income Tax Appellate Tribunal (ITAT) | | As per Asst Order (Consequential) dt 04.10.21 Addl Income of Rs 51.65 Lakhs is admitted by the company on account of not eligible for exemption u/sec 80IB of Income Tax Act. However, Tax payable is adjusted against Self Asst Tax and Appeal Deposit and Company has received Refund of Rs 0.92 Lakhs. Hence, Net tax outflow during FY2122 is Nil |
| 2 | Income Tax Act, 1961 | Income Tax | | 2013-14 | Income Tax Appellate Tribunal (ITAT) | | <ol style="list-style-type: none"> Addl Income of Rs 174.55 Lakhs is admitted by the company as per Asst Order (Consequential) dt 04/10/21 and the said additional income is eligible for exemption u/sec 80IB. Consequently, Tax effect (MAT) effect on the said income is Nil MAT Credit of Rs 5.03 Lakhs is also recognised in the books of accounts during the FY 2021-22 as per said consequential Order. <p>Hence, Company has received Refund of Rs 18.53 Lakhs.</p> |
| 3 | Income Tax Act, 1961 | Income Tax | | 2014-15 | Income Tax Appellate Tribunal (ITAT) | | <ol style="list-style-type: none"> Addl Income of Rs 272.24 Lakhs is admitted by the company as per Asst Order (Consequential) dt 04/10/21 and the said additional income is eligible for exemption u/sec 80IB. Consequently, Tax effect (MAT) effect on the said income is Nil Hence, Company has received Refund of Rs 23.96 Lakhs dt 29/10/21 MAT Credit of Rs 19.89 Lakhs is also recognised in the books of accounts during the FY 2021-22 as per said consequential Order. Tax Payable of Rs 1.67 Lakhs on business income (other than income eligible u/sec 80IB) is set off against MAT Credit for FY 2013-14 Income Tax Department has filed an appeal on 23.12.2021 before Hon'ble High Court of Telangana at Hyderabad against said Consequential Order and Received Notice dt 25.01.22 from said High Court stating that the company is not eligible to claim deduction u/sec 80 IB and Income Tax Payable of Rs 103.27 Lakhs for this year. Company has appointed Advocate for the said appeal and pending for hearing & response to be submitted. |

| | | | | | | | |
|---|----------------------|------------|-------|---------|--------------------------------------|--|--|
| 4 | Income Tax Act, 1961 | Income Tax | | 2015-16 | Income Tax Appellate Tribunal (ITAT) | | 1. Addl Income of Rs 24.36 Lakhs is admitted by the company as per Asst Order (Consequential) dt 29/10/21 and the said additional income is not eligible for exemption u/sec 80IB. 2. Consequentially, Tax effect (Normal) of Rs 8.05 Lakhs has been set off against MAT Credit available related to Prior Years. |
| 5 | Income Tax Act, 1961 | Income Tax | 3.94 | 2017-18 | CPC, Bangalore | | As per Notice of Demand issued by CPC dt 16.10.2019 |
| | | | 36.29 | 2017-18 | ITO, Ward 2(1), Hyderabad | | Notice u/sec 148 dt 13.04.2022 has been issued stating that the company is not eligible to claim Rs 36.29 Lakhs as deduction u/sec 80IB of Itax Act. |
| 6 | Income Tax Act, 1961 | Income Tax | 1.80 | 2018-19 | CPC, Bangalore | | As per Notice of Demand issued by CPC dt 29.07.2020 |
| 7 | Income Tax Act, 1961 | Income Tax | 14.93 | 2019-20 | CPC, Bangalore | | 1. As per Notice of Demand issued by CPC dt 24.12.2021 2. Rs 5.00 Lakhs paid vide Challan No 01705 dt 24.02.2021 & Rs 5.88 Lakhs paid vide challan No 20509 dt 25.02.2021 Total of Rs 10.88 Lakhs/- paid. Balance amount of Rs 4.06 Lakhs is yet to be paid |

It is not practicable for the Company to estimate the timings of cash outflows, if any, for FY 2017-18, FY 2018-19 & FY 2019-20 in respect of the abovepending resolution of the respective proceedings.

43. Note: Retirement Benefits :

The Gratuity liability is recognised in the books of accounts based on Actuarial Valuation in accordance with the Revised AS-15.

The Process and Assumptions taken for the purpose calculation of Gratuity is as follows :

| Particulars | As at 31.03.2022 Amount In Rs. | As at 31.03.2021 Amount In Rs. |
|--|-----------------------------------|-----------------------------------|
| Changes in Present value of Obligation : | | |
| Opening defined benefit obligation | 32.66 | 26.71 |
| Interest cost | 2.26 | 1.81 |
| Current services cost | 6.75 | 6.61 |
| Benefits paid | - | - |
| Actuarial (gains)/losses on obligation | (2.54) | (2.47) |
| Defined Benefit Obligation at the end | 39.12 | 32.66 |
| Asset and Liability (Balance Sheet) Position | | |
| Present Value of Defined benefit obligations at the end | 39.12 | 32.66 |
| Fair Value of Plan assets at the end | - | - |
| Funded Status - Deficit / (Surplus) | 39.12 | 32.66 |
| Unrecognised past service cost | - | - |
| Effects of Asset Ceiling | - | - |
| Net Liability / (Asset) at the end of the period | 39.12 | 32.66 |
| Expenses recognised in the statement of Profit and Loss | | |
| Current service cost | 6.75 | 6.61 |
| Interest cost on Obligation | 2.26 | 1.81 |
| Past Service cost | - | - |
| Expected return on Plan Assets | - | - |
| Amortization of Prior Service costs | - | - |
| Net Actuarial Gain / (Loss) to be recognised | (2.54) | (2.47) |
| Transfer In / (Out) | - | - |
| Curtailement (Gain) / Loss recognised | - | - |
| Settlement (Gain) / Loss recognised | - | - |
| Expense recognised in Statement of Profit and Loss | 6.46 | 5.95 |
| Assumptions : | | |
| Date of Valuation | 31.03.2022 | 31.03.2021 |
| Retirement age | 60 years | 60 years |
| Salary Growth rate (Per Annum) | 7.50% | 7.50% |
| Discount Rate (Per Annum) | 7.34% | 6.92% |
| Mortality Table | IALM (2012-14) | IALM (2012-14) |
| Average Future Service | 21.74 Years | 21.47 Years |
| GRATUITY LIABILITY | | |
| Short Term Liability | 2.41 | 2.28 |
| Long Term Liability | 36.72 | 30.39 |
| TOTAL NET LIABILITY | 39.12 | 32.66 |

44. Note: Capital Commitments

| Particulars | For the Year ended 31st March 2022 Amount In Lakhs. | For the Year ended 31st March 2021 Amount In Lakhs. |
|--|---|---|
| (a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances) | 1,322.99 | 1,547.43 |
| (b) Uncalled liability on shares and other investments partly paid | - | - |
| (c) Other commitments (specify nature) | - | - |

- 45** a) Sri Nagaveer Adusumilli, holds 5 Equity Shares in Polarcube Cold Storage Solutions (P) Ltd., Wholly Owned Subsidiary, in compliance of Sec.3 of Companies Act, 2013 and the beneficial ownership lies with the company.
- b) Sri Nagaveer Adusumilli, holds 5 Equity Shares in Squarepeg Distribution Services (P) Ltd., Wholly Owned Subsidiary, in compliance of Sec.3 of Companies Act, 2013 and the beneficial ownership lies with the company.
- 46** In the opinion of the Board, current assets, loans and advances are stated at a value, which could be realized in the ordinary course of business. The provision for all known liabilities made is adequate and not in excess of the amount reasonably necessary.
- 47** Some of the balances in Sundry Debtors, Sundry Creditors, Advances, Deposits, Secured loans and Unsecured Loans are subject to confirmation, reconciliations and adjustments, if any, which in the opinion of the management will not be significant.
- 48** These financial statements have been prepared in the format prescribed by the Schedule III to the Companies Act, 2013.
- 49** The figures of the previous year are re-grouped / re-classified wherever necessary to make them comparable with that of the current year.
- 50** The figures pertaining to Subsidiary company have been re-grouped / re-classified in consolidated financial statements wherever necessary to make them in line with the holding company's financial statements.

As per my report of even date

For and on behalf of the Board of Directors

For V N S S & Associates
Chartered Accountants

A. Sarat Chandra Babu
Chairman and WTD
DIN : 02589830

Adusumilli Vasavi
Managing Director
DIN : 02589803

VNS Srinivasa Rao
Proprietor
Member Ship No.225281
Firm Regn No. 018367S

A. Sri Nagaveer
Chief Executive Officer

S. Soumith Kumar
Company Secretary

Place : Hyderabad
Date : 30th May, 2022

TANVI FOODS (INDIA) LIMITED

(CIN: L15433TG2007PLC053406)

Registered Office: Flat No. 101, Alekhya Homes Temple Tree,
Raghavendra Colony Kondapur HYDERABAD-500084**ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING**

(to be surrendered at the venue of the meeting)

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of Tanvi Foods (INDIA) Limited.

I hereby record my presence at the 15th Annual General Meeting of the shareholders of Tanvi Foods (INDIA) Limited held on Saturday, December 31, 2022 at 2.00 p.m. at the Registered Office of the Company at Flat No. 101, Alekhya Homes Temple Tree, Raghavendra Colony, Kondapur, Hyderabad – 500084.

| | |
|----------------------------|--|
| Reg. Folio No. / Client ID | |
| DP ID | |
| CLIENT ID | |

Name and Address of Member

| |
|--|
| |
|--|

Signature of Shareholder/Proxy/Representative
(Please Specify)

TANVI FOODS (INDIA) LIMITED

(CIN: L15433TG2007PLC053406)

Registered Office: Flat No. 101, Alekhya Homes Temple Tree,
Raghavendra Colony Kondapur HYDERABAD-500084

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]

| | |
|---------------------|--|
| CIN | L15433TG2007PLC053406 |
| Name of the Company | TANVI FOODS (INDIA) LIMITED |
| Registered Office | Flat No. 101, Alekhya Homes Temple Tree, Raghavendra Colony, Kondapur, Hyderabad-500084 |
| Name of the Member | |
| Registered Address | |
| Email ID | |
| Folio No/ Client ID | DP ID.: |

I/We, being the member(s) of _____ shares of the above named company, hereby appoint

| | | |
|----|----------------|-----------|
| 1. | Name: | |
| | Address | |
| | Email ID | Signature |
| | Or failing him | |
| 2. | Name: | |
| | Address | |
| | Email ID | Signature |
| | Or failing him | |

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 15th Annual General Meeting of the Company to be held on Saturday, December 31, 2022 at 2.00 P.M. at the Registered Office of the Company at Flat No. 101, Alekhya Homes Temple Tree, Raghavendra Colony, Kondapur, Hyderabad – 500084 and at any adjournment thereof in respect of such resolutions as are indicated below:

| | For | Against |
|---|-----|---------|
| Ordinary Business | | |
| 1. To receive, consider and adopt the audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2022 and the Reports of the Board of Directors and Auditors thereon. | | |
| 2. To receive, consider and adopt the audited Consolidated Financial Statement of the Company for the Financial Year ended March 31, 2022 and the Report of Auditors thereon. | | |
| 3. To appoint a Director in place of Ms. Vasavi Adusumilli (DIN: 02589803) who retires by rotation and being eligible offers herself for re-appointment. | | |
| 4. Appointment of M/s Sagar & Associates, Chartered Accountants, Hyderabad as Statutory Auditors | | |

| | For | Against |
|--|-----|---------|
| Special Business | | |
| 5. Appointment of M/s Sagar & Associates, Chartered Accountants as Statutory Auditors of the Company to fill-in causal vacancy arisen due to resignation of existing statutory auditors. | | |
| 6. Appointment of Mr. Sai Sumith Balusu (DIN: 09815659) as an Independent Director: | | |
| 7. Appointment of Ms. Badram Vijaya Lakshmi (DIN 09815723) as an Independent Director: | | |
| 8. Appointment of Mr. Sri Nagaveer Adusumilli, (DIN: 02589803), as Director | | |
| 9. Appointment of Mr. Sri Nagaveer Adusumilli, (DIN: 02589803), as Managing Director | | |
| 10. Appointment of Ms. Kesara Charita (DIN: 07595056) as Director | | |
| 11. Appointment of Ms. Kesara Charita (DIN: 07595056) as Whole Time Director | | |
| 12. Authorization to Board to borrow funds | | |
| 13. Authorization to Board to create charge on the assets of the Company | | |

Signed this day of 2022.

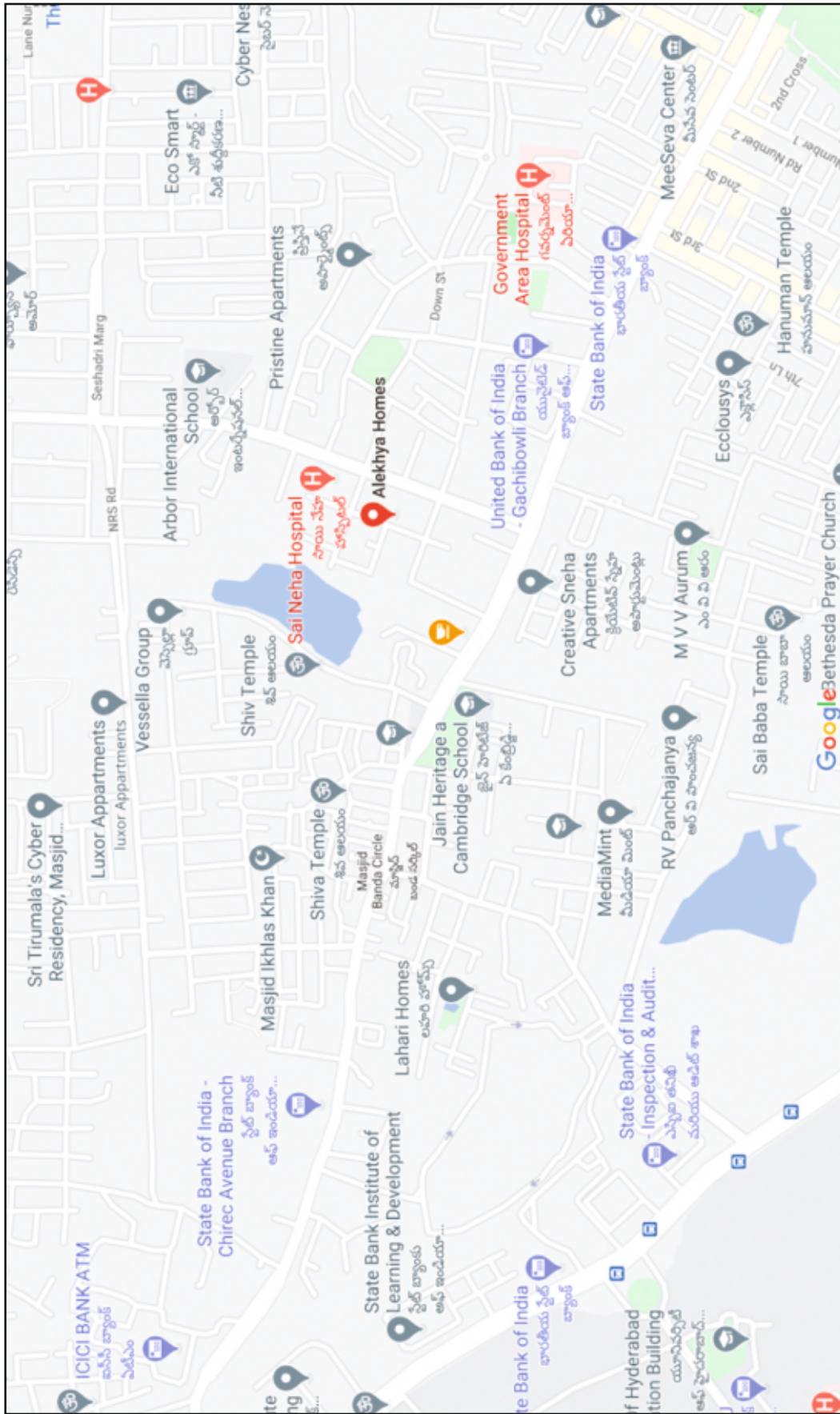


Signature of shareholder: Signature of Proxy holder(s):

Signature of Proxy holder(s):

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

ROUTE MAP



Frozen for life

Get in touch

Reg. Office :

Flat No 101,
Alekhya Homes,
Temple trees,
Raghavendra Colony;
Kondapur
Hyderabad-500084
Telangana
INDIA

Factory Address:

D. No- 3-157 ; Seetharampuram
Nuzvidu Mandal,
Krishna Dt.
521106
Andhra Pradesh
INDIA.



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