



BSE Ltd.
[Bombay Stock Exchange Ltd]
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001

AFL/SEC/BSE/ 102/2024-2025
3rd September, 2024

By Online Submission

KIND ATTN: CORPORATE SERVICES DEPARTMENT

Subject: - Intimation of Annual General Meeting and submission of Annual Report for the Financial year ended on 31st March 2024.

We would like to inform you that, the 5th Annual General Meeting of the members of the Company is scheduled to be held on Thursday, 26th September 2024 at 11.30 AM through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM') in compliance of provisions of the Companies Act, 2013 (the Act) and rules thereof read with the MCA General Circular No.09/2023 dated 25th September, 2023 and SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023.

Pursuant to the provisions of Regulation 34 1(a) and Pursuant to sub para 12 of Part A of Schedule III of Regulation 30 of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 we are enclosing herewith a copy of the Annual Report for the Financial Year ended on 31st March 2024 together with the Directors Report and Auditors Report thereon, and the Notice convening the 5th Annual General Meeting of members of the Company.

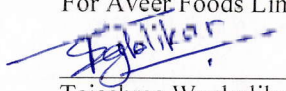
In view of the provisions of the above circulars the above documents are being sent to the shareholders on 3rd September, 2024 through electronic mode only to those shareholders who have furnished their Email IDs to the Company /R & T Agent and no physical copies shall be dispatched to the Shareholders.

An intimation of the Book Closure date has been given to you separately through your online portal.

Kindly take note of the same and update your electronic records.

Thanking You.

Yours Faithfully,
For Ameer Foods Limited


Tejashree Wagholikar
Company Secretary & Compliance Officer



Encl: As above.

AMEER FOODS LIMITED

Regd. & Corporate Office: Plot 55/A/5 6, Hadapsar Industrial Estate, Near Tata Honeywell, Pune - 411013.
Website: www.ameerfoods.com **Email id:** contactus@ameerfoods.com **Tel:** 020-26872095 / 67092095
CIN: U15549PN2019PLC183457

Factory: Plot No. 399 & 400, Village Sanghvi, Taluka Khandala, District Satara - 412801 **Tel No.:** 9922990065
Plot No. 545/546 Belur Industrial Area, Village Mumigatti, Dharwad - 580011 **Tel No.:** 083-62001133

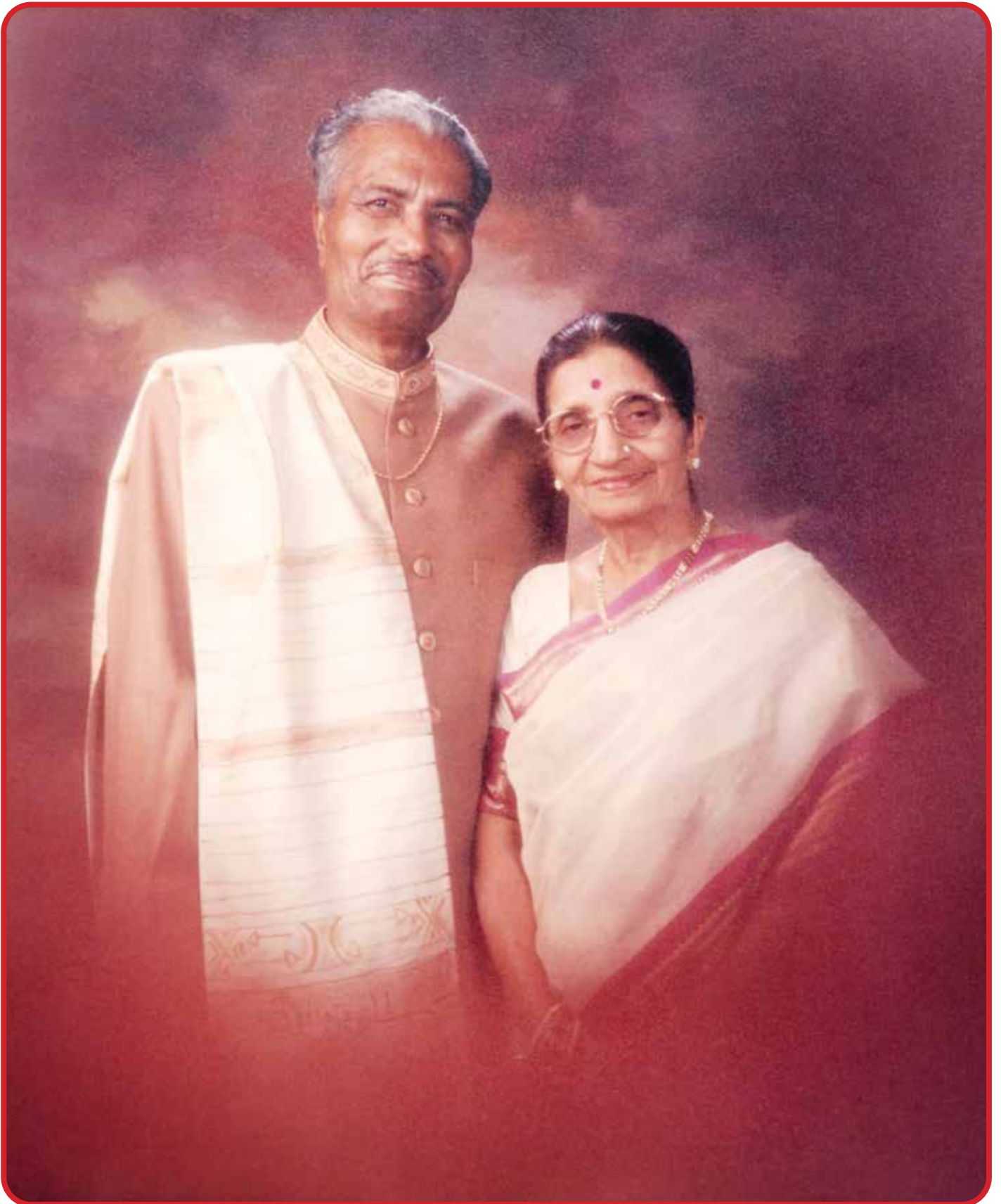
5th

Annual Report

2023-2024

AVEER FOODS LIMITED





Founders of the Business

Late Shri. Hukmichand Ji Chordia (Bhau) & Late Shrimati. Kamalbai Chordia (Bai)

We're indebted to them for their support and learnings and promise to take forward their legacy, values & beliefs to greater heights and to every kitchen

AVEER FOODS LIMITED
[CIN: U15549PN2019PLC183457]
FIFTH ANNUAL REPORT 2023-2024

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Mr. Rajkumar Chordia
Non Executive Chairman
[DIN:00058185]

Mr. Vishal Chordia
Managing Director
(Strategy, Marketing & Finance)
[DIN:01801631]

Mr. Anand Chordia
Managing Director
(Product Development, Innovation & Technology)
[DIN:00062569]

Mr. Babu Gavhane
Whole Time Director
[DIN:00386217]

Mr. Vijaykumar Kankaliya
Independent Director
[DIN:06669157]

Mr. Rajendra Lunkad
Independent Director
[DIN:07881961]

Mr. Ritesh Mehta
Independent Director
[DIN:00607521]

Dr. Ajitkumar Mandlecha
Independent Director
[DIN:06822184]

Mrs. Samruddhi Mehta
Woman Independent Director
[DIN:09667729]

Mr. Dharmendra Tulshyan
Chief Financial Officer

Mrs. Tejashree Waghlikar
Company Secretary & Compliance Officer

AUDITORS:

M/s Bharat H Shah & Associates,
Chartered Accountants, Pune
Statutory Auditor

BANKERS:

HDFC Bank Ltd., Bund Garden Road Branch, Pune

REGISTRAR AND SHARE TRANSFER AGENT

Satellite Corporate Services Pvt. Ltd.
A/106-107, Dattani Plaza, Kurla Andheri Road,
Kurla (w), Nr Safed Poll East West Industrial
Estate, Mumbai- 400072

REGISTERED OFFICE:

Plot No. 55/A/5+6 Hadapsar Industrial Estate,
Near Tata Honeywell, Hadapsar, Pune- 411013

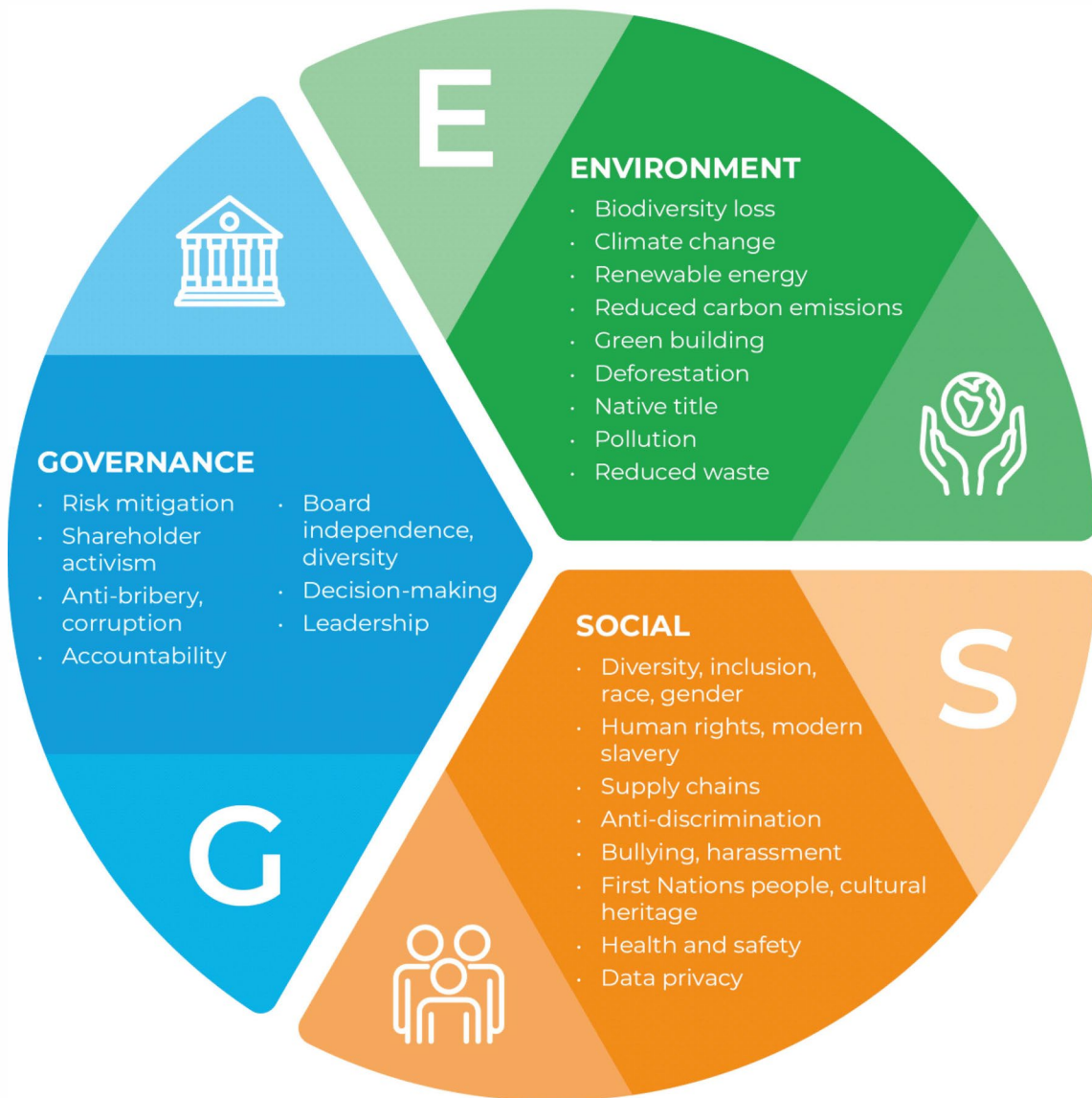
DEMAT ISIN: INE09BN01011

EQUITY SHARES ARE LISTED AT: BSE LTD.




SCRIP CODE: 543737

INFORMATION FOR SHAREHOLDERS 5TH ANNUAL GENERAL MEETING	CONTENTS	PAGE NOS.
Date : Thursday, 26th September, 2024 Time : At 11.30 A.M. Venue: Through Video Conferencing or any Other Audio-Visual Means Date of Book Closure: Saturday 21st September, 2024 to Thursday 26th September, 2024 (both days inclusive)	1. Notice 2. Boards Report & Annexure 3. Auditors Report on Financial Statement 4. Financial Statements 5. Notes to Accounts on Financial Statements	1-8 9-23 24-31 32-35 36-68

ENVIRONMENTAL SOCIAL AND GOVERNANCE PILLARS

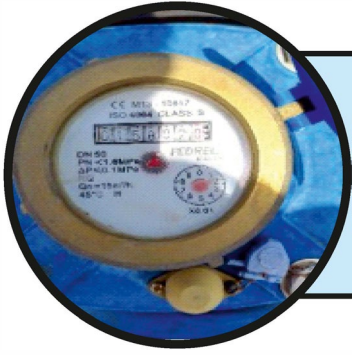


ESG FOCUS AREAS FOR AVEER FOODS LIMITED

Environment 	Social 	Governance 
<p>Water Management</p> <ul style="list-style-type: none"> ● Flow meters have been installed at critical locations at the water source to monitor and enhance the flow of used water and waste water. Waste water has been recycled through ETP (effluent treatment plant) and utilized for gardening purposes. ● Additionally, external water audits have been conducted at the factory sites, which assist in comprehending water usage patterns and pinpointing opportunities for conservation and efficiency enhancements. <p>Waste Management</p> <ul style="list-style-type: none"> ● Effectively separating, recycling, and upcycling both organic and inorganic waste, while ensuring that in-organic hazardous materials are managed by certified recyclers. 	<p>Health & Safety</p> <p>Achieving comprehensive safety for both humans and machines through a range of projects and continuous improvement initiatives.</p> <p>HR Policies:</p> <p>A range of initiatives is implemented to promote employee well-being, focusing on maintaining a balance between work and personal life, enhancing mental and physical health, and fostering family engagement activities.</p> <p>DEI (Diversity, Equity, Inclusion) Initiative</p> <p>Creating a vibrant, fair, and welcoming work environment that embraces diversity and appreciates hard work.</p>	<p>We adhere to rules and ensure that our decision-making and operations comply with laws, regulations, and ethical standards.</p>

WATER MANAGEMENT

WATER MONITORING & RECYCLING



Installed Water flow meters at key points to monitor and optimize the flow.

100 % effluent water recycled and reused for gardening.



WASTE MANAGEMENT

We properly segregate inorganic waste and ensure that it is handled by authorized recyclers for recycling purposes.



HDPE Bags



LDPE



Silver Foil

For degradable waste includes organic waste that easily degrades, and we are using for farming to enhance nutrient levels in the soil. At Dharwad unit, for compost making we are using **drum composter machine**.



EMPLOYEE ENGAGEMENT ACTIVITIES



We conduct a weekly satsang program for employees to support their well-being, maintain work-life balance, and promote mental and physical health.



Employees Family Engagement activities



Employees Work anniversary celebration



Diwali lunch for workers



Kite Flying Event



Cultural activities award ceremony

NOTICE

NOTICE is hereby given that 5th Annual General Meeting of the Members of **Aveer Foods Limited** will be held on **Thursday, 26th September, 2024 at 11.30 A.M.** through Video Conferencing (VC) or Other Audio Visual Means (OAVM) facility in conformity with the MCA General Circular No.09/2023 dated 25th September, 2023 and SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023 to transact the businesses as mentioned below:

1) Adoption of Audited Financial Statements:

To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March,2024 together with the Reports of Auditors and Directors thereon.

2) Re-appointment of Mr. Vishal Chordia Managing Director of the Company, liable to retire by rotation.

To consider and if thought fit, to pass the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT Mr. Vishal Chordia [DIN: 01801631] Managing Director of the Company, who retires by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 and being eligible, offers himself for reappointment, be and is hereby reappointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

3) Approval of Related Party Transactions:

To consider and if thought fit, to pass, the following Resolution as an **Ordinary Resolution:**

"RESOLVED THAT in partial modification of the Resolution passed at the 2nd Annual General Meeting held on 14th August, 2021 and subsequent Resolution passed at the 4th Annual General Meeting held on 25th September, 2023 pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and applicable provisions if any of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 and rules made there under (including statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other statutory approvals as may be necessary and as recommended by the Audit Committee and the Board, approval of the members of the Company be and is hereby accorded for a revision in the estimated Annual Value of the transaction with M/s Pravin Masalewale , a Related Party from ₹ 10,00,00,000/- [Rupees Ten crores Only] to ₹ 25,00,00,000/- [Rupees Twenty-Five Crores only] for undertaking the transaction/s of purchase/ sale of goods/ transfer/Assign whether of Raw Material, Goods in process, Finished Goods, Packing Material or otherwise, and providing of any services including permission/license to use Trademarks for the remaining period of Two (2) Financial Years i.e. 2024 -2025 and 2025-2026 and on such terms and conditions as may be mutually agreed upon by and between the Board of Directors of the Company and that the limits approved for transactions with other related entities remain unchanged.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to negotiate and finalise other terms and conditions and to do all such acts, deeds and things including delegation of powers as may be necessary, proper or expedient to give effect to this Resolution."

By Order of the Board of Directors
For Aveer Foods Limited

Tejashree Waghlikar
Company Secretary
ACS No. 39767

Place : - Pune
Date : - 13th August 2024

NOTES: -

- 1) Ministry of Corporate Affairs ("MCA") has its recent Circular No. General Circular No.09/2023 dated 25th September, 2023 permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing/Other Audio Visual Means ("VC/OAVM") without the physical presence of the Members at a common venue. Further, Securities and Exchange Board of India ("SEBI"), vide its recent circular dated 5th January, 2023 and other applicable circulars issued in this regard have provided relaxation from compliance with certain provisions of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 ("Listing Regulations"). Accordingly, the 5th Annual General Meeting of the Company is being conducted through VC/OAVM which does not require the physical presence of members at a common venue. Hence the route map is not annexed to the Notice.
 - 2) In terms of the MCA Circulars since the physical attendance of members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for this Annual General Meeting. Hence the Proxy Form and Attendance slip are not annexed to the Notice. Institutional/ Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorizing its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to sck@cssatishpatil.com with copies marked to the Company at investors@aveerfoods.com and to its RTA at service@satellitecorporate.com.
 - 3) Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of Item Nos. 3 to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
 - 4) Notice is also given that the Register of Members and Share Transfer Books in respect of Equity Shares of the Company will remain closed from Saturday 21st September 2024 to Thursday 26th September 2024. (Both days inclusive).
 - 5) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, and with respect to the above circulars Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail addresses with Company or Depository. The Company shall send physical copies of the Annual Report 2023-2024 only to those shareholders who specifically requests for the same by sending mail at investors@aveerfoods.com.
 - 6) **Pursuant to the demerger between Chordia Food Products Limited (Demerged Company) and Aveer Foods Limited (Resulting Company), the shareholders of CFPL who were holding their shares in Demat form on the Record Date i.e 4th August, 2022 were allotted shares of the Company in Demat Form and were credited to their respective Demat accounts. The shareholders of CFPL who were holding shares in physical mode, as on record date, the shares allotted to them are credited to 'Aveer Foods Limited-Physical Unclaimed Securities Escrow Account'. A communication was sent to the shareholder explaining the procedure to claim the shares in their demat account. Shareholders holding shares in physical mode are requested to submit the KYC documents in ISR-1, ISR-2, ISR-4, along with Client master list, convert their existing shares of Chordia Food Products Limited in demat. Once the KYC is updated in Chordia Food Products Limited, shares of Aveer Foods Ltd will be credited in the demat accounts of the respective shareholders.**
- 1. General Instructions for attending the Annual General Meeting through Video Conferencing (VC)/ Other Audio Visual means (OAVM)**
- a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars mentioned above, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, Scrutinizers etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
 - b) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
 - c) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.aveerfoods.com. The Notice can also be accessed from the website of the Stock exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

- d) Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- e) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- f) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- g) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- h) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at (company email id: investors@aveerfoods.com). These queries will be replied to by the company suitably by email.
- i) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

2. General Instructions for remote E-VOTING: [EVSN: 240827048]

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rules prescribed there for, Secretarial Standards -2 on General Meeting and Regulation 44 of SEBI [Listing Obligations and Disclosure Requirements] 2015, the Company offers remote E-voting option to all the Members for all the Items covered in the Notice convening the Annual General Meeting. For this purpose, the Company has made an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating E-voting as an alternate for the Members to enable them to cast their votes electronically.

The EVSN allotted by CDSL for Electronic Voting is 240827048.

The Members are requested to read the following instructions for voting via electronic mode. The Members who opt for voting via electronic mode are requested to go through the instructions given below and they should vote electronically during 9.00 a.m. (Starting Time) on Monday , 23rd September, 2024 and ends at 5.00 p.m. (Ending Time) on Wednesday 25th September 2024.

The procedure and instructions for E-voting are as follows:

- Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasitoken/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasitoken. 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 i.e. CDSL/NSDL/KARVY/LINKINTIME, 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 https://web.cdslindia.com/myeasitoken/Registration/ Easi Registration 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.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>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.nSDL.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 or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.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 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 or joining virtual meeting & voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through Their Depository Participants	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 or joining virtual meeting & voting during the meeting.

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. In case your mobile number and email id s are not registered in your demat account kindly get the same updated to enable you get the OTP.

- Login method for e-Voting and joining virtual meeting for shareholders holding in Demat form
 - i. The voting period begins 9.00 a.m. (Starting Time) on Monday, 23rd September, 2024 and ends at 5.00 p.m. (Ending Time) on Wednesday 25th September 2024. During this period Shareholders’ of the Company, holding Shares as on the cut-off date, Thursday 19th September, 2024, may cast their vote electronically. The E-voting module shall be disabled by CDSL for voting thereafter.
 - ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - iii. The Shareholders should log on to the e-voting website www.evotingindia.com;
 - iv. Click on “Shareholders” tab to cast your votes;
 - v. Now Enter your User ID
 - a) For Shareholder holding De-materialized Shares in CDSL: 16 digits beneficiary ID,
 - b) For Shareholder holding De-materialized Shares in NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - vi. Enter the image Verification as displayed and Click on Login.
 - vii. If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - viii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
	For Members holding shares in Demat Form
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <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 as mentioned in instruction (v).

- ix. After entering these details appropriately, click on "SUBMIT" tab;
- x. However, members 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.
- xi. Click on the EVSN for Aveer Foods Limited on which you choose to vote.
- xii. 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.
- xiii. Click on the "Resolutions File Link" if you wish to view the entire Resolutions details.
- xiv. 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.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. If Demat account holder has forgotten the changed password then Enter the User ID and Image Verification Code and click on Forgot Password & enter the details as prompted by the system.
- xviii. **Note for Institutional Shareholders and Custodians**
 - Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the Scrutinizer to verify the same.

- xix. In case you have any queries or issues regarding E-voting, you may refer the Frequently Asked Questions (“FAQs”) and E-voting manual available at www.evotingindia.com, under help section or write an email to evoting@cdslindia.com.
- xx. Following are the important dates:

Cut off date for E-Voting	Thursday 19-09-2024
E-voting Start date /time	Monday, 23-09-2024-09:00 AM
E-voting End date/Time	Wednesday, 25-09-2024-5:00 P M
AGM date/Time	Thursday, 26-09-2024 - 11:30 AM

3. The procedure and instructions for M-voting are as follows:

The Shareholders can also cast their Votes using CDSL’s Mobile App m-Voting available for mobiles. The m-Voting App can be downloaded from Google Play Store, Apple and Windows Phone users can down load the App from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the Mobile App while voting on your Mobile.

4. Scrutinizer and Scrutinizer’s Report

- i. M/s Satish Patil & Associates, Pune has been appointed as the Scrutinizer to scrutinize E-voting process i.e remote E-voting and e-voting at the time of AGM in a fair and transparent manner.
- ii. The scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the Votes cast in the meeting and thereafter unblock the votes cast through E-voting in the presence of at least two witnesses who are not in the employment of the Company. The e-voting option at the time of meeting will be closed at the time of conclusion of meeting.
- iii. The Scrutinizer shall make a consolidated Scrutinizers Report of the total votes cast in favor or against , if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith not later than forty eight hours of the conclusion of the AGM.
- iv. The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company at www.aveerfoods.com in and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Ltd.
- v. Corporate/Institutional Members (i.e. other than individuals, HUF, NRI etc.) may also cast their vote as shareholder for respective company and send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority Letter etc. together with attested specimen signature(s) of the duly authorized signatory/(ies) who are authorized to vote, to the Scrutinizer at email ID: sck@satishpatil.com. The scanned copy image of the above mentioned documents should be in the naming format “Corporate Name- EVSN.”

5. Instructions for Shareholders for E-voting during the AGM are as under:-

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

By Order of the Board of Directors
For Aveer Foods Limited

Tejashree Waghlikar
Company Secretary
ACS No. 39767

Place: - Pune
Date: - 13th August 2024

EXPLANATORY STATEMENT

(Pursuant to Section 102(1) of the Companies Act, 2013)

As required by Section 102 (1) of the Companies Act, 2013 the following Explanatory Statement sets out the material facts relating to the Special Business mentioned in the accompanying Notice dated 13th August, 2024.

Item No. 3

The Company is engaged in the Business of manufacturing of Pickles, Ketchups, Sauces, Chutneys, Thecha and handmade & machine made Papad.

To facilitate strategic initiatives, the Company will collaborate with other business entities associated with the relatives of the Promoters/ Directors, as well as their affiliated companies, which have extensive experience and a long-standing presence in the Food Industry. Transactions with these related parties are governed by Section 188 of the Companies Act, 2013, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules 2014, as well as the applicable provisions of SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 (Listing Regulations).

“Pravin Masalewale” is in the business of manufacturing spices, instant mixes, health supplements and processed food products. Pravin Masalewale continues deriving strength from the strong brand presence and established market position in domestic as well as international markets. Therefore, in light of the transaction volume with M/s Pravin Masalewale and the business requirements, regarding the adjustment of the product portfolio, further considerations are warranted.

Pursuant to the provisions of Section 188 of the Companies Act, 2013 and applicable provisions if any of the Listing Regulations all Related Party Transactions shall require prior approval of the Audit Committee and all material Related Party Transactions shall require approval of the members of the Company. All these contracts or arrangements shall be on Arm’s length basis and shall be in the ordinary course of business and as such the provisions of Section 188 will not apply for these transactions. However, as an abundant precaution the approval of members of the Company as set out at Item No. 3 of the Notice is being sought.

The Audit Committee and Directors at their Board Meeting held on 13th August, 2024 considered and reviewed the said proposal. The key details as required under Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 are as below. The estimated annual value of the transactions to be entered into with these organizations is given in the Resolution as set out at Item No. 3 of the notice: -

Sr. No.	Name of Related Party	Nature of Relationship	Duration of Contract and Particulars of Contract or arrangement	Material terms of the Contract/ Arrangement including the value if any	Any advance paid or received for Contract or Arrangement
1.	Pravin Masalewale	Partnership Firm in which Directors are Partners.	Arrangements if any made will be for a period upto 31/03/2026	On Arm’s Length Basis, as far as possible and in tune with market parameters, in the ordinary course of Business.	Nil

Any other information relevant or important for the members to make a decision on the proposed transaction: None

Accordingly, the approval of the shareholders u/s 188 of the Companies Act, 2013 is being sought for the Resolution as set out in Item No. 3 of the Notice. The Board recommends the Resolution for approval by the Members.

None of the Directors of the Company except Mr. Rajkumar Chordia, Mr. Vishal Chordia and Mr. Anand Chordia Directors of the Company are concerned or interested in passing of the said Resolution.

By Order of the Board of Directors
For Aweer Foods Limited

Tejashree Waghlikar
Company Secretary
ACS No. 39767

Place: - Pune
Date: - 13th August 2024

Annexure A

Details of Director seeking Appointment/Re-appointment in the forthcoming AGM:

Name of the Director	Mr. Vishal Rajkumar Chordia
DIN	01801631
Date of Birth	2 nd January, 1977
Date of original Appointment	11 th April, 2019
Relationship with Directors	Relative (Son) of Mr. Rajkumar Chordia – Chairman & (Brother) Mr. Anand Chordia Managing Director
Qualifications	Post Graduate in Business Management from Symbiosis Institute of Management.
Nature of his Expertise in specific functional areas	With over 25 years of experience in marketing, he serves as the marketing and strategic head at Pravin Masalewale & the Company. As a third-generation entrepreneur, he plays a vital role in the management of this modern food business, which specializes in integrated spice products. Currently, he is actively engaged in the operations of Pravin Masalewale, a partnership firm, where he oversees the strategy, marketing, and finance aspects of the business. He has been a member of the company's board since 2019.
Name of the Listed Companies in which he holds Directorship, and Membership of the Committees of the Board as on 31/03/2024	NIL
No. of Shares held in the Company as on date	3,78,258 (9.39%)

DIRECTORS' REPORT

To,
The Members,
Aveer Foods Limited

The Directors have pleasure in presenting the 5th Annual Report together with the Audited Statement of Accounts of the Company for the financial year ended 31st March 2024.

1. FINANCIAL RESULTS:

The Financial Results for the year ended 31st March, 2024 are briefly given below: -

(Amount in lakhs)

Particulars	2024-2023	2022-2023
Sales & Other Income	9640.40	9763.66
Profit before Depreciation & Interest	568.59	346.88
Less:- Depreciation	328.63	132.37
Interest/Finance cost	114.62	112.24
Profit before exceptional Item	125.34	102.27
Add: Exceptional Items	-	-
Add: Extra Ordinary Item of Income	-	-
Profit before Tax	125.34	102.27
Less: Provision for Taxation		-
Less: remeasurement of net defined benefit plans	(3.11)	
Profit after Taxation for the Year	122.23	102.27

2. DIVIDEND:

The members of the Company are requested to note that despite its strong operational performance during the financial year ended 31st March, 2024, the Board of Directors do not recommend dividend on equity shares for the Financial year 2023-24, considering the accumulated losses.

3. TRANSFER TO RESERVES:

The Board not proposed to transfer any amount to the General Reserve.

4. EVENTS OCCURRED DURING THE FINANCIAL YEAR UNDER REPORT:

- a) Pursuant to Clause 9.10 of the Scheme of Demerger duly approved by Hon'ble NCLT, Mumbai Bench vide its Order dated 1st July, 2022 the holding of shareholders of Pradeep Chordia family (PHC Group) as mentioned in the said clause was required to be brought down to 5% of the total shareholding of the Company. Accordingly, PHC Group transferred their shares to Rajkumar Chordia family (RHC Group) by way of Gift as an Inter Se Transfer amongst Promoters. Post Inter-se transfer of shares in the Company, the holding of the Promoters of RHC Group is 67% and that of PHC Group is 5%.

- b) An application has been made to the BSE for the reclassification of Promoters from the Promoter/Promoter Category to the Public Category, in accordance with the provisions of regulation 31(1A) 10 of the Listing Regulations, 2015. This application is currently pending with BSE Ltd.

5. COMPANY'S AFFAIRS, PERFORMANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORT:

FINANCIAL AND PRESENT PERFORMANCE:

During the year under review, the Revenue from Operations of the Company was ₹ 9640.40 Lakh as against ₹ 9763.66 Lakh of the previous year. The Company's profits have increased by approximately by 20%, with the after-tax profit for the current financial year at ₹ 122.23 Lakh, compared to ₹ 102.27 Lakh in the previous financial year.

INDUSTRY STRUCTURE, DEVELOPMENT, & FOCUS AREAS:

5.1 Industry Trends:

The food industry is undergoing a remarkable transformation, marked by emerging trends that are poised to significantly impact consumer demand in the coming years. Alternative food sources, sustainable practices, hyperlocal sourcing and integration of cutting-edge technologies like AI and machine learning are shaping the future of the food sector. Sustainability focuses among market leaders accelerated the efforts towards emphasizing regenerative agriculture practices. The sustainability trend will continue with heightened emphasis on circular economy. Efforts intensify in reducing food waste, advancing eco-friendly packaging and enhancing energy-efficient operations. Certifications like organic and fair trade, along with transparent, traceable supply chains will remain crucial in shaping a more sustainable and ethical food landscape in 2024.

5.2 Government Initiatives:

Both the Central and State Governments are prioritizing the development and preservation of agricultural products, with a significant emphasis on increasing the processing of various agro-cultivations. The Indian Government has encouraged private sector investments in agriculture and related fields to improve value addition. The food ecosystem in India presents vast investment opportunities, driven by robust growth in the food retail sector, supportive economic policies, and appealing fiscal incentives. The Government of India, through the Ministry of Food Processing Industries (MoFPI), is implementing all essential strategies to enhance investments in the food processing sector within the country.

5.3 Company Overview:

The Company is continuing to operate the food division business and is mainly engaged in the food processing industry, which is showing remarkable growth. The main revenue of the Company is from products like Pickles, Ketchups, Sauces, Chutneys and handmade & machine made Papad.

The overall function-wise evaluation of the performance of the Company as under:

➤ **Sales & Marketing Function:**

Sales Performance – FY24 (April 23 to March 2024)

Sales performance for Aveer Foods Limited (AFL) remains muted for FY 24. The low growth was led by slowdown in pickle segment which is the largest for AFL. Most other key segments like chutney, papad and thecha grew in double digits.

Consumer segment of operation – Meal Accompaniments:

Aveer's key consumer segment of operations is "Meal Accompaniments". In India, meal accompaniments like pickles, chutney and papad are a very integral part of every Indian thali. Considering the taste and the choice of different generations, Aveer's product portfolio with a wide range of meal accompaniments is rightly placed to take advantage of rising demand for branded pre-packed range in both Indian and non-Indian meal accompaniments segments.

Portfolio Definition:

Aveer's product portfolio would be constructed under two broad segments – Indian and Non-Indian meal accompaniments. Currently the segment of Indian meal accompaniments has a wide offering from Aveer in pickle, chutney and papad categories. For non-Indian meal accompaniments, focus would be on the 2nd most consumed cuisine in India viz., Chinese and new products would be added to chutneys and sauces range in line with emerging consumer preferences.

Sales and Marketing plan details: Distribution scale up:

Today, Aveer range has access to more than 1500 distributors spread across India, This network of distributors is spread in all key Indian states and is among the widest distributor network in Indian in the meal accompaniment segment and is a key organizational driver for Aveer. Efforts are on to further strength the same.

➤ **Information Technology:**

The technology utilized by the Company is essential to its everyday business functions. The Company has invested in upgrading its technological infrastructure to enable efficient operational monitoring and, in turn, increase shareholder value. These investments encompass the adoption of technology-based tools, including the IT SAP system, which optimizes processes associated with raw material procurement, finished goods, vendor and supplier payments, and effective management of receivables. Furthermore, the Company has established a comprehensive data analytics and reporting system.

➤ **Human Resources:**

Human capital is being enhanced at the middle management and junior levels in key functions so as to cope up the future growth journey. We maintained our emphasis on well-being by addressing the distinct needs of our employees throughout their life journey, both professionally and personally. Medicare is acknowledged as a vital component of employee welfare. All staff members are provided with medical insurance coverage. The Company is dedicated to ensuring equal employment opportunities and fostering a healthy work environment that allows employees to perform their duties free from discrimination, gender bias, and sexual harassment. Furthermore, the Company upholds the principle that every employee deserves to be treated with respect. Throughout the year, the Human Resources department actively engaged employees through a variety of online and offline engagement initiatives, as well as numerous learning and development opportunities designed to enhance their skills and align them with organizational changes.

➤ **Internal Control & Finance:**

The organization has established strong internal control systems designed to enhance the effectiveness and efficiency of its operations, ensure the reliability of financial reporting, and maintain compliance with relevant laws and regulations. These systems are appropriately aligned with the organization's size, business nature, geographical reach, and operational complexity. The governance framework delineates responsibilities among the Board Committees, department heads, and process owners. Additionally, policies and procedures undergo regular reviews to ensure their continued relevance in a dynamic business landscape.

➤ **Quality Assurance:**

Material Quality Management:

At Aveer Food Limited, we adhere to a documented quality policy and objectives that are effectively communicated to all employees through training sessions and displayed in the local language within the workplace. We prioritize the procurement of high-quality raw materials, which are subsequently verified through rigorous quality assessment standards at GIGO basis i.e Goods in Goods Out to guarantee the excellence of our products for our customers. Our dedicated and technically sound Quality team is responsible for confirming and verifying the manufacturing process at every stage.

Employing HACCP principle:

The HACCP is comprehensively implemented in our process right from initial procurement stage through risk assessment. The risks are addressed

at each stage and OPRP/CCP steps are monitored for controlling major process hazards.

Compliance of regulatory standards:

We adhere rigorously to FSSAI standards for domestic sales and comply with the regulations and guidelines of specific countries when exporting our products. To enhance efficiency and ensure our commitment to customers, our facilities are certified under ISO 22000:2018 and FSSC 22000.

➤ **Research & development and Innovation:**

The Company's robust research and development capabilities, combined with its collaboration with skilled chefs and food specialists, allow it to continuously assess customer expectations and introduce innovative products aimed at pleasing consumers. Furthermore, its cutting-edge R&D center and manufacturing facility leverage advanced technology and contemporary techniques to ensure the production of top-quality products.

5.4 Risk & Mitigation:

The Company continuously identifies the risks involved in the business and try to mitigate those risks as under:

- 1) **Strategic Risk:** The key to our success lies in the creation of new products that take into account evolving consumer trends and purchasing behaviors. Additionally, we depend on the implementation of ongoing innovation and the utilization of cutting-edge technology within the food processing sector.

Mitigation: Regularly tracking international food trends and innovative food technologies, along with the swift implementation of applicable business models.

- 2) **Customer Demand Volatility:** The food processing industry serves as an extension of the agricultural sector, with both relying on one another for advancement. Progress in food processing has led to increased demand for fruits and vegetables within the agricultural sector. In today's world, consumer preferences and tastes have diversified, influenced by evolving lifestyles and heightened health awareness.

Mitigation: To address these challenges, we focused on sustainability, resilience, and innovation as top priorities. By adopting sustainable practices and fostering innovation, businesses can respond effectively to evolving consumer preferences and regulatory requirements, thereby securing their long-term success in a market influenced by climate uncertainties.

- 3) **Environmental risk:** The agricultural sector has faced challenges in recent years due to

fluctuations in the environment, unpredictable atmospheric conditions, and varying weather patterns. Securing high-quality raw materials at the appropriate time and price has become increasingly difficult, leading to higher raw material costs that may impact competitiveness and profit margins.

Mitigation: The Company monitors significant and large-scale purchases, and its dependable distribution network has allowed it to ensure a continuous supply of raw materials at established prices.

- 4) **Competition risk:** The food industry faces intense competition, encompassing both international corporations and participants from both organized and unorganized sectors. Striking a balance between marketing and pricing strategies proves challenging due to the extensive product range and high volumes introduced by international players, alongside the low pricing strategies employed by the unorganized sector. Additionally, the rising costs and limited availability of quality raw materials significantly impact the company's financial performance. Since the prices of the company's products are largely influenced by market conditions, there is little opportunity to set prices independently.

Mitigation: In response to the rapid advancements in technology, the Company is enhancing its capabilities by adopting newly developed manufacturing techniques and improving its production processes and infrastructure. Within the processed food sector, packaging plays a crucial role. The Company is placing significant emphasis on packaging, which not only extends the shelf life of its products but also captures the attention of consumers.

- 5) **Compliance Risk:** The operations of the company must adhere to a wide range of laws and regulations in both local and global markets, which exposes us to various regulatory risks.

Mitigation: To monitor regulatory compliance, the Company Collaborates with external industry experts, consultants ensuring timely and accurate compliances.

Opportunities & outlook:

AFL will continue to focus on Portfolio definition, revamp and new Product development, scaling up distribution network and thereby improve profitability.

6. RECONCILIATION OF DEMAT ESCROW ACCOUNT:

The Company has opened 'Aveer Foods Limited-Physical Unclaimed Securities Escrow Account' to which the Equity Shares allotted by the Company to the erstwhile shareholders of Chordia Food Products Limited (CFPL) holding shares in physical mode are credited on Demerger of Food Division of CFPL.

Following is the reconciliation of the said Demat Escrow Account for the period ended on 31st March, 2024.

Opening Balance, as on 1st April 2023		Details of shareholders for whom the shares are credited to their respective Demat Accounts during the year		Closing Balance as on 31st March, 2024	
No. of share-holders	No. of Shares held	No. of share-holders	No. of Shares held	No. of share-holders	No. of Shares held
1897	2,90,274	40	9472	1857	2,80,802

7. KEY FINANCIAL RATIOS:

Details of significant changes, (i.e., change of 25 percent or more, as compared to the immediately previous Financial Year) in Key Financial Ratio, along with detailed explanation thereof: -

Particulars	As at 31 st March 2024	As at 31 st March 2023	% Change in Ratio
Current Ratio	1.67	1.40	20
Debt-Equity Ratio	0.15	0.49	68
Debt Service Coverage Ratio	2.02	3.09	(34)
Return on Equity Ratio	0.07	0.06	14
Trade Receivables turnover ratio	228.32	46.09	395
Trade Payable turnover ratio	9.36	7.38	27
Net capital turnover ratio	10.96	12.22	(10)
Net profit ratio	1.30	1.05	24
Return on Investments	0.07	0.06	14
Return on Capital employed	0.12	0.09	34
Inventory Turnover Ratio	2.36	2.18	8

Notes:

- 1) The debt equity ratio is favourable in current year on account of repayment of borrowings.
- 2) The debt service coverage ratio is unfavourable in current year due to increase in payment of lease liability in the current year.
- 3) The Trade Receivables Turnover Ratio has increased in current year on account of decrease in average trade receivable.
- 4) The trade payable turnover ratio has increased in current year on account of decrease in average trade payable.
- 5) The return on Capital employed ratio is favourable in current year on account of repayment of borrowings and increase in net profit of current year as compared to the previous year.

8. DIRECTORS:

Pursuant to the Articles of Association and in accordance with provisions of Section 152 of Companies Act, 2013, Mr. Vishal Chordia Managing Director [DIN: 01801631], retires by rotation at forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment.

Necessary resolution for re-appointment of Mr. Vishal Chordia as a Director, is recommended for the approval of the members.

Mr. Vijaykumar Kankaliya, Mr. Rajendra Lunkad, Mr. Ritesh Mehta, Dr. Ajitkumar Mandlecha are the Independent Directors of the Company appointed for a period of 5 (Five) Consecutive Years i.e. upto 29th June, 2027 not liable to retire by rotation.

Mrs. Samruddhi Mehta is an Independent Woman Director of the Company appointed for a period of 5 (Five) Consecutive Years i.e. upto 14th July, 2027 not liable to retire by rotation.

9. NUMBER OF MEETINGS OF THE BOARD:

During the financial year under review Six (6) Board Meetings were held including Independent Directors meeting, which was held on 28th March, 2024. The details of the said Meetings held are as detailed below: -

Sr. No	Date of Board Meeting	Number of Directors on the date of Board Meeting	Number of directors who attended the Board Meeting	% of attendance
1.	27 th April, 2023	9	9	100
2.	24 th May, 2023	9	9	100
3.	12 th August, 2023	9	9	100
4	8 th November, 2023	9	7	77
5.	9 th February, 2024	9	8	88

10. PUBLIC DEPOSITS:

During the Financial Year 2023-2024, the Company has not accepted any deposits from the public. Hence any compliance w.r.t repayment of deposit or its interest thereon is not applicable to the Company. There were no outstanding deposits within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014 as amended at the end of FY 2023-2024 or previous financial year.

11. INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY:

The Company has adequate internal control mechanism including financial controls to ensure operational efficiency, accuracy and promptness in financial reporting and compliance of various laws and regulations.

The internal control system is supported by the internal audit process. The Audit Committee of the Board reviews the Internal Audit Report and the adequacy and effectiveness of internal controls periodically and the internal financial controls are adequate and operating effectively.

12. HOLDING COMPANIES, SUBSIDIARY COMPANIES AND ASSOCIATE COMPANIES:

As on 31st March, 2024 the Company did not have any Holding Company, Subsidiary Company and Associate Company.

13. EXTRACT OF ANNUAL RETURN:

Pursuant to provisions of Section 134 read with Section 92(3) of the Companies Act, 2013, as amended, the copy of the annual return has been uploaded on the website of the Company which can be accessed <https://www.aveerfoods.com/pdf/financial-information/annual-return/MGT-7-23-24.pdf>.

14. DECLARATION BY INDEPENDENT DIRECTORS:

All Independent Directors have given declarations under Section 149(7) of the Companies Act, 2013, that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

15. AUDITORS AND AUDITORS' REPORT

a) Internal Auditor:

The Board has appointed Mr. Nisarg Shah Chartered Accountants as the Internal Auditor of the Company for the Financial Year 2023-2024 pursuant to the provisions of Section 138 of the Companies Act, 2013. The Internal audit reports are periodically reviewed by the Audit Committee and the Board

b) Statutory Auditors:

M/s. Bharat H Shah & Associates Chartered Accountant were appointed as the Company's Statutory Auditor and his term of appointment is valid till the conclusion of 6th Annual General Meeting to be held in the year 2025.

The Auditor's Report to the members of the Company for the year under review does not contain any qualifications, reservation or adverse remark. The observations of the Statutory Auditors in their Report are self-explanatory and therefore the Directors do not have any further comments to offer on the same. The Auditor's Report is enclosed with the financial statements forming part of this annual report.

c) Secretarial Audit:

M/s Satish Patil & Associates were appointed as Secretarial auditor of the Company for FY 2023-2024

The Secretarial Audit Report is annexed herewith as **Annexure – I** to this Report.

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by Secretarial auditor

- 1) Regarding the observation pertaining to the registration of certain Independent Directors in the databank maintained by the Indian Institute of Corporate Affairs (IICA), it has been noted that the registration did not adhere to the timelines

stipulated in Section 150 of the Companies Act, 2013. The Board wishes to clarify that out of the five Independent Directors, three registered themselves at a later date, and this being an inadvertent act, the Board ensures to take corrective steps to rectify this delay in compliance.

- 2) In relation to the observation concerning the non-filing of MGT 14 in accordance with the MCA circular issued during the COVID period, which pertains to the registration of resolutions passed via video conferencing and the filing of MGT 14 for additional credit facilities, the Board shall ensure that corrective measures are implemented to address the delay in compliance.

- 3) Concerning the observation related to the weblink of the annual return, it has been corrected, and a copy of the Annual Return is now accessible on the Company's website.

- 4) With reference to the point No. c regarding an observation about non explanation on the qualification made by the secretarial auditor in last Board report, the board clarifies that the observations noted by the secretarial auditor in its audit report with respect to SDD non compliance are self explanatory and the Company was SDD complaint at the time of issuance of the Secretarial auditors report for FY 22-23.

d) Cost Audit:

For the Financial Year under Report the appointment of Cost Auditor and obtaining of their Report was not applicable to the Company.

REPORTING OF FRAUDS BY AUDITORS:

During the year under review, the Statutory Auditors, and Secretarial Auditors have not reported any instances of fraud committed against the Company by its officers or employees to the Audit Committee or to the Board of Directors under Section 143(12) of the Act and the rules made thereunder

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The Details of Loans, Guarantees and Investments under Section 186 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 are as follows:

- 1) During the financial year under review, the Company has not extended any Loans, Guarantees to any other Individual or entities under Section 186 of the Companies Act, 2013.
- 2) There were no Investments in Equity Shares made by the Company as on 31st March, 2024.

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED IN SUB SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013:

All contracts/ arrangements/ transactions entered by the Company during the financial year under review with related parties were at an arm's length price basis and in the ordinary

course of business. Such transactions form part of the notes to the financial statements provided in this Annual Report. All Related Party Transactions ("RPTs") are placed before the Audit Committee for prior approval. Prior omnibus approval of the Audit Committee is obtained for the RPTs which are repetitive in nature or when the need for these transactions cannot be foreseen in advance. Further, the Company has the requisite approval from the members for entering into Material Related Party Transactions with related parties.

Pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules 2014, the Particulars of Contracts or Arrangements entered into by the Company with Related Parties have been provided in Form No. AOC -2 attached herewith as **Annexure II.**

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

A. Conservation of Energy and Technology Absorption:

- a) The Company's operations involve very low energy consumption. Wherever possible energy conservation measures have been implemented. However, efforts to conserve and optimize the use of Energy through improved Operational methods and other means will continue. The Company continues to use bio briquettes as a measure for energy conservation.
- b) The Company has no collaborations and is engaged in the manufacture of the products by its own developed methods/ operations. The Company has setup a Research and Development Centre whose emphasis is on product development, product quality, Cost reduction, energy conservation and improvement in process productivity. The Company has also setup Laboratory and Quality Control Department to ensure the quality of different products manufactured.

B. Foreign Exchange Earnings and Outgo:

Foreign Exchange Earnings and Outgo during the year was ₹ Nil.

C. Reporting under Environmental, Social and Governance under BRSR Framework:

The Company has started taking the initiative voluntarily from last year for implementing various measures under the Environmental, Social, and Governance pillars for an organization under Business Responsibility and Sustainability Reporting Framework.

The company has established specific targets in order to achieve growth in Environmental, Social & Governance areas such as:

- 1) To reduce Carbon emissions and to initiate the Carbon Footprint mapping across all the units of the organization.

- 2) To implement waste auditing and waste management policies for all types of Industrial Waste.
- 3) To minimize freshwater usage and recycle processed water within factories maintaining zero liquid discharge.
- 4) To implement and carry out Health & Safety Awareness Programs at all units of the organization.

To achieve the decided targets the management has started implementing the action plan across the organization with respect to:

Environmental Pillar:

- a) Waste Management: Proper segregation and disposal of organic and inorganic waste as well disposing e-waste and hazardous waste with authorized recyclers.
 - i. For Degradable waste includes organic waste that easily degrades, and we are using for farming to enhance nutrient levels in the soil.
 - ii. For Non – Degradable waste (Plastic Waste) Connecting with an authorized plastic recycler for responsible disposal of waste.
- b) Water Recycling Projects:
 - i. Using the treated effluent for gardening and recycling the process water wherever possible resulting to reduced freshwater usage.
 - ii. Conducted External water audits for the factory locations: Helps in understanding water usage patterns and identifying opportunities for conservation and efficiency improvements.
 - iii. Identifies potential risks to water quality and availability, allowing for proactive mitigation measures.
- c) Energy Management: Switching towards clean-renewable energy and using biomass instead of fossil fuels resulting to less carbon emission.

Social Pillar:

- a) **Health & Safety**: Ensuring human and machine safety by various projects viz. Electrical Safety by Residual Current Circuit Breaker(RCCB), Emergency Switch, Water-proof On Off starter and Machine safety by using engineering techniques.
- b) **HR Policies**: Various activities conducted for Employees wellbeing to maintain work life balance, mental and physical health and family engagement activities.

19. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The provisions of Section 135 of the Companies Act, 2013 in respect of CSR activities are not applicable to the Company. The Company is not subject to the provisions of Section 135 of the Companies Act, 2013 regarding CSR activities, as it does not meet the criteria for applicability outlined in the legislation.

20. BOARD EVALUATION:

Pursuant to the provisions of the Companies Act, 2013, Rules there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and other statutory committees and found that the performance has been satisfactory.

21. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the year under review there has not been any change in the nature of business.

22. COMPOSITION OF COMMITTEES**a) Audit Committee:**

The Company has constituted an Audit Committee in terms of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015. The Audit committee presently comprises of -

- 1) Mrs. Samruddhi Mehta - Chairperson – Independent Director
- 2) Mr. Vijaykumar Kankaliya- Member- Independent Director
- 3) Dr. Ajitkumar Mandlecha- Member- Independent Director
- 4) Mr. Rajendra Lunkad- Member- Independent Director
- 5) Mr. Ritesh Mehta- Member- Independent Director
- 6) Mr. Bapu Gavhane- Member- Whole Time Director

b) NOMINATION AND REMUNERATION COMMITTEE:

The Company has constituted a Nomination and Remuneration Committee in terms of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (LODR) Regulations, 2015. The Nomination & Remuneration committee presently comprises of -

- 1) Mr. Vijaykumar Kankaliya- Chairman- Independent Director
- 2) Dr. Ajitkumar Mandlecha- Member- Independent Director
- 3) Mr. Rajendra Lunkad- Member- Independent Director
- 4) Mr. Ritesh Mehta - Member- Independent Director

c) STAKEHOLDER RELATIONSHIP COMMITTEE:

The Company has constituted Stakeholder Relationship Committee in terms of Section 178 of the Companies Act, 2013 and Regulation 20 of SEBI (LODR) Regulations, 2015. The Stakeholder Relationship Committee presently comprises of -

- 1) Mr. Vijaykumar Kankaliya- Chairman- Independent Director
- 2) Dr. Ajitkumar Mandlecha, - Member- Independent Director
- 3) Mrs. Samruddhi Mehta- Member- Independent Director
- 4) Mr. Rajendra Lunkad- Member- Independent Director
- 5) Mr. Bapu Gavhane- Member- Whole Time Director

23. PARTICULARS OF EMPLOYEES:

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including amendments thereunder are annexed as an **Annexure III** of this report.

24. SIGNIFICANT ORDERS PASSED BY REGULATORS, COURTS OR TRIBUNALS IMPACTING GOING CONCERN AND COMPANY'S OPERATIONS:

There are no significant and material orders passed by the Regulators or Courts or Tribunals that would impact the going concern status of the Company and its future operations.

25. VIGIL MECHANISM/ WHISTLEBLOWER POLICY:

The Company has adopted a Vigil Mechanism/ Whistle Blower Policy in terms of the provisions of the Act and the SEBI (LODR) Regulations, 2015, to provide a formal mechanism to the Directors and employees of the Company to report their genuine concerns and grievances about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics. The policy provides adequate safeguards against the victimization of Directors and employees who avail of such mechanisms and also provides for direct access to the Chairman of the Audit Committee. The Audit Committee of the Board is entrusted with the responsibility to oversee the vigil mechanism. During the year, no person was denied access to the Audit Committee. The Company is happy to inform you that there have been no complaints / Whistle Blower activities reported to or received by the Audit Committee during the year under review.

The policy adopted by the Company on vigil mechanism/ whistleblowing is also available on the website of the Company at <https://www.aveerfoods.com/pdf/investors-policies/whistle-blower-policy.pdf>.

26. CORPORATE GOVERNANCE:

As per Regulation 15(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the provisions

of Corporate Governance as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not applicable to those Companies whose paid up equity share capital does not exceed ₹ Ten Crore and net worth does not exceed ₹ Twenty Five Crore, as on the last day of the previous financial year.

As the above limits do not get triggered, the Corporate Governance is not applicable to the Company and accordingly the Company has not furnished the Corporate Governance Report and the Compliance Certificate of CEO/ Managing Director in terms of SEBI Listing Regulations, 2015.

27. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

During the year under Report the Company has revised the Anti-sexual Harassment Policy and also complied with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and constituted an 'Internal Complaints Committee' to ensure protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment at all the administrative units and offices. During the Year under Report, there was no instance of Sexual Harassment of Women at Workplaces.

28. SECRETARIAL STANDARDS:

During the year under review, your Company has complied with all the applicable provisions of Secretarial Standard-1 and Secretarial Standard-2 issued by The Institute of Company Secretaries of India.

29. STATEMENT REGARDING INDEPENDENT DIRECTORS:

The Board of Directors is of the opinion that the Independent Directors including the Independent Director appointed during the financial year holds the highest standards of integrity and possess necessary expertise and experience including proficiency in the field in which the Company operates.

30. PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:

There is no application made by the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) [IBC] nor there are any proceeding pending under IBC.

31. DETAILS OF VALUATION DONE BY THE COMPANY IN TERMS OF RULE 8(5)(xii) OF THE COMPANIES (ACCOUNTS) RULES, 2014:

This Clause is Not Applicable to the Company.

32. DIRECTOR'S RESPONSIBILITY STATEMENT:

Directors' Responsibility Statement prepared pursuant to the provisions of Section 134(5) of the Companies Act, 2013, is furnished below as required under Section 134(3)(c):-

Directors state that:-

- a) In the preparation of the Annual Accounts for the financial year ended 31st March, 2024 the applicable

Accounting Standards have been followed and there were no material departures;

- b) Accounting Policies as mentioned in Part-B to the Financial Accounts have been selected and applied consistently. Further judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2024 and of the Profit of the Company for the financial year ended on that date;
- c) 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;
- d) The Annual Financial Statements have been prepared on a going concern basis;
- e) Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
- f) Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

33. COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, AND INDEPENDENCE OF A DIRECTOR:

Pursuant to Section 134(3)(e) and Section 178 (3) of the Companies Act, 2013, the Board has formulated and adopted a policy relating to the Directors and Key Managerial Personnel's appointment and remuneration ("Remuneration Policy") which is available on the website of your Company at <https://www.aveerfoods.com/pdf/investors-policies/nomination-and-remuneration-policy.pdf> including criteria for determining qualifications, positive attributes, independence of a director and other matters. The details of the Policy have been disclosed in the Corporate Governance Report, which forms a part of this Annual Report.

The Remuneration Policy for the selection of Directors and determining Directors' independence sets out the guiding principles for the NRC for identifying the persons who are qualified to become Directors. Your Company's Remuneration Policy is directed towards rewarding performance based on a review of achievements. The Remuneration Policy is in consonance with existing industry practice. We affirm that the remuneration paid to the Directors is as per the terms laid out in the Remuneration Policy.

34. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

During the year under review, the provision of section 125(2) of the Companies Act, 2013 does not apply as the company was not required to transfer any amount or the shares to the Investor Education Protection Fund (IEPF) established by the Central Government of India.

35. CAUTIONARY STATEMENT:

Statements in this Report, particularly those which relate to management discussion and analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual Results might differ materially from those either expressed or implied.

36. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There has been no material changes and commitments affecting the financial position of your Company which has occurred between the end of the financial year to which the financial statements relate and the date of this Report.

37. APPRECIATION:

Your Directors wish to place on record their sincere appreciation of the continued support from the Company's Bankers, Customers, Distributors, Suppliers and employees of the Company.

The Directors are also thankful to the officials of the Government of India, Ministry of Corporate affairs, stock exchange, State Governments, Local Authorities for their continued support and timely assistance extended to the Company.

By Order of the Board of Directors
For Aveer Foods Limited

Rajkumar H. Chordia
Chairman
[DIN: 00058185]

Place: - Pune
Date: 13th August, 2024

**ANNEXURE I
(FORM MR-3)**

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Aveer Foods Limited
CIN: U15549PN2019PLC183457
Plot 55/A/5 6, Hadapsar Industrial Estate, Near Tata honeywell,
Pune, Maharashtra, India, 411013

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Aveer Foods Limited having corporate identification number: U15549PN2019PLC183457 (hereinafter called "the Company"). The 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 limited verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2024 (hereinafter called "the audit period") 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 the Company for the financial year ended on March 31, 2024, according to the provisions of:

- i. The Companies Act, 2013, as amended from time to time (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(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) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(not applicable to the Company during the Audit Period)**;
 - d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(not applicable to the Company during the Audit Period)**;
 - e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(not applicable to the Company during the Audit Period)**;
 - f) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued; **(not applicable to the Company during the Audit Period)**;
 - g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021: **(not applicable to the Company during the Audit Period)**; and
 - h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(not applicable to the Company during the Audit Period)**.

I am informed that the following Acts and Regulations are specifically applicable to the Company for its Food Business. I have relied on the Representation made by the Company and its Officers in respect of Systems and mechanism formed / followed by the Company for the compliance of the same:

1. Food Safety and Standards Act, 2006 & Rules made thereunder,
2. Food Safety and Standards Rules, 2011 & Rules made thereunder,
3. Food Safety and Standards (Packaging and Labelling) Regulations, 2011, & Rules made thereunder; and
4. Legal Metrology Act, 2009 & Rules made thereunder.

I have also examined compliance with the applicable clauses and regulations of the following:

- i. Secretarial Standards issued by 'The Institute of Company Secretaries of India' as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.
- ii. The Listing Agreement entered into by the Company with BSE Limited (Stock Exchange) pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called "SEBI LODR").
- iii. As per Regulation 15(2) of the SEBI LODR, the compliance with the provisions of Corporate Governance as specified in regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not be applicable to those Companies whose paid up equity share capital does not exceed Rupees Ten Crore and net worth does not exceed Rupees Twenty-Five Crore, as on the last day of the previous financial year. The Company falls under the said Criteria and hence, the provisions of Corporate Governance as mentioned above under SEBI LODR were not applicable during the period under review.

I further report that, I have relied on the representation made by the Company and its Officers, in respect of system and mechanism prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the Company has complied with the Laws which are specifically applicable to the Company.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- a. *During the year under review, Mr. Rajendra Hiralal Lunkad (DIN: 07881961) and Mr. Ritesh Vijaykumar Mehta (DIN:00607521) got themselves registered on 27th July 2023 and Mrs. Samruddhi Ankur Mehta (DIN:09667729) got herself registered on September 01 2023 in data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs (IICA) which is not in accordance with the timelines as per the provisions of the section 150 which has an effect on the provisions of section 149(1), 149(4) and 177(2) of the Companies Act, 2013 to that extent.*
- b. *The Company has not filed E-form MGT-14 with respect to ordinary business transaction at the 4th Annual General Meeting of the Company held on September 25, 2023 held through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and resolution for the borrowing from HDFC Bank Ltd at the Board Meeting held on 27/04/2023.*
- c. *The Company has not provided weblink of annual return and also have not provided or explained on the qualification made by the Secretarial Auditor in its Boards Report for the Financial year ended 31st March, 2023.*

I further report that:

The Board of Directors of the Company is duly constituted, *except for the non-adherence to provisions of section 150, 149 and 177 of the Companies Act, 2013 provided above in clause no. (a)* with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Further, in the incidences where, for the purpose of any Board or Committee Meeting, agenda or notes to agenda are circulated with shorter period of less than seven days, all the Directors including Independent Directors have consented to the shorter period of circulation of the same.

All the decision in the board meetings were carried through by majority and there were no dissenting views of the members and hence not captured and recorded as part of the minutes.

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

I further report that during the audit period there have been below enlisted major actions or events undertaken by the Company which may have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, guidelines, standards etc:-

1. During the year under review, pursuant to Clause 9.10 of the Scheme of Demerger duly approved by Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated 1st July, 2022 the effect for Inter-Se transfer of Shares amongst two Group of Promoters viz., RHC Group and PHC Group were effected. Application for reclassification of the PHC Group into public category is still under process at stock exchange ie. BSE Limited.
2. The shares that were allotted by the Company pursuant to the Scheme of Demerger approved by the Hon'ble National Company Law Tribunal, Mumbai Bench, on July 1, 2022, to the shareholders of Chordia Food Products Limited (the demerged company) holding shares in physical form by its shareholders, were credited to the 'Aveer Foods Limited-Physical Unclaimed Securities Escrow Account.' The same has been duly noted/ reconciled by the Board on quarterly basis with it's Registrar and Share Transfer Agent at its meeting and further reflected in the shareholding pattern filed with the stock exchange. As of March 31, 2024, the balance in this escrow account is 2,80,802, which represents 6.97% of the total issued, subscribed, and paid-up share capital of the Company, and corresponds to 1857 shareholders.

For **Satish Patil & Associates**
Company Secretaries

CS Satish Patil

Proprietor

Membership No. FCS 11001

C.P. No. 13810

Peer Review No.: 2780/2022

UDIN: F011001F000971213

Place: Pune

Date: 13/08/2024

Note: This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as Annexure and forms an integral part of this report.

Annexure 'A' to the Secretarial Audit Report of Aveer Foods Limited

To,
The Members,
Aveer Foods Limited
CIN: U15549PN2019PLC183457
Plot 55/A/5 6, Hadapsar Industrial Estate, Near Tata honeywell,
Pune, Maharashtra, India, 411013

My 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. My responsibility is to express an opinion on these secretarial records standards and procedures followed by the Company with respect to secretarial compliances based on my audit.
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 test 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 my opinion.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
7. We have been appointed as Secretarial Auditor in place of M/s Ghatpande & Ghatpande Associates for the audit period vide board resolution dated July 29, 2024.
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.

For **Satish Patil & Associates**
Company Secretaries

CS Satish Patil
Proprietor

Membership No. FCS 11001
C.P. No. 13810
Peer Review No.: 2780/2022
UDIN: F011001F000971213

Place: Pune
Date: 13/08/2024

ANNEXURE II

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in Subsection (1) of Section 188 of the Companies Act, 2013 including certain Arm's length transactions under third proviso thereto.

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

There were no transactions during the year which were not on Arm's length basis.

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

Sr. No.	Name (s) of the related party	Nature of the relationship	Nature of contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transactions including the value, if any [₹ in lakh]
1	Kamal Industries	Partnership Firm in which Director and relative of Director are Partners	Sales	1189.00
			Purchases	385.61
2	Pravin Masalewale	Partnership Firm in which Directors are Partners..	Sales	642.20
			Purchases	87.75
3	Pravin Sales Division	Partnership Firm in which Director and relative of Director are Partners	Sales	213.46
			Purchases	1.54
4	Dhanyakumar & Co	Partnership in which relative of Director is Partner	Purchases	1.62
6	Maven Tech Services Private Limited	A company with common Directors	Purchases	0.90
7	Chordia Industrial Park LLP	A LLP in which relative of the Directors is a Designated Partner.	Availing of Services	44.43
8	Raja Flavours & Foods LLP	LLP in which Directors are Designated Partners..	Payment of Royalty	18.00
9	Chordia Food Products Limited	A Company in which Relatives of Directors are Directors	Availing of Services	122.59

- All the transactions are on the Arm's Length basis during the normal course of business.
- The values of the transactions reported in the above table includes basic value, and is excluding the value of Goods and Service tax.
- All the aforesaid contracts/Agreements, wherever applicable, have been approved by the Shareholders for a period of 5 years w.e.f. 1st April, 2021 upto 31st March, 2026.
- No amount is paid/received as Advance against these transactions.

By Order of the Board of Directors
For Ameer Foods Limited

Rajkumar H. Chordia
Chairman
[DIN: 00058185]

Place: - Pune
Date: 13th August, 2024

ANNEXURE-III

PARTICULARS OF EMPLOYEES AND INFORMATION

[Pursuant to Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including amendments thereunder]

Sr. No.	Information required	Input
1.	The Ratio of Remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year.	The Company is paying Remuneration to its Whole Time Director and the Ratio of Remuneration with the Median Employee Remuneration is 5 times.
2.	The percentage increase in Remuneration of each Director, Chief Financial Officer, Company Secretary, or Manager if any in the Financial year.	8-10% approximately
3.	The percentage increase in the Median Remuneration of Employees in the Financial Year	7-8%
4.	The number of Permanent Employees on the roll of Company	157
5.	Average percentile increase already made in the salaries of 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 the Managerial Remuneration.	The average percentile increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration is 10% approximately. The increase in salary depends on various factors like individual performance, economic situation and future growth prospects etc. There are no exceptional circumstances for increase in Managerial Remuneration.
6.	Affirmation that the Remuneration is as per the Remuneration Policy of the Company	The Remuneration is paid to the Whole Time Director only, the remuneration paid to him is as per the norms of the organization based on his experience & expertise.
7.	Particulars of employees posted and working in a country outside India, not being Directors or their relatives, drawing more than sixty lakh rupees per Financial Year or five lakh rupees per month.	There are no such cases.

Details of employees who received remuneration in excess of Rupees One crore and Two lakh or more per annum:

- i. During the year, employees received remuneration in excess of ₹ 102.00 Lakh or more per annum or ₹ 8.50 Lakhs per month for part of the year. In accordance with the provisions of Section 197 of the Act read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. - NIL
- ii. During the year, employees received remuneration in excess of that drawn by managing director or whole time director or manager and holds by himself or along with his spouse and dependent children not less than two percent of the equity shares of the Company- NIL

By Order of the Board of Directors
For Aaveer Foods Limited

Rajkumar H. Chordia
Chairman
[DIN: 00058185]

Place: - Pune
Date: 13th August, 2024

INDEPENDENT AUDITOR'S REPORT

To
The Members of
M/s AVEER FOODS LIMITED

Report on the Financial Statements

Opinion

I have audited the accompanying financial statements of M/s. AVEER FOODS LIMITED ("the Company") which comprises the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, Statement of Cash Flows, Statement of Change in Equity, notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid financial statements give the information required by the Companies Act, 2013 ("The Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, its cash flow and the statement of change in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

I have determined that there are no key audit matters to communicate in my report.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report(s) thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with my audit of the financial statements, my 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibility of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity, and the cash flow 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 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, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my 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 based on these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. I consider quantitative materiality and qualitative factors in (i) planning the scope of my audit work and in evaluating the results of my work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") as amended, issued by the Central Government in terms of sub section (11) of Section 143 of the Act, I give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, I report that:
 - a. I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit;
 - b. In my opinion proper books of account as required by law have been kept by the company so far as appears from my examination of those books;
 - c. The Balance Sheet, and Statement of Profit and Loss (including other comprehensive income), including statement of changes in Equity and statement of Cash flows, dealt with by this Report are in agreement with the books of account;
 - d. In my opinion, the aforesaid financial Statements comply with the Indian 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 31 March, 2024 taken on record by the Board of

Directors, none of the directors are disqualified as on 31 March, 2024 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 my separate Report in “**Annexure B**”,
- g. With respect to the matter to be included in the Auditors’ Report under section 197(16):

In my opinion and according to the information and explanations given to me, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under 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 my opinion and to the best of my information and according to the explanations given to me:
 - i. The Company has disclosed the impact of pending litigations if any on its financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses;
 - iii. There were no amounts, required to be transferred to the Investor Education and Protection Fund by the Company for the Financial Year 2023-24;
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to my notice that has caused me to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. No dividend has been paid by the Company during the year.
 - vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination which included test checks the Company has used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software.

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

M/s. Bharat H Shah & Associates
Chartered Accountants

CA Bharat H Shah
Proprietor

Place: Pune
Date: 28th May, 2024

M No. 110878 FRN:122100W
UDIN:24110878BKBIUF1451

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in Paragraph 1 under the heading ‘Report on Other Legal and Regulatory Requirement’ of my report of even date to the financial statements of the company for the year ended 31st March 2024.

I report that,

1. In respect of Fixed Assets:

- a. The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- b. The major portion of fixed assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in my opinion is reasonable having regard to the size of the company and nature of its business. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies between the book’s records and the physical fixed assets have been noticed.
- c. The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company. For properties where the Company is a lessee, lease agreements are duly executed in favour of the Company.
- d. The Company has not revalued its Property, Plant and Equipment including Right of use assets and intangible assets during the year
- e. As per explanation and representations provided to me, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under Clause 3(i)(e) of the Order is not applicable to the Company.

2. In respect of Inventory

- a) The management has conducted the physical verification of inventory at reasonable intervals. The discrepancies noticed on physical verification of inventory as compared to books records which has been properly dealt with in the books of account were not material.
- b) According to the information and explanations given to me, the Company has been sanctioned working capital limits in excess of 5 crores, in aggregate, from banks or financial institutions on the basis of security of current assets. In my opinion and according to the information and explanations given to me, the quarterly returns or statements comprising stock statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

3. The Company not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence Clause 3 (a) to Clause 3(f) is not applicable to the company.

4. In my opinion and according to the information and explanation given to me, the Company has not advanced any loans to directors directly or indirectly, neither gave any loan, guarantee or provided any security in connection with the loan to any person or Body Corporate and acquired any securities. Accordingly, the provisions of Section 185 and 186 of the Act are not attracted during the year under Report and hence not commented upon.

5. The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014 with regard to the deposits accepted from public are not applicable.

6. As informed to me, the maintenance of Cost Records has not been specified by the Central Government under sub section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.

7. In respect of Statutory Dues:

- a) According to information and explanation given to me and based on my examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service Tax Act, Duty of Customs, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to me, no undisputed amounts payable in respect of the above were in arrears as at March 31st, 2024 for a period of more than six months from the date on when they become payable.

- b) According to the information and explanation given to me, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
8. According to the information and explanations given to me, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
9. (a) In my opinion and according to the information and explanations given to me, the Company has not defaulted in the repayment of dues to banks.
- (b) According to the information and explanations given to me including representation received from the management of the Company, and on the basis of my audit procedures, I report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.
- (c) In my opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) In my opinion and according to the information and explanations given to me, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- (e) According to the information and explanations given to me and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associates.
- (f) According to the information and explanations given to me, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associate companies.
10. (a) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 10(a) of the Order are not applicable to the Company and hence not commented upon.
- (b) According to the information and explanations given to me, the Company has not made any preferential allotment or private placement of shares or fully, partially or optionally convertible debentures during the year. Accordingly, reporting under Clause 10(b) of the Order is not applicable to the Company.
11. (a) Based upon the audit procedures performed and the information and explanations given by the management, I report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (b) No report under Section 143(12) of the Act has been filed with the Central Government for the period covered by my audit.
- (c) According to the information and explanations given to me including the representation made to me by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
12. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under Clause 12 of the Order is not applicable to the Company.
13. In my opinion and according to the information and explanations given to me, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under Section 133 of the Act.
14. (a) In my opinion and according to the information and explanations given to me, the Company has an internal audit system as required under Section 138 of the Act which is commensurate with the size and nature of its business.
- (b) I have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.
15. According to the information and explanation given to me, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of Section 192 of the Act are not applicable to the Company.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under Clause 16 of the Order is not applicable to the Company.
17. The Company has not incurred any cash losses during the financial year covered by our audit and immediately preceding financial year.

18. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under Clause 18 of the Order is not applicable to the Company.
19. According to the information and explanations given to me and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, my knowledge of the plans of the Board of Directors and management, I am of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. I, however, state that this is not an assurance as to the future viability of the Company. I further state that my reporting is based on the facts up to the date of the audit report and I 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.
20. According to the information and explanations given to me, the Company does not have any unspent amount in respect of any ongoing or other than ongoing project as at the expiry of the financial year. Accordingly, reporting under clause 20 of the Order is not applicable to the Company.

M/s. Bharat H Shah & Associates
Chartered Accountants

CA Bharat H Shah
Proprietor

M No. 110878 FRN:122100W
UDIN:24110878BKBIUF1451

Place: Pune
Date: 28th May, 2024

“ANNEXURE – B” TO THE INDEPENDENT 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”)**

I have audited the internal financial controls over financial reporting of **Aveer Foods Limited (“the Company”)** as of 31st March, 2024 in conjunction with my audit of the Ind AS 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 Act.

Auditors’ Responsibility

My responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on my audit. I have conducted the 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 Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that, I 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 my 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 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI).

M/s. Bharat H Shah & Associates
Chartered Accountants

CA Bharat H Shah

Proprietor

M No. 110878 FRN:122100W

UDIN:24110878BKBIUF1451

Place: Pune

Date: 28th May, 2024

Balance Sheet as at 31st March 2024

(Amount in Lakh)

Particulars	Note	As at 31 st March, 2024	As at 31 st March, 2023
A. Assets			
(1) Non-current assets			
(a) Property, plant & equipment	3	814.29	936.25
(b) Capital work-in-progress		-	-
(c) Right of use Assets	3	227.90	-
(d) Goodwill		-	-
(e) Other intangible Assets		-	-
(f) Intangible assets under development		-	-
(g) Investment in subsidiaries		-	-
(h) Financial Assets			
(i) Investments	4	-	1.69
(ii) Loans		-	-
(iii) Other Financial Assets	5	21.93	66.84
(i) Other Non Current Assets	6	15.16	-
(j) Deferred tax assets (net)		-	-
Sub Total - Non-Current Assets		1,079.28	1,004.78
(2) Current assets			
(a) Inventories	7	1,999.21	2,701.10
(b) Financial Assets			
(i) Trade receivables	8	74.44	10.00
(ii) Cash and cash equivalents	9	30.97	58.00
(iii) Bank balances other than (ii) above		-	-
(iv) Loans		-	-
(v) Derivatives		-	-
(vi) Other Current Financial Assets	10	51.43	-
(c) Other Current Assets	11	34.28	41.28
Sub Total - Current Assets		2,190.33	2,810.38
TOTAL ASSETS		3,269.61	3,815.16
B. Equity And Liabilities			
(1) Equity			
(a) Share Capital	12	402.83	402.83
(b) Other Equity	13	1,344.29	1,222.06
Sub Total -Equity		1,747.12	1,624.89
(2) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Lease Liability	14	51.45	-
(b) Long Term Provisions	15	160.54	178.54
(c) Deferred tax liability (net)		-	-
Sub Total - Non-Current Liabilities		211.99	178.54
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	270.80	791.72
(ii) Trade Payables			
- Micro Enterprises & small enterprises	17	122.50	170.00
- Other than Micro Enterprises & small enterprises	17	228.25	513.92
(iii) Lease Liability	14	188.84	-
(iv) Other current Financial Liabilities	18	69.39	72.79
(b) Short Term Provisions	19	261.02	281.16
(c) Other Liabilities	20	169.70	182.14
Sub Total - Current Liabilities		1,310.50	2,011.73
TOTAL EQUITY AND LIABILITIES		3,269.61	3,815.16

As per our Report of even date

For & on behalf of Board of Directors

M/s Bharat H Shah & Associates
 Chartered Accountants

CA Bharat H Shah
 Proprietor
 M. No. 110878
 FRN: 122100W

Rajkumar Chordia
 Chairman
 [DIN: 00058185]

Vishal Chordia
 Managing Director
 [DIN: 01801631]

Anand Chordia
 Managing Director
 [DIN: 00062569]

 Place: Pune
 Date: 28th May, 2024

Bapu Gavhane
 Whole Time Director
 [DIN: 00386217]

Dharmendra Tulshyan
 Chief Financial Officer
 [PAN: AEOPT8157K]

Tejashree Wagholikar
 Company Secretary
 [M. No. A39767]

Statement of Profit & Loss for the year ended 31st March 2024

(Amount in Lakh)

Sr. No	Particulars	Note	Current Year 2023-24	Previous Year 2022-23
I	INCOME FROM OPERATIONS			
a.	Revenue from Operations	21	9,639.80	9,759.98
b.	Other Income	22	0.60	3.68
	TOTAL INCOME		9,640.40	9,763.66
II	EXPENSES			
a.	Cost of Materials Consumed	23	5,271.63	5,928.91
b.	Purchase of Stock in trade		-	-
c.	Changes in inventories of finished goods, work-in-progress and stock-in-trade	24	270.49	(426.43)
d.	Employees cost	25	975.24	818.46
e.	Finance Costs	26	114.62	112.24
f.	Depreciation & Amortisation Expenses	3	328.63	132.37
g.	Other expenditure	27	2,554.45	3,095.84
	TOTAL EXPENSES		9,515.06	9,661.39
III	Profit before tax (I - II)		125.34	102.27
IV	Tax expense			
a)	Current Tax		-	-
b)	Deferred Tax		-	-
	Total Tax Expenses (a+b)		-	-
V	Profit (Loss) after tax (III - IV)		125.34	102.27
VI	Other comprehensive income/(Expenses)		-	-
a.	Items that will not be reclassified to Statement of Profit and Loss			
	Remeasurement of net defined benefit plans		(3.11)	-
	Tax on above		-	-
VII	Other comprehensive loss for the year		(3.11)	-
VIII	Total comprehensive income for the period net of Tax (V+VII)		122.23	102.27
IX	Earnings Per Share (EPS)			
a.	Basic and diluted EPS (₹)		3.11	2.54

As per our Report of even date

For & on behalf of Board of Directors

M/s Bharat H Shah & Associates

Chartered Accountants

CA Bharat H ShahProprietor
M. No. 110878
FRN: 122100W**Rajkumar Chordia**Chairman
[DIN: 00058185]**Vishal Chordia**Managing Director
[DIN: 01801631]**Anand Chordia**Managing Director
[DIN: 00062569]

Place: Pune

Date: 28th May, 2024**Bapu Gavhane**Whole Time Director
[DIN: 00386217]**Dharmendra Tulshyan**Chief Financial Officer
[PAN: AEOPT8157K]**Tejashree Wagholikar**Company Secretary
[M. No. A39767]

Cash Flow Statement for the year ended 31st March 2024

(Amount in Lakh)

Particulars	Current Year 2023-24		Previous Year 2022-23	
Cash Flow from Operating Activities				
Net Profit before tax		125.34		102.27
Add : Depreciation	328.63		132.37	
Less : Profit on Sales of Assets			(1.02)	
Add: Finance Cost	(114.64)	443.25	112.24	243.59
Operating Profit before Working Capital Changes		568.59		345.86
(Increase)/ Decrease in Trade Receivables	(64.44)		403.52	
(Increase)/ Decrease in Other Non Current Financial Assets	44.91		0.89	
(Increase)/ Decrease in Other Non Current Assets	(15.16)		-	
(Increase)/ Decrease in Other Current Financial Assets	(51.43)		-	
(Increase) / Decrease in Other Current Assets	7.00		121.47	
(Increase) / Decrease in Inventories	701.89	622.77	(348.25)	177.63
		1,191.36		523.49
Increase / (Decrease)in Trade Payables	(333.17)		(217.20)	
Increase / (Decrease)in Long Term Provisions	(21.11)		22.57	
Increase / (Decrease)in Other Current Financial Liabilities	(3.40)		0.40	
Increase / (Decrease)in Short Term Provisions	(20.14)		178.57	
Increase / (Decrease)in Other Payables	(12.46)	(390.26)	(23.54)	(39.20)
Cash Inflow / (Outflow) from Operations (A)		801.10		484.29
Cash Flow from Investing Activities				
Acquisition of Fixed Assets/capital advances		(28.06)		(279.24)
Sale of Fixed Assets		-		1.50
Sale of Investment		1.69		-
Cash Outflow in course of Investing Activities (B)		(26.37)		(277.74)
Cash Flow from Financing Activities				
Inflow/(Outflow) proceeds from Borrowings		(520.91)		(438.75)
Finance Cost		(114.62)		(112.24)
Principal payment of lease liabilities		(166.23)		-
Cash Inflow / (Outflow) in course of Financing Activities (C)		(801.76)		(550.99)
Net Increase(Decrease) in Cash and Cash Equivalents (A+B+C)		(27.03)		(344.44)
Opening Balance of Cash and Cash Equivalents		58.00		402.44
Closing Balance of Cash and Cash Equivalents		30.97		58.00

As per our Report of even date

For & on behalf of Board of Directors

M/s Bharat H Shah & Associates
 Chartered Accountants

CA Bharat H Shah
 Proprietor
 M. No. 110878
 FRN: 122100W

Rajkumar Chordia
 Chairman
 [DIN: 00058185]

Vishal Chordia
 Managing Director
 [DIN: 01801631]

Anand Chordia
 Managing Director
 [DIN: 00062569]

 Place: Pune
 Date: 28th May, 2024

Bapu Gavhane
 Whole Time Director
 [DIN: 00386217]

Dharmendra Tulshyan
 Chief Financial Officer
 [PAN: AEOPT8157K]

Tejashree Wagholikar
 Company Secretary
 [M. No. A39767]

Statement of Changes in Equity for the year ended March 31, 2024

(Amount in Lakh)

Particulars	Equity share Capital	Share Capital Suspense	Other Equity	
			Retained Earnings	Capital Reserves
Balance as at April 1, 2022	-	402.83	(462.81)	1,582.60
Changes in equity for the year ended March 31,2023	-	-	-	-
40,28,252/- Equity Share Issued	402.83	(402.83)	-	-
Profit for the year	-	-	102.27	-
Balance as at March 31, 2023	402.83	-	(360.54)	1,582.60

Statement of Changes in Equity for the year ended March 31, 2024

(Amount in Lakh)

Particulars	Equity share Capital	Share Capital Suspense	Other Equity	
			Retained Earnings	Capital Reserves
Balance as at April 1, 2023	402.83	-	(360.54)	1,582.60
Changes in equity for the year ended March 31,2024	-	-	-	-
Profit for the year	-	-	125.34	-
Items of OCI for the year				
Remeasurement of defined benefit obligation	-	-	(3.11)	-
Total comprehensive income for the year	-	-	122.23	-
Balance as at March 31, 2024	402.83	-	(238.31)	1,582.60

As per our Report of even date

For & on behalf of Board of Directors

M/s Bharat H Shah & Associates
Chartered Accountants

CA Bharat H Shah
Proprietor
M. No. 110878
FRN: 122100W

Rajkumar Chordia
Chairman
[DIN: 00058185]

Vishal Chordia
Managing Director
[DIN: 01801631]

Anand Chordia
Managing Director
[DIN: 00062569]

Place: Pune
Date: 28th May, 2024

Bapu Gavhane
Whole Time Director
[DIN: 00386217]

Dharmendra Tulshyan
Chief Financial Officer
[PAN: AEOPT8157K]

Tejashree Waghlikar
Company Secretary
[M. No. A39767]

Notes forming part of the Financial Statements

Note 1 Company Overview

a) Description of Business

- (i) The Company is Public Limited Company domiciled in India and is incorporated on 11th April, 2019 under the provisions of Companies Act, 2013. The registered office of the Company is located at Plot No. 55/A/5 6, Hadapsar Industrial Estate, Pune-411013. Its shares are listed on Bombay Stock Exchange in India.
- (ii) The Scheme of Arrangement between Chordia Food Products Ltd (Demerged Company) and Aveer Foods Ltd (Resulting Company) for the demerger of the Food Division (Demerged Undertaking) of the Demerged Company into the Resulting Company has received the final approval from the Hon'ble National Company Law Tribunal (NCLT) vide order dated 1st July, 2022 and the scheme has become effective from the date of filing the Form INC-28 with the ROC i.e., on 20th July 2022.

In pursuance of the said Scheme, the Resulting Company has issued and allotted 40,28,252 equity shares on 4th August, 2022 to the shareholders of the Demerged Company in 1:1 ratio and the existing 10,000 equity shares of the Resulting Company held by the Demerged Company (and its nominees) have been cancelled and extinguished.

The appointed date for the said scheme of demerger was 1st April, 2020. The company has given effect to the aforesaid demerger in accordance with the accounting treatment prescribed in the Scheme and relevant accounting standards.

- (iii) The Company is engaged in the business of manufacturing and selling of processed foods. The company offers various range of products including Pickle, Ketchup and Papad, etc.
- (iv) The functional and presentation currency of the company is Indian Rupee which is the currency of primary economic environment in which the company operates.
- (v) The financial statements for the year ended 31st March 2024 were approved by the Board of Directors in its meeting held on 28th May, 2024.

b) Basis of Preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 to be read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). The Company's Financial Statements for the year ended March 31, 2024 comprises of the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement, Statement of Changes in Equity and the Notes to Financial Statements.

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except defined benefit plans which have been measured at actuarial valuation as required by relevant Ind ASs.

c) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle*
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for atleast twelve months after the reporting period

All other assets are classified as non-current.

A liability is treated as current when it is:

- Expected to be settled in normal operating cycle*,
- Held primarily for the purpose of trading,
- Due to be settled within twelve months after the reporting period, or

Notes forming part of the Financial Statements

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and non-current liabilities, as the case may be.

(*Based on the nature of products and the time between 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 or non-current classification of assets and liabilities).

d) Key Accounting Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS, requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Note 2 Significant Accounting Policies

The significant accounting policies applied by the company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

a) Property, Plant and Equipment

i. Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost of acquisition comprises purchase price including import duties, non-refundable taxes, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Further, present value of any expected cost for decommissioning, restoration and similar liability of an asset after its use is included in the cost of respective asset. All other repair and maintenance costs are recognized in Statement of Profit or Loss as incurred. On replacement of a component, its carrying amount is derecognised.

Further, in case the component was not depreciated separately, the cost of incoming component is used as an indication to determine the cost of the replaced part at the time of capitalising.

ii. Subsequent measurement

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Company. Subsequent recognition is at cost less accumulated depreciation and accumulated impairment losses, if any. Impairment testing is undertaken at the balance sheet date if there are indicators.

iii. De-recognition

An item of Property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit and loss when the asset is derecognized.

iv. Component Accounting

The Company identifies and determines cost of each component of an asset separately, if the component has a materially different useful life as compared to entire asset and its cost is significant of the total cost.

v. Depreciation and Useful Lives

Depreciation on Property, plant and equipment is provided on the straight-line method arrived on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013.

The residual values, useful lives and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

Notes forming part of the Financial Statements

The estimated useful lives for computing depreciation are generally as follows:

Asset	Useful Life
Machinery and equipment	15 Years
Furniture and fixtures	10 Years
Computers	3 Years
Vehicles	8 Years
Leasehold Improvements	7 Years

b) Intangible assets**i. Recognition and initial measurement**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any.

ii. Subsequent measurement (amortization and useful lives)

All finite-lived intangible assets are accounted for using the cost model whereby capitalized costs are amortized over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date and any change in the same is accounted for prospectively.

iii. De-recognition

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

c) Capital Work in Progress

Capital work in progress represents expenditure incurred in respect of capital projects and are carried at cost. Cost comprises purchase cost, related acquisition expenses and other direct expenses.

d) Inventories

- i. Raw materials, stores and spares, packing material are valued at lower of cost and net realisable value. Cost of raw materials, stores and spares and packing material is determined on a 'Weighted Average' basis and includes freight costs, interest expense where such materials are stored for a substantial period of time and other expenditure incurred in bringing such inventories to their present location and conditions.
- ii. Finished goods and work in progress are valued at lower of cost and net realisable value. In the case of manufactured inventories and work in progress, cost includes all costs of purchases, an appropriate share of production overheads based on normal operating capacity and other costs incurred in bringing each product to its present location and condition.
- iii. By products and scrap are carried at net realizable value.

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

e) Impairment of non-financial assets

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

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

f) Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale and are capitalized as part of the cost of the asset. Other borrowing costs are charged to Profit & Loss Account in the period in which they are incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Notes forming part of the Financial Statements

g) Foreign Currency Translations

Transactions in foreign currencies are initially recorded by the Company at the functional currency spot rate of exchange prevailing on the date of the transaction.

Monetary assets and monetary liabilities denominated in foreign currencies and remaining unsettled at the end of the year are converted at the functional currency spot rate of exchange prevailing on the reporting date. Differences arising on settlement or conversion of monetary items are recognised in statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item.

h) Fair value measurement

- i. The Company measures financial instruments, such as derivatives and certain investments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability

- ii. Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

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

Level 1 - The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions.

Level 3 - The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

- iii. For assets and liabilities that are recognized in the financial statements on a recurring basis the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

i) Revenue Recognition

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. A performance obligation is a promise in a contract to transfer a distinct good or service (or a bundle of goods and services) to the customer and is the unit of account in Ind AS 115. A contract's transaction price is allocated to each distinct performance obligation and recognized as revenue, as, or when, the performance obligation is satisfied. The Company recognizes revenue when it transfers control of a product or service to a customer. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payments and excludes taxes and duties collected on behalf of the government. The Company recognizes revenue from the following major sources:

i. Operating Income:

Sale of goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

Notes forming part of the Financial Statements

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

ii. Other Non-Operating Income**Interest income:**

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

Dividend income:

Dividend income is recognised when the Company's right to receive the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably i.e. in case of interim dividend, on the date of declaration by the Board of Directors; whereas in case of final dividend, on the date of approval by the shareholders.

Other Income:

All other incomes are accounted on accrual basis.

j) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency, foreign exchange forward contracts, futures and currency options.

i. Financial Assets

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument.

a) Initial recognition and measurement

All financial assets are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

b) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- **Financial assets at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, debt instruments at amortised cost are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method, less impairment, if any. The amortisation of EIR and loss arising from impairment, if any is recognised in the Statement of Profit and Loss.

Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The effect of EIR amortization is included as Interest Revenue in the Statement of Profit and Loss.

Notes forming part of the Financial Statements

- **Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

- **Financial assets at fair value through profit or loss**

Financial assets which are not classified in any of the above categories are subsequently fair valued through profit or loss. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as at FVTPL.

Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss.

- **Financial assets as Equity Investments**

All investments in equity instruments classified under financial assets are initially measured at fair value, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

The Company makes such election on an instrument-by-instrument basis. A fair value change on an equity instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVTOCI. Fair value changes excluding dividends, on an equity instrument measured at FVTOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

- c) **Derecognition**

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

The rights to receive cash flows from the asset have expired, or

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

- d) **Impairment**

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits and trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115.

The company follows 'Simplified Approach' for recognition of impairment allowance. This approach doesn't require the Company to track changes in credit risk. Rather, it recognises impairment allowances based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive, discounted at the original EIR. Lifetime ECL are expected credit losses resulting from all possible defaults over the expected life of a financial instrument. ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss.

Notes forming part of the Financial Statements**ii. Financial Liabilities****a) Initial recognition and measurement**

Financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities (other than financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial liabilities, as appropriate, on initial recognition

b) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by considering any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

c) Derecognition

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

d) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

iii. Share Capital**Ordinary equity shares**

Incremental costs directly attributable to the issue of ordinary equity shares, are recognised as a deduction from equity.

iv. Derivative financial instruments and hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged and the type of hedge relationship designated.

The company designates their derivatives as hedges of foreign exchange risk associated with the cash flows of highly probable forecast transactions. (Cash flow hedges).

The company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivatives are classified as a current asset or liability.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in Statement of profit and loss.

When forward contracts are used to hedge forecast transactions, gains or losses relating to the effective portion of the change in the spot component of the forward contracts are recognised in other comprehensive income in cash flow hedging reserve within other equity.

Notes forming part of the Financial Statements

The change in the forward element of the contract that relates to the hedged item ('aligned forward element') is recognised within other comprehensive income in the costs of hedging reserve within equity. In some cases, the entity may designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. In such cases, the gains and losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within other equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/ (losses).

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing. Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

k) Investments in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries the difference between net disposal proceeds and the carrying amounts are recognized in the statement of Profit and Loss.

l) Provisions, Contingent Liabilities and Contingent Assets

i. Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The increase in the provision due to the passage of time is recognized as interest expense.

ii. 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 the obligation or a reliable estimate of the amount cannot be made.

iii. Contingent assets are not recognised in the financial statements.

iv. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

m) Earnings per share

i. The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equities shares outstanding during the year.

ii. The diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity and equivalent potential dilutive equity shares outstanding during the year, except where the result would be anti-dilutive.

n) Taxation

i. Income tax expense for the year comprises of current tax and deferred tax. Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Notes forming part of the Financial Statements

- ii. 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.
- iii. Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax assets is realised or the deferred income tax liability is settled.
- iv. Deferred tax is recognized in Statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

o) Government Grants

- i. Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to expense item, it is recognised in the Statement of Profit and Loss on a systematic basis over the periods to which they relate for which it is intended to compensate, are expensed.
- ii. When the grant relates to an asset, it is treated as deferred income and recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the asset.

p) Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less.

q) Cash flow statement

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

r) Employee Benefits**i. Short-term employee benefits**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be incurred when the liabilities are settled.

ii. Long Term Employee Benefit Plan

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. Expense on non- accumulating compensated absences is recognized in the period in which the compensated absences occur.

iii. Post Separation Employee Benefit Plan**Defined Benefit Plan**

The Company operates a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method with actuarial valuations being carried out at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognized in other comprehensive income in the period in which they occur. The re-measurements of the net defined benefit liability are recognized directly in the other comprehensive income in the period in which they arise. Gratuity fund is administered through Life Insurance Corporation of India.

Defined Contribution Plans

Defined contribution plans are Employee Provident Fund scheme and Employee State Insurance scheme for eligible employees.

Notes forming part of the Financial Statements

The Company's contribution to defined contribution plans is recognised as an expense in the Statement of Profit and Loss as they fall due.

s) Dividend

The Company recognises a liability for any dividend declared but not distributed at the end of the reporting period, when the distribution is authorised and the distribution is no longer at the discretion of the Company on or before the end of the reporting period. As per Corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in equity.

t) Leases

Where the Company is the lessee

Right of use assets and lease liabilities

A lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. The Company enters into leasing arrangements for various assets. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- i. the contract involves the use of an identified asset,
- ii. the Company obtains substantially all of the economic benefits from use of the asset through the period of the lease and
- iii. the Company has the right to direct the use of the asset.

Recognition and initial measurement

At lease commencement date, the Company recognizes a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments). Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of use asset and lease liability, the payments in relation to these are recognized as an expense in statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis or another systematic basis as per the terms of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Notes forming part of the Financial Statements
Note 3: Property, plant & equipment

(Amount in Lakh)

Particulars	Leasehold improvement	Plant & Equipment	Furniture & Fixtures	Vehicles	Total	Right of use of assets
Gross Block						
As at 31st March, 2022	70.52	2,111.70	75.13	2.23	2,259.58	-
Addition	-	226.22	25.59	27.43	279.24	-
Deduction	-	5.25	-	-	5.25	-
As at 31st March, 2023	70.52	2,332.67	100.72	29.66	2,533.57	-
Addition	-	24.90	3.16	-	28.06	406.52
Deduction	-	-	-	-	-	-
As at 31st March, 2024	70.52	2,357.57	103.88	29.66	2,561.63	406.52
Depreciation						
As at 31st March, 2022	1.02	1,449.60	16.99	2.12	1,469.73	-
Addition	2.23	121.49	6.79	1.86	132.37	-
Deduction	-	4.78	-	-	4.78	-
As at 31st March, 2023	3.25	1,566.31	23.78	3.98	1,597.32	-
Addition	9.57	128.51	8.68	3.26	150.02	178.62
Deduction	-	-	-	-	-	-
As at 31st March, 2024	12.82	1,694.82	32.46	7.24	1,747.34	178.62
Net carrying value						
As at 31st March, 2022	69.50	662.10	58.14	0.11	789.85	-
As at 31st March, 2023	67.27	766.36	76.94	25.68	936.25	-
As at 31st March, 2024	57.70	662.75	71.42	22.42	814.29	227.90

1. The Company has not revalued its Property, plant and equipments (including Right of use assets) and Intangible assets during the current and previous year.
2. There are no contractual obligation or capital commitments for the acquisition of property, plant and equipment.
3. Property, plant and equipment are not pledged as security by the Company.

Note 4 Investments

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Investments in Securities (Unquoted)		
3280 shares of the Vishweshwar Sahakari Bank Limited of ₹ 50/- each	-	1.69
Total	-	1.69

Note 5 Other Non-Current Financial Assets

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Deposits	21.93	66.84
Total	21.93	66.84

Notes forming part of the Financial Statements

Note 6 Other Non-Current Assets

(Amount in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Prepaid Expense	15.16	-
Total	15.16	-

Note 7 Inventories

(Valued at lower of cost and net realizable value)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
(a) Raw materials	577.25	984.38
(b) Work-in-progress	922.66	1,166.00
(c) Packing Material	232.09	256.36
(d) Finished goods	267.21	294.36
Total	1,999.21	2,701.10

Inventories hypothecated as collateral towards working capital facilities from banks.

Note 8 Trade Receivables

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Unsecured considered good		
Related parties	73.20	2.61
Others	1.24	7.39
Total	74.44	10.00

Trade Receivable hypothecated as collateral towards Working Capital facilities from banks.

Receivables from related parties comprise:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Kamal Industries	0.05	-
Pravin Sales Division	1.43	2.61
Pravin Masalewale	71.72	-
Total	73.20	2.61

Trade Receivables Ageing Schedule

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Undisputed Trade receivables – considered good		
Less than 6 Months	73.44	10.00
6 months to 1 year	-	-
1 to 2 years	1.00	-
2 to 3 years	-	-
More than 3 years	-	-
Total	74.44	10.00

Notes forming part of the Financial Statements
Note 9 Cash and Cash Equivalents

(Amount in Lakh)

Particulars	As at	
	31 st March, 2024	31 st March, 2023
(a) Cash on hand	29.98	57.90
(b) Balances with banks In current accounts	0.99	0.10
Total	30.97	58.00

Note 10 Other Current Financial Assets

Particulars	As at	
	31 st March, 2024	31 st March, 2023
Deposits	51.43	-
Total	51.43	-

Note 11 Other Current Assets

Particulars	As at	
	31 st March, 2024	31 st March, 2023
Advance to Creditors - Others	1.73	5.19
Advances to Creditors - Related Parties	2.06	1.70
Advance to Staff & Other	8.98	8.08
Balance with Tax Authorities	7.81	11.42
Prepaid Expense	7.86	-
GST Credit	5.84	14.89
Total	34.28	41.28

Advances to related parties, considered good, comprise:

Particulars	As at	
	31 st March, 2024	31 st March, 2023
Chordia Food Products Limited	2.06	-
Dhanyakumar & Co	-	1.70
Total	2.06	1.70

Note 12 Share Capital

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised				
Equity shares of ₹ 10 each with voting rights	5,000,000	500.00	5,000,000	500.00
(b) Issued				
Equity shares of ₹ 10 each with voting rights	4,028,252	402.83	-	-
Add: Shares issued during the year pursuant to Scheme of Arrangement	-	-	4,028,252	402.83
(c) Subscribed and fully paid up				
Equity shares of ₹ 10 each with voting rights	4,028,252	402.83	-	-
Add: Shares issued during the year pursuant to Scheme of Arrangement	-	-	4,028,252	402.83
Total	4,028,252	402.83	4,028,252	402.83

Notes forming part of the Financial Statements

Notes:

The Scheme of Arrangement between Chordia Food Products Ltd (Demerged Company) and Aveer Foods Ltd (Resulting Company) and its respective shareholders for the demerger of the Food Division (Demerged Undertaking) of the Demerged Company into the Resulting Company has received the final approval from the Hon'ble National Company Law Tribunal (NCLT) vide order dated 01.07.2022. In pursuance of the said Scheme, the Resulting Company has issued and allotted shares to the shareholders of the Demerged Company in 1:1 ratio and the original 10,000 equity shares of the Resulting Company held by the Demerged Company (and its nominees) have been cancelled and extinguished.

A) The reconciliation of the number of share outstanding is set out below: (Amount in Lakh)

Particulars	As at 31 st March ,2024			As at 31 st March ,2023	
	Par Value (in ₹)	No. of Shares	Amount	No. of Shares	Amount
Equity Shares					
Shares Outstanding at the beginning of the year	10.00	4,028,252	402.83	-	-
Shares Issued during the Year	10.00	-	-	4,028,252	402.83
Shares Outstanding at the end of the year	10.00	4,028,252	402.83	4,028,252	402.83

B) Terms/ Rights Attached to Equity Shares:

- The Company has only one class of shares referred to as Equity Shares having a par value of ₹ 10/- each. Each holder of Equity Shares is entitled to one vote per share.
- In case any Dividend is Declared and paid it is done in Indian Rupees. The Dividend proposed if any by the Board of Directors is subject to the approval of Shareholders in the ensuing Annual General Meeting.
- The Board of Directors may from time to time pay such interim dividend which they find justified by the profits of the company. The Company has not declared or paid any interim dividend during the year.
- In the event of liquidation of the Company the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

C) Details of Shareholders Holding More Than 5% Shares in the Company :

Name of Shareholder	As at 31 st March ,2024		As at 31 st March ,2023	
	No of Shares	% Holding	No of Shares	% Holding
Rajkumar Hukmichand Chordia	1,549,720	38.47	1,544,968	38.35
Anand Rajkumar Chordia	387,945	9.63	187,520	4.66
Vishal Rajkumar Chordia	378,258	9.39	178,730	4.44
Pradeep Hukmichand Chordia	100,010	2.48	373,102	9.26
Meena Pradeep Chordia	99,913	2.48	219,941	5.46

D) Details of Promoters and Promoter Group Holding shares in the Company :

Name of Shareholder	As at 31 st March ,2024		As at 31 st March ,2023	
	No of Shares	% Holding	No of Shares	% Holding
Rajkumar Hukmichand Chordia	1,549,720	38.47	1,544,968	38.35
Anand Rajkumar Chordia	387,945	9.63	187,520	4.66
Vishal Rajkumar Chordia	378,258	9.39	178,730	4.44
Madhubala Rajkumar Chordia	198,775	4.93	197,775	4.91
Shweta Vishal Chordia	187,574	4.66	187,574	4.66
Pradeep Hukmichand Chordia	100,010	2.48	373,102	9.26
Meena Pradeep Chordia	99,913	2.48	219,941	5.46
Pravin Hukmichand Chordia	20,724	0.51	20,908	0.52
Chordia Technologies (India) LLP	969	0.02	969	0.02
Anuradha Pradeep Chordia	486	0.01	486	0.01
Neelam Sameer Goyal	27	0.00	27	0.00
Namita Kushal Pittie	19	0.00	19	0.00
Late Kamalbai Hukmichand Chordia*	-	-	933	0.02
Late Hukmichand Sukhlal Chordia*	-	-	933	0.02

*Shares were in transmission process during FY 2022-23 and are transmitted in FY 2023-24

Notes forming part of the Financial Statements
Note 13 Other Equity

(Amount in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
(a) Capital reserve		
Balance as per Last Financial Statement	1,582.60	1,582.60
Closing balance	1,582.60	1,582.60
(b) Surplus / (Deficit) in Statement of Profit and Loss		
Balance as per Last Financial Statement	(360.54)	(462.81)
Add: Transferred from Statement of Profit and Loss	125.34	102.27
Add : Other comprehensive income (OCI)		
- Remeasurements of post-employment benefits obligation (net of taxes)	(3.11)	-
Add: Transferred from Statement of Profit and Loss	122.23	102.27
Closing balance	(238.31)	(360.54)
Total	1,344.29	1,222.06

Note 14 Lease Liability

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
(a) Current Lease Liability	188.84	-
(b) Non-Current Lease Liability	51.45	-
Total	240.29	-

(i) The following is the movement in lease liabilities:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Balance at the beginning of the year	-	-
Add: Additions	406.52	-
Add: Finance cost accrued during the year	22.06	-
Less: Payment of lease liabilities	188.29	-
Balance at the end of the year	240.29	-

The Company has lease for various Buildings. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

(ii) Nature of the Company's leasing activities by type of right-of-use asset recognised on balance sheet:

Right to use	Building
Number of right-of-used assets leased	5
Range of remaining lease term	10 Months to 36 Months
Average of remaining lease term	21 Months
No. of lease with extention options	0
No. of lease with options to purchase	0
No. of lease with variable payments linked to an index	0
No. of lease with termination option	5

Notes forming part of the Financial Statements

(iii) The following are amounts recognised in profit or loss:

(Amount in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Amortisation expense of right-of-use assets	178.62	-
Interest expense on lease liabilities	22.06	-
Total	200.68	-

(iv) The Company incurred ₹ 14.71 Lakhs for the years ended March 31, 2024 towards expenses relating to short-term leases and leases of low-value assets.

(v) Total cash outflow for leases for the year ended March 31, 2024 was ₹ 203.00 Lakhs including cash outflow for short term leases and leases of low-value assets.

Note 15 Long Term Provisions

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Provision for Gratuity	160.54	178.54
Total	160.54	178.54

Note 16 Borrowings

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Loans repayable on demand		
From banks		
Secured	270.80	791.72
Total	270.80	791.72

Notes:

(i) Details of security for the secured borrowings:

Particulars	Nature of security	As at 31 st March, 2024	As at 31 st March, 2023
Cash Credit account from HDFC	1) Hypothecation of all present & future Stocks of Raw Material, Semi Finished Goods, Finished Goods, & Book Debts & Receivables.	270.80	791.72
	2) Corporate Guarantee given by M/s Pravin Masalewale (Related Party)		
	3) Personal Guarantee given by Mr Rajkumar Hukmichand Chordia (Related Party)		
	Total	270.80	791.72

(ii) The interest on above loan from HDFC bank is variable in nature. During the year the interest rate ranges from 8.17% to 8.25% per annum.

Notes forming part of the Financial Statements
Note 17 Trade Payables

(Amount in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Trade payables:		
- Micro Enterprises & small enterprises		
(a) Related Parties	-	113.15
(b) Others	122.50	56.85
- Other than Micro Enterprises & small enterprises		
(a) Related Parties	-	0.10
(b) Others	228.25	513.82
Total	350.75	683.92

Trade payables to related parties comprise:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Kamal Industries	-	113.15
Chordia Food Products Limited	-	0.10
Total	-	113.25

Trade Payables Ageing Schedule

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Trade Payables:		
- Micro Enterprises & small enterprises		
Less than 1 year	122.50	170.00
1 to 2 years	-	-
2 to 3 years	-	-
More than 3 years	-	-
- Other than Micro Enterprises & small enterprises		
Less than 1 year	226.50	513.26
1 to 2 years	1.75	0.66
2 to 3 years	-	-
More than 3 years	-	-
Total	350.75	683.92

Note 18 Other Current Financial Liabilities

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
(a) Security Deposit	63.24	66.64
(b) Other payables	6.15	6.15
Total	69.39	72.79

Note 19 Short-term provisions

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
(a) Provision for Expenses	132.45	157.33
(b) Salary & Wages Payable	50.92	46.51
(c) Bonus Payable	77.51	75.19
(d) Sitting Fees Payable	0.14	2.13
Total	261.02	281.16

Notes forming part of the Financial Statements

Note 20 Other Current Liabilities

(Amount in Lakh)

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
(a) Advances Received from Debtors - Others	112.55	50.12
(b) Advances Received from Debtors - Related Parties	-	73.29
(c) LIC of India	0.05	0.06
(d) GST Payable	38.73	42.20
(e) Profession Tax	0.28	0.33
(f) ESI-Payable	0.08	0.15
(g) PF Payable	6.21	6.51
(h) TDS Payable	11.70	9.43
(i) TCS Payable	0.10	0.05
Total	169.70	182.14

Advances received from debtors - related parties comprise:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Pravin Masalewale	-	73.29
Total	-	73.29

Note 21 Revenue from operations

Particulars	Current Year 2023-24	Previous Year 2022-23
Sale of Products	9,639.80	9,759.98
Total	9,639.80	9,759.98

The Chief Operating Decision Maker (CODM) evaluates the performance of the Company based on revenue and operating income in one segment i.e. "Processed food". Accordingly, as per Ind AS-108 (Operating Segment), the Company has only one business segment and hence disaggregation information has not been separately disclosed.

Note 22 Other Income

Particulars	Current Year 2023-24	Previous Year 2022-23
Interest	0.35	1.28
Rent	-	0.03
Discount Received	-	0.06
Dividend	-	0.25
Misc. Income	0.25	2.06
Total	0.60	3.68

Notes forming part of the Financial Statements
Note 23 cost of Materials Consumed

(Amount in Lakh)

Particulars	Current Year 2023-24	Previous Year 2022-23
Opening stock	1,240.74	1,318.92
Add: Purchases	4,840.23	5,850.73
	6,080.97	7,169.65
Less: Closing stock	809.34	1,240.74
Total	5,271.63	5,928.91

(Note : Opening and Closing Stock includes Packing Material)

Note 24 Changes in inventories of Finished Goods, Work In progress and Stock in Trade

Particulars	Current Year 2023-24	Previous Year 2022-23
Inventories at the end of the year:		
Finished goods	267.21	294.36
Work-in-progress	922.66	1,166.00
Stock-in-trade	-	-
	1,189.87	1,460.36
Inventories at the beginning of the year:		
Finished goods	294.36	239.63
Work-in-progress	1,166.00	794.30
Stock-in-trade	-	-
	1,460.36	1,033.93
Net (increase) / decrease	270.49	(426.43)

Note 25 Employee Benefit Expenses

Particulars	Current Year 2023-24	Previous Year 2022-23
Salaries and wages	875.58	736.88
Remuneration to Directors	18.18	14.92
Contributions to provident and other funds	39.01	41.68
Gratuity Expenses	42.47	24.98
Total	975.24	818.46

Note 26 Finance Cost

Particulars	Current Year 2023-24	Previous Year 2022-23
(a) Interest expense on:		
(i) Borrowings	89.23	91.54
(ii) Deposits	3.18	3.99
(iii) Other Bank Charges	0.15	16.71
(iv) Interest on lease liability	22.06	-
Total	114.62	112.24

Notes forming part of the Financial Statements

Note 27 Other Expenses

(Amount in Lakh)

Particulars	Current Year 2023-24	Previous Year 2022-23
Advertisement Expenses	0.57	13.64
Amalgamation Expenses	-	1.30
Audit Fees (Refer Note 37)	2.70	2.70
Canteen Expenses	12.56	10.39
Cleaning Expenses	11.19	16.02
Computer Expenses	13.26	10.19
Cutting, Packing , Production Charges , Loading & Unloading Charges	834.61	878.43
Donation	1.66	1.76
Fees & License	4.70	21.56
Forwarding Charges	142.87	136.50
GST Expenses	94.65	154.59
Insurance	5.39	7.56
Interest On T.D.S	0.22	0.02
Interest on Indirect Tax	-	0.69
Laboratory Expenses	12.94	9.13
Legal & Professional Fees	38.26	34.50
Maintenance Expenses	44.43	41.98
Operational Charges	116.77	128.74
Other Expenses	20.55	36.82
Printing & Stationary	3.58	4.76
Professional Tax Company	0.05	0.09
Power & Fuel	121.91	101.17
Rent, Rates & Taxes	40.07	223.01
Repairs & Maintenance	70.28	115.77
Royalty	18.00	18.00
Sales Promotion Expenses	899.87	1,082.48
Security Charges	42.01	38.68
Short Provision Of Income Tax	-	2.99
Sitting Fees	1.35	2.37
Total	2,554.45	3,095.84

Notes forming part of the Financial Statements
Note 28 Earning Per Equity Share as calculated in accordance with Indian Accounting Standard (Ind AS 33)

Sr. No.	Particulars	Current Year 2023-24	Previous Year 2022-23
1	Earnings Per Share (EPS) (in ₹)		
	Basic	3.11	2.54
	Diluted	3.11	2.54
2	Net Profit after tax considered for the calculation of EPS (Amount in Lakh)	125.34	102.27
3	Weighted average number of Equity Shares used in computing Earnings per share	40,28,252	40,28,252
4	Face value of each Equity Share (in ₹)	10	10

Note 29 The Disclosure required by Accounting Standard (Ind AS-37) Provisions, Contingent Liabilities, Contingent Assets prescribed by the Companies (Accounting Standards) Amendment Rules, 2006 are as Follows:

(Amount in Lakh)

Class of Provision	Opening Balance as at 1 st April,2023	Provisions for the year	Amounts used during the year	Amounts reversed during the year	Closing Balance as at 31 st March,2024
Godown Rent	2.31	-	2.31	-	-
Post Sales Discount	108.27	103.19	108.27	-	103.19
Sales Return	37.93	29.26	37.93	-	29.26
Leave Encashment	1.06	-	1.06	-	-
Sales Promotion Expense	7.76	-	7.76	-	-
Salary & Wages	46.51	50.92	46.51	-	50.92
Bonus	75.19	77.51	75.19	-	77.51
Sitting Fees	2.13	0.14	2.13	-	0.14
Total	281.16	261.02	281.16	-	261.02

Note 30 Segment Information

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. The Company's Chief Operating Decision maker has identified 'Manufacture and Sale of Process Foods' as its only primary business segment since its operations predominantly consist of manufacture and sale of 'Processed Foods' to its customers. Accordingly in context of 'Ind AS 108 Operating Segments' the principle business of the Company constitute a single reportable segment.

Note 31 Related Party Disclosures as required by Accounting Standards (Ind AS 24)

As required by Accounting Standards- IND AS 24 "Related Party Disclosure" is made as under.

A. Names of Related Parties and Description of Relationship
Key Managerial Personnel:

Name	Designation
i) Mr. Rajkumar Chordia	Chairman
ii) Mr. Vishal Chordia	Managing Director
iii) Mr. Anand Chordia	Managing Director
iv) Mr. Bapu Gavhane	Whole Time Director
v) Mr. Ritesh Mehta	Independent Director
vi) Mr. Vijaykumar Kankaliya	Independent Director
vii) Mr. Ajitkumar Mandlecha	Independent Director
viii) Mr. Rajendra Lunkad	Independent Director
ix) Mrs. Samruddhi Mehta	Independent Director
x) Mr. Dharmendra Tulshyan	Chief Financial Officer
xi) Mrs. Tejashree Wagholikar	Company Secretary

Notes forming part of the Financial Statements

Entities in which Key Managerial Personnel and their relatives have significant influence with whom transactions have taken place during the current year and/or previous year:

Name	Relationship
i) Kamal Industries	Firm in which Key Managerial Personnel is interested
ii) Pravin Sales Division	Firm in which Key Managerial Personnel is interested
iii) Pravin Masalewale	Firm in which Key Managerial Personnel is interested
iv) Dhanyakumar & Co	Firm in which Key Managerial Personnel is interested
v) Raja Flavours & Foods LLP	LLP in which Key Managerial Personnel is interested
vi) Chordia Industrial Park LLP	LLP in which relative of Key Managerial Personnel is interested
vii) Chordia Food Products Limited	Company in which relative of Key Managerial Personnel is interested
viii) Maven Tech Services Private Limited	Company in which Key Managerial Personnel is interested

B. Value of Transaction: Directors / Relatives and Companies/ LLPs

(Amount in Lakh)

Sr. No.	Particulars	Current Year 2023-2024	Previous Year 2022-2023
1	Sales & Other Income		
i)	Kamal Industries	1,189.00	852.35
ii)	Pravin Sales Division	213.46	198.03
iii)	Pravin Masalewale	642.20	616.99
	Total	2,044.66	1667.37
2	Purchase & Other Services		
i)	Kamal Industries	385.61	458.95
ii)	Pravin Sales Division	1.54	0.70
iii)	Pravin Masalewale	87.75	27.79
iv)	Maven Tech Services Private Limited	0.90	1.01
v)	Mr. Rajkumar Chordia	-	0.07
vi)	Chordia Industrial Park LLP	44.43	41.98
vi)	Chordia Food Products Limited	122.59	116.97
vii)	Dhanyakumar & Co	1.62	-
	Total	644.44	647.47
3	Royalty Paid		
i)	Raja Flavours & Foods LLP	18.00	18.00
	Total	18.00	18.00
4	Sitting Fees		
i)	Mr. Vijaykumar Kankaliya	0.26	0.43
ii)	Dr. Ajitkumar Mandlecha	0.26	0.43
iii)	Mr. Rajkumar Chordia	0.15	0.33
iv)	Mrs. Samruddhi Mehta	0.26	0.36
v)	Mr. Rajendra Lunkad	0.21	0.43
vi)	Mr. Ritesh Mehta	0.21	0.39
	Total	1.35	2.37
5	Salary & Remuneration		
i)	Mr. Bapu Gavhane	18.18	14.92
ii)	Mr Dharmendra Tulshyan	27.38	19.98
iii)	Mrs Tejashree Wagholikar	10.96	6.63
	Total	56.52	41.53

Notes forming part of the Financial Statements

(Amount in Lakh)

Sr. No.	Particulars	Current Year 2023-2024	Previous Year 2022-2023
6	Trade Receivables		
	i) Kamal Industries	0.05	-
	ii) Pravin Sales Division	1.43	2.61
	iii) Pravin Masalewale	71.72	-
	Total	73.20	2.61
7	Trade Payable		
	i) Kamal Industries	-	113.15
	ii) Chordia Food Product Limited	-	0.10
	Total	-	113.25
8	Advance to Creditor		
	i) Dhanyakumar & Co	-	1.70
	ii) Chordia Food Product Limited	2.06	-
	Total	2.06	1.70
9	Advance from Debtor		
	i) Pravin Masalewale	-	73.29
	Total	-	73.29

*Transactions with key management personnel for the year ended March 31, 2024 did not include provisions for gratuity as separate actuarial valuation were not available.

Note 32 Foreign Currency Exposure
Details of Foreign Currency Exposures:

Particulars	Currency	Amount in foreign Currency	Equivalent Indian Currency	Purpose
Payable at 31.03.2024	-	-	-	-
Payable at 31.03.2023	-	-	-	-

Note 33 C.I.F. value of Imports and Expenditure in Foreign Currencies

Particulars	Current Year 2023-24	Previous Year 2022-23
a) C.I.F. Value of Imports	-	-
b) Expenditure in Foreign Currencies - Others	-	-

Note 34 Earnings in Foreign Exchange

Particulars	Current Year 2023-24	Previous Year 2022-23
FOB value of Exports	-	-

Notes forming part of the Financial Statements

Note 35 Raw Material and Stores & Spares Consumption

Imported and Indigenous Raw Material Consumption

(amount in lakh)

Particulars	Current Year 2023-24	Previous Year 2022-23
i) Imported	-	-
ii) Indigenous	5,271.63	5,928.91
Total	5,271.63	5,928.91

Note 36

There are no material dues owed by the Company to Micro and Small enterprises, which are overdue for more than 45 days during the year and as at 31 March 2024. This information as required under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

The principal amount and the interest due thereon remaining unpaid to any supplier as at end of the year

Sr. No.	Particulars	As at 31 st March, 2024	As at 31 st March, 2023
1	Principle*	122.50	170.00
2	Interest	-	-
3	The amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed date during the year.	-	-
4	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
5	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
6	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purposes of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

*Includes dues to related party

Note 37 Payment to Auditors

Particulars	Current Year 2023-24	Previous Year 2022-23
Payment to auditor comprise		
For Statutory Audit	2.70	2.70
Total	2.70	2.70

Note 38 Disclosures made in terms of Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

a. Deposits paid to related parties

Interest free security deposit of ₹ 31.99 lakhs (2022-23: ₹ 31.99 lakhs), paid for factory building taken on lease from a Related party.

b. Advances to Subsidiaries

There are no loans and advances in the nature of loans given to subsidiaries, associates, firms/companies in which directors are interested.

Notes forming part of the Financial Statements
Note 39 Financial Ratio

Particulars	As at 31 st March,2024	As at 31 st March,2023	Variance
Current Ratio	1.67	1.40	20%
Debt-Equity Ratio	0.15	0.49	68%
Debt Service Coverage Ratio	2.02	3.09	-34%
Return on Equity Ratio	0.07	0.06	14%
Trade Receivables turnover ratio	228.32	46.09	395%
Trade Payable turnover ratio	9.36	7.38	27%
Net capital turnover ratio	10.96	12.22	-10%
Net profit ratio	1.30	1.05	24%
Return on Investments	0.07	0.06	14%
Return on Capital employed	0.12	0.09	34%
Inventory Turnover Ratio	2.36	2.18	8%

Explanation for change in the ratios by more than 25%:-
1. Debt Equity Ratio

The debt equity ratio is favourable in current year on account of repayment of borrowings.

2. Debt Service Coverage Ratio

The debt service coverage ratio is unfavourable in current year due to increase in payment of lease liability in the current year.

3. Trade Receivables Turnover Ratio

The Trade Receivables Turnover Ratio has increased in current year on account of decrease in average trade receivable.

4. Trade Payable Turnover Ratio

The Trade Payable Turnover Ratio has increased in current year on account of decrease in average trade payable.

5. Return on Capital Employed

The Return on Capital Employed ratio is favourable in current year on account of repayment of borrowings and increase in net profit of current year as compared to the previous year.

Working for Financial Ratio:

(Amount in Lakh)

Particulars	As at 31 st March,2024	As at 31 st March,2023
Current Ratio	1.67	1.40
Current Assets	2,190.33	2,810.38
Current Liabilities	1,310.50	2,011.73
Debt - Equity Ratio	0.15	0.49
Total Debt	270.80	791.72
Equity	1,747.12	1,624.89
Debt Service Coverage Ratio	2.02	3.09
EBITDA	568.59	346.88
Debt Service	280.85	112.24

Notes forming part of the Financial Statements

(Amount in Lakh)

Particulars	As at 31 st March,2024	As at 31 st March,2023
Return on Equity	0.07	0.06
Net Income	125.34	102.27
Shareholder's Equity	1,747.12	1,624.89
Trade Receivable Turnover Ratio	228.32	46.09
Revenue from Operations	9,639.80	9,759.98
Average Trade receivable	42.22	211.76
Trade Payable Turnover Ratio	9.36	7.38
Credit Purchases	4,840.23	5,850.73
Average Trade Payable	517.34	792.52
Net Capital Turnover Ratio	10.96	12.22
Revenue from Operations	9,639.80	9,759.98
Net Working Capital	879.83	798.65
Net Profit Ratio	1.30	1.05
Net Profit	125.34	102.27
Revenue from Operations	9,639.80	9,759.98
Return on Investments	0.07	0.06
Net Profit	125.34	102.27
Net Investments (Shareholder's Equity)	1,747.12	1,624.89
Return on Capital Employed	0.12	0.09
Earnings before Interest and Tax	239.97	214.51
Capital Employed	2,017.92	2,416.61
Inventory Turnover Ratio	2.36	2.18
Cost of Goods Sold	5,542.12	5,502.48
Average Inventory	2,350.16	2,526.98

Notes forming part of the Financial Statements
Note 40 Financial instruments – Fair values and risk management
Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value. (Amount in Lakh)

March 31, 2024	Carrying amount			Total	Fair Value			Total
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost		Level 1	Level 2	Level 3	
Financial assets not measured at fair value*								
Financial Assets								
Non-Current								
Loans	-	-	-	-	-	-	-	-
Investment	-	-	-	-	-	-	-	-
Other Financial Assets	-	-	21.93	21.93	-	-	-	-
Other Financial Assets								
Current								
Trade Receivable	-	-	74.44	74.44	-	-	-	-
Cash and cash equivalents	-	-	30.97	30.97	-	-	-	-
Other Financial Assets	-	-	51.43	51.43	-	-	-	-
Total	-	-	178.77	178.77	-	-	-	-
Financial liabilities not measured at fair value*								
Financial Liability								
Non-Current								
Lease Liability	-	-	51.45	51.45	-	-	-	-
Financial Liability								
Current								
Loans	-	-	270.80	270.80	-	-	-	-
Trade Payables	-	-	350.75	350.75	-	-	-	-
Lease Liability	-	-	188.84	188.84	-	-	-	-
Other Current Financial Liabilities	-	-	69.39	69.39	-	-	-	-
Total	-	-	931.23	931.23	-	-	-	-

March 31, 2023	Carrying amount			Total	Fair Value			Total
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost		Level 1	Level 2	Level 3	
Financial assets not measured at fair value*								
Financial Assets								
Non-Current								
Loans	-	-	-	-	-	-	-	-
Investment	1.69	-	-	1.69	-	1.69	-	1.69
Other Financial Assets	-	-	66.84	66.84	-	-	-	-
Other Financial Assets								
Current								
Trade Receivable	-	-	10.00	10.00	-	-	-	-
Cash and cash equivalents	-	-	58.00	58.00	-	-	-	-
Bank balances other than above	-	-	-	-	-	-	-	-
Total	1.69	-	134.84	136.53	-	1.69	-	1.69

Notes forming part of the Financial Statements

(Amount in Lakh)

March 31, 2023	Carrying amount			Fair Value				
	Fair value through profit and loss	Fair value through other comprehensive income	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial liabilities not measured at fair value*								
Financial Liability Non-Current								
Financial Liability Current								
Loans	-	-	791.72	791.72	-	-	-	-
Trade Payables	-	-	683.92	683.92	-	-	-	-
Other Current Financial Liabilities	-	-	72.79	72.79	-	-	-	-
Total	-	-	1,548.43	1,548.43	-	-	-	-

* Financial assets and liabilities such as trade receivables, cash and cash equivalent, bank balance other than cash and cash equivalents, borrowing, trade payables etc. are largely short-term in nature. The fair values of these financial assets and liabilities approximate their carrying amount due to the short-term nature of such assets and liabilities.

Fair Value Hierarchy

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: The fair value of financial instruments quoted in active markets is based on their quoted closing price at the balance sheet date;
- Level 2: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques using observable market data. Such valuation techniques include discounted cash flows, standard valuation models based on market parameters for interest rates, yield curves or foreign exchange rates, dealer quotes for similar instruments and use of comparable arm's length transactions; and
- Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs).

Calculation of Fair Values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with prior years.

Financial assets and liabilities measured at fair value as at Balance Sheet date:

1. The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
2. The fair values of the derivative financial instruments have been determined using valuation techniques with market observable inputs. The models incorporate various inputs including the credit quality of counter-parties and foreign exchange forward rates.
3. Loans – Security Deposits have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Notes forming part of the Financial Statements

Note 41 Financial Risk Management

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk and market risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

i) Credit Risk

Credit risk arises from trade receivables, cash and cash equivalents and deposits with banks and financial institutions.

A default on a financial asset is when the counter party fails to make contractual payments within agreed credit terms from the date when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to ₹ 74.44 lakhs (March 31, 2023 – ₹ 10.00 lakhs) shown as current as at reporting date. Trade receivables are typically unsecured. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company expects that estimate of expected credit loss for impairment is immaterial based on historical trend and the nature of business. No provision is considered necessary as at reporting date and Management continuously assesses the requirement for provision on ongoing basis. During the year, the Company has made no write-offs of trade receivables.

The Company's exposure to credit risk, excluding receivables from related parties, is influenced mainly by the individual characteristic of each customer

ii) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Management regularly monitors rolling forecasts of the Company's liquidity position on the basis of expected cash flows to ensure it has sufficient cash to meet ongoing operational fund requirements.

(Amount in Lakh)

March 31, 2024	Carrying Amount	Total	Contractual cash flows		
			Within 12 Months	1-5 Years	More than 5 Years
Financial Liabilities:					
Non-Current					
Lease Liability	51.45	51.45	-	51.45	-
Financial Liabilities:					
Current					
Borrowings	270.80	270.80	270.80	-	-
Trade payables					
a) Total outstanding dues of Micro Enterprises and Small Enterprises	122.50	122.50	122.50	-	-
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	228.25	228.25	228.25	-	-
Lease Liability	188.84	188.84	188.84	-	-
Other Current Financial Liabilities	69.39	69.39	69.39	-	-
Other Liabilities	430.72	430.72	430.72	-	-
Total	1,361.95	1,361.95	1,310.50	51.45	-

Notes forming part of the Financial Statements

(Amount in Lakh)

March 31, 2023	Carrying Amount	Total	Contractual cash flows		
			Within 12 Months	1-5 Years	More than 5 Years
Financial Liabilities:					
Current					
Borrowings	791.72	791.72	791.72	-	-
Trade payables					
a) Total outstanding dues of Micro Enterprises and Small Enterprises	170.00	170.00	170.00	-	-
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	513.92	513.92	513.92	-	-
Other Current Financial Liabilities	72.79	72.79	72.79	-	-
Other Liabilities	463.30	463.30	463.30	-	-
Total	2,011.73	2,011.73	2,011.73	-	-

iii) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

iv) Interest rate risk

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at March 31, 2024, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates.

Interest rate risk exposure

Below is the overall exposure of the Company to interest rate risk:

Particulars	As at	As at
	31 st March, 2024	31 st March, 2023
Variable rate borrowing	270.80	791.72
Total borrowings	270.80	791.72

Note 42 Capital management

The Company's capital management objectives are:

- to ensure the Company's ability to continue as a going concern
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Notes forming part of the Financial Statements

The Company's adjusted net debt to equity ratio as at year end were as follows:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Total borrowings	270.80	791.72
Less: Cash and cash equivalents	30.97	58.00
Net debt	239.83	733.72
Total equity	1,747.12	1,624.89
Adjusted net debt to adjusted equity ratio	0.14	0.45

Loan covenants

Under the terms of major borrowing facilities, the Company is required to comply with the following covenants:

- the current ratio must be more than or equal to 1.30 times;
- the debt to tangible net worth must be less than or equal to 1 time;
- the total outside liability to tangible net worth ratio must be less than or equal to 1.70 times;
- Minimum tangible net worth of ₹16 crore to be maintained;

The Company has complied with these covenants as at the reporting date.

Note 43 Revenue from Contracts with Customers

Indian Accounting Standard 115, 'Revenue from Contracts with Customers' ("Ind AS 115"), establishes a framework for determining whether, how much and when revenue is recognised and requires disclosures about the nature, amount, timing and uncertainty of revenues and cash flows arising from customer contracts. Under Ind AS 115, revenue is recognised through a 5-step approach:

- (i) Identify the contract(s) with customer;
- (ii) Identify separate performance obligations in the contract;
- (iii) Determine the transaction price;
- (iv) Allocate the transaction price to the performance obligations; and
- (v) Recognise revenue when a performance obligation is satisfied.

Significant changes in contract assets and liabilities

There has been no significant changes in the nature of contract assets/contract liabilities during the year.

Revenue recognised in relation to contract liabilities

Advance from Customers:

Description	As at 31 st March, 2024	As at 31 st March, 2023
Amounts included in contract liabilities at the beginning of the year	123.41	186.33
Performance obligations satisfied in current year	7,668.42	8,092.61
Amount received in the current year having outstanding performance Obligations	7,657.56	8,029.69
Amounts included in contract liabilities at the end of the year	112.55	123.41

Remaining performance obligations as at the reporting date are expected to be recognised over the next year by the Company.

Disaggregation of revenue

The Company has performed a disaggregated analysis of revenues considering the nature, amount, timing and uncertainty of revenues. This includes disclosure of revenues by segment and type.

(Amount in Lakh)

Timing of revenue recognition	As at 31 st March, 2024	As at 31 st March, 2023
Revenue recognised at point in time	9,639.80	9,759.98
Revenue recognised over time	-	-
Total	9,639.80	9,759.98

Assets and liabilities related to contracts with customers

Description	As at 31 st March, 2024	As at 31 st March, 2023
Contract liabilities related to sale of goods and services		
Advance from customers	112.55	123.41
Trade Receivable related to sale of goods and services		
Trade Receivable	74.44	10.00

Note 44 Assets pledged as security

The carrying amount of assets pledged as security for current borrowings are:

Particulars	As at 31 st March, 2024	As at 31 st March, 2023
Current Assets		
First charge		
Inventories	1,999.21	2,701.10
Trade receivables	74.44	10.00
Total assets pledged as security	2,073.65	2,711.10

Note 45 Information required as per schedule III (amended by MCA notification dated March 23, 2021) and as per Ind-AS has been disclosed in the financial statements to the extent applicable.

Note 46 Other Statutory Information

- I. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- II. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- III. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall: a) 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, b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- IV. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall: a) 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, b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- V. The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- VI. The company has not been declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.
- VII. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

Note 47 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment had released draft rules for the Code on Social Security, 2020 on November 13, 2020. The Company will assess the impact and its evaluation once the subject rules are notified. The Company will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Note 48 Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

Note 49 The Company has a working capital limit of ₹ 1600 lakhs (March 31, 2023: ₹ 1600 lakhs). For said facility, the management files returns/ statements, including information about inventory, debtors (with their ageing) and creditors, with such banks on monthly basis. The management also files revised returns/ statements, including similar information as at quarter-end and for the quarter then ended, with such banks on quarterly basis after reconciling the data with quarter-end accounts. The revised returns/ statements filed with such banks, except for few immaterial differences, are in agreement with the unaudited books of accounts of the Company on aggregate basis.

Note 50 Previous year's figures have been regrouped/restated wherever necessary to conform to current year's classification. All figures have been rounded off to the nearest Lakhs

As per our Report of even date

For & on behalf of Board of Directors

M/s Bharat H Shah & Associates
Chartered Accountants

CA Bharat H Shah
Proprietor
M. No. 110878
FRN: 122100W

Rajkumar Chordia
Chairman
[DIN: 00058185]

Vishal Chordia
Managing Director
[DIN: 01801631]

Anand Chordia
Managing Director
[DIN: 00062569]

Place: Pune
Date: 28th May, 2024

Bapu Gavhane
Whole Time Director
[DIN: 00386217]

Dharmendra Tulshyan
Chief Financial Officer
[PAN: AEOPT8157K]

Tejashree Waghlikar
Company Secretary
[M. No. A39767]

AVEER FOODS LIMITED

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