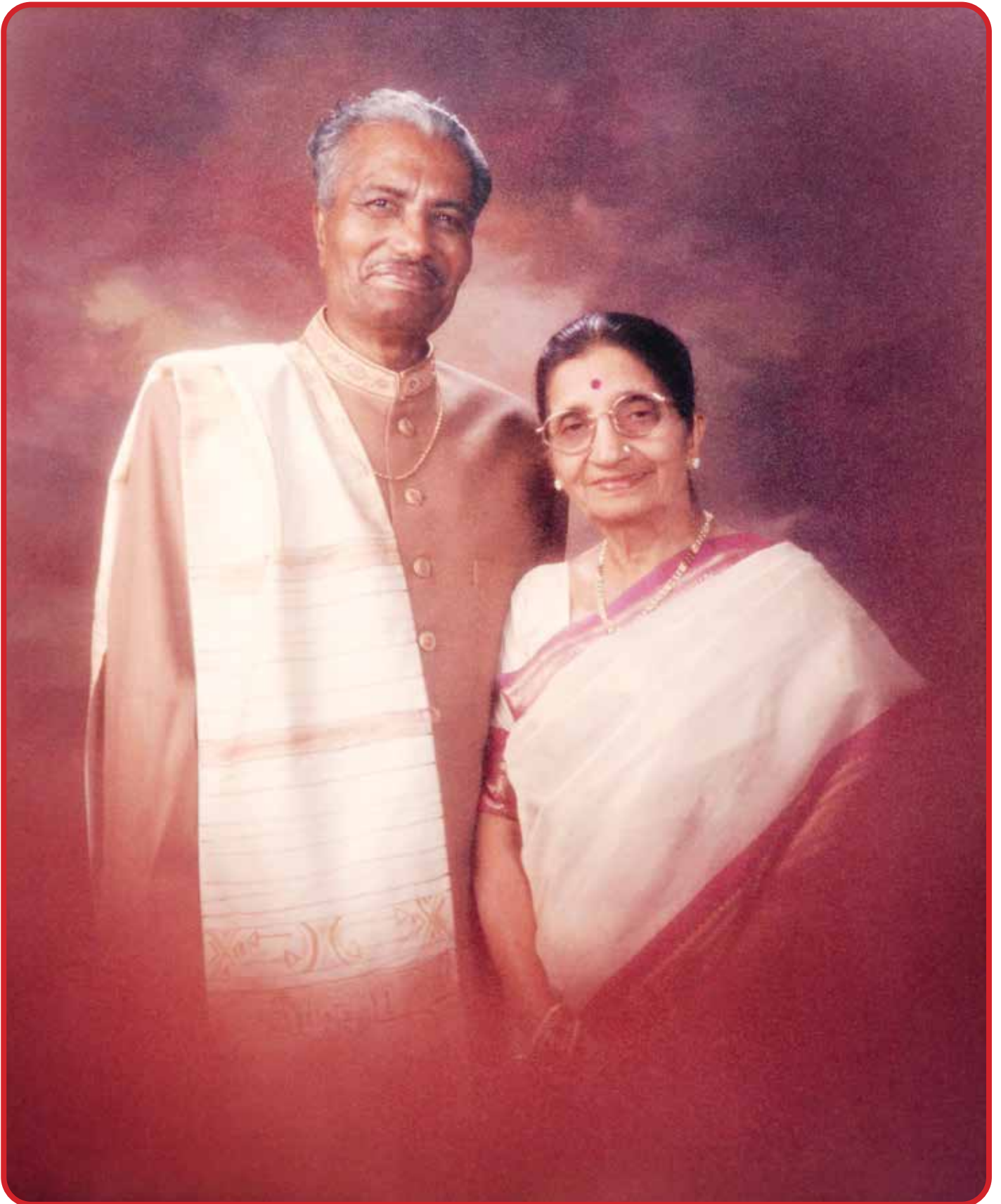


**4<sup>th</sup>**  
**Annual Report**  
**2022-2023**



**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]  
**FOURTH ANNUAL REPORT 2022-2023**

**BOARD OF DIRECTORS:**

Name	Designation	DIN
Mr. Rajkumar Chordia	Chairman	00058185
Mr. Vishal Chordia	Managing Director (Strategy, Marketing & Finance)	01801631
Mr. Anand Chordia	Managing Director (Product Development, Innovation & Technology)	00062569
Mr. Bapu Gavhane	Executive Director	00386217
Mr. Vijaykumar Kankaliya	Independent Director	06669157
Mr. Rajendra Lunkad	Independent Director	07881961
Mr. Ritesh Mehta	Independent Director	00607521
Dr. Ajitkumar Mandlecha	Independent Director	06822814
Mrs. Samruddhi Mehta	Woman Independent Director	09667729

**KEY MANAGERIAL PERSONNEL:**

Mr. Dharmendra Tulshyan	:	Chief Financial Officer
Mrs. Tejashree Wagholikar	:	Company Secretary & Compliance Officer

**AUDITORS:**

M/s Bharat H Shah & Associates, Chartered Accountants, Pune	:	Statutory Auditor
M/s Ghatpande & Ghatpande Associates Company Secretaries, Pune	:	Secretarial Auditor
M/s Nisarg Shah Chartered Accountants, Pune	:	Internal 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 4 <sup>th</sup> Annual General Meeting	Contents	Page No.
Date : Monday, 25 <sup>th</sup> September, 2023	1. Notice	4
Time : At 11.30 A.M.	2. Directors Report & Annexures	18
Venue : Through Video Conferencing or any Other Audio-Visual Means	3. Auditor's Report on Financial Statements	34
	4. Financial Statements	42
Date of Book Closure : Tuesday, 19 <sup>th</sup> September, 2023 to Monday, 25 <sup>th</sup> September, 2023 (both days inclusive)	5. Notes to accounts on Financial Statements	46

## NOTICE

NOTICE is hereby given that 4<sup>th</sup> Annual General Meeting of the Shareholders of Aveer Foods Limited will be held on Monday, 25<sup>th</sup> September, 2023 at 11.30 A.M. through Video Conferencing (VC) or Other Audio Visual Means (OAVM) facility in conformity with the MCA General Circular No.10/2022 dated 28<sup>th</sup> December, 2022 and SEBI Circular No. SEBI/HO/CFD/PoD-2/CIR/P/2023/4 dated 5<sup>th</sup> January 2023 to transact the businesses as mentioned below:

- 1) To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023 together with the Reports of Auditors and Directors thereon.
- 2) To consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mr. Rajkumar Chordia [DIN: 00058185] Director who retires by rotation pursuant to the provisions of Section 152 and any other provisions of the Companies Act, 2013 and being eligible, offers himself for reappointment, be and is hereby reappointed as the Director of the Company, liable to retire by rotation.”

**SPECIAL BUSINESS:**

- 3) To consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT in partial modification of the Special Resolution passed in 2<sup>nd</sup> Annual General Meeting held on 14<sup>th</sup> August, 2021 and pursuant to the provisions of Section 188 and any other applicable provisions, if any, of the Companies Act, 2013 and Regulation 23 of 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 in its meeting held on 12<sup>th</sup> August, 2023, consent of the Company be and is hereby accorded to revise the estimated Annual Value of Kamal Industries and to add two more related parties viz., Maven Tech Services Private Limited and Raja Flavours & Foods LLP 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 Three (3) Financial Years i.e. 2023-2024, 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 with the following entities in which the Directors of the Company are interested and concerned keeping the approved limits for other Related Parties unchanged.

RESOLVED FURTHER THAT now, the estimated Annual Value of the transactions with the Related Parties for the remaining period of Three (3) Financial Years i.e. 2023-2024, 2024 -2025 and 2025-2026 shall be as follows: -

Sr. No.	Name of the Related Party	Revised/Estimated Annual Value (₹ in Lakh)	Remarks
1.	Kamal Industries	2,500/-	The earlier limit of ₹ 1,500 Lakh enhanced to ₹ 2,500 Lakh
2.	Maven Tech Services Private Limited	100/-	New Related Parties and limits introduced
3.	Raja Flavours & Foods LLP	100/-	
4.	Pravin Sales Division	1000/-	No change
5.	Pravin Masalewale	1000/-	No change
6.	Ooj Organic Products Private Limited	100/-	Ceased to be a Related party as the Directors are no longer associated with this entity.
7.	Adya Herbal	100/-	No change
8.	Adya Herbal Private Limited	100/-	No change
9.	Pure Sattva Agri LLP	100/-	No change
10.	Dhanyakumar & Co	100/-	No change
11.	Chordia Products	100/-	No change
12.	Chordia Industrial Park LLP	300/-	No change
13.	Chordia Food Products Limited	1000/-	No change

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.”

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

“RESOLVED THAT pursuant to Regulation 31A and other applicable provisions of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 (‘Listing Regulations’) (including any statutory amendments made thereto) and applicable provisions, if any of the Companies Act, 2013 and any other applicable laws and subject to necessary approvals of Regulatory authorities including the Securities and Exchange Board of India (‘SEBI’) and / or Stock Exchanges, and such other approvals as may be necessary, and pursuant to Clause No. 9.10 and 9.12 of the Scheme of Demerger between the Company and Chordia Food Products Limited for Demerger of Food Division of Chordia Food Products Limited into the Company duly approved by the Hon’ble National Company Law Tribunal, Mumbai Bench vide its Order dated 1<sup>st</sup> July, 2022, in connection with inter-se transfer of shares between the Promoters and reclassification of the Promoters respectively, and pursuant to the communication(s) received from following members of ‘Promoter and Promoter Group’, who are currently categorized as Promoter/Promoter Group of the Company, approval of the members of the Company be and is hereby accorded for re-classification of the following members of the ‘Promoter and Promoter Group’ category to the ‘Public’ category shareholder:

<b>Sr. No.</b>	<b>Name</b>	<b>‘Promoter/ Promoter Group’ category</b>	<b>Number of Equity Shares held</b>	<b>% of shareholding</b>
1.	Mr. Pradeep Hukmichand Chordia	Promoter Group	1,00,000	2.48
2.	Mrs. Meena Pradeep Chordia	Promoter Group	99,913	2.48
3.	Ms. Anuradha Pradeep Chordia	Promoter Group	486	0.04
4.	Ms. Namita Kushal Pittie	Promoter Group	19	
5.	Ms. Neelam Sameer Goyal	Promoter Group	27	
6.	Chordia Technologies (India) LLP	Promoter Group	969	
<b>Total:</b>			<b>2,01,414</b>	<b>5.00</b>

RESOLVED FURTHER THAT each of the above persons have separately confirmed that all the conditions specified in Regulation 31A(3)(b) of the Listing Regulations have been complied with.

RESOLVED FURTHER THAT the Equity Shares transferred pursuant to Clause No. 9.10 of the Scheme of Demerger duly approved by the Hon’ble National Company Law Tribunal, Mumbai Bench vide its Order dated 1<sup>st</sup> July, 2022, in connection with inter-se transfer of shares between the Promoters, have been transferred by Mr. Pradeep Hukmichand Chordia and Mrs. Meena Pradeep Chordia (PHC Group) in favour of Mr. Vishal Rajkumar Chordia and Mr. Anand Rajkumar Chordia (RHC Group/ Acquirers), who are already classified as the Promoters of the Company since the Listing of the Shares on BSE Ltd., and hence, does not require further reclassification of Promoters of the Acquirers, be and is hereby noted.

RESOLVED FURTHER THAT the names of Mrs. Kamalbai Hukmichand Chordia and Mr. Hukmichand Sukhlal Chordia, appearing in the Promoters/Promoters Group, who passed away on 11<sup>th</sup> February, 2020 and 3<sup>rd</sup> June, 2022 respectively, who were holding 933 Equity Shares each of ₹ 10/- each and whose shares have been transmitted in favour of Mr. Pradeep Hukmichand Chordia, and who have automatically ceased to be the members of Promoter/Promoter Group on their death pursuant to Regulation 31A(6)(c) of the Listing Regulations be and is hereby noted, approved and confirmed.

RESOLVED FURTHER THAT upon receipt of the necessary approval(s) from the SEBI/Stock Exchange for reclassification of the Promoters as stated above, the Company shall effect such re-classification in the statement of shareholding pattern from the immediate succeeding quarter under Regulation 31 of the Listing Regulations, and shall ensure necessary compliance under SEBI [Substantial Acquisition of Shares and Takeovers] Regulations, 2011, SEBI [Prohibition of Insider Trading] Regulations, 2015 and other laws, as may be applicable.

RESOLVED FURTHER THAT that the aforesaid members of the ‘Promoter/Promoter group’ seeking re-classification namely Mr. Pradeep Hukmichand Chordia, Mrs. Meena Pradeep Chordia, Ms. Anuradha Pradeep Chordia, Ms. Namita Kushal Pittie, Ms. Neelam Sameer Goyal and Chordia Technologies (India) LLP, do / will not: -

- i) together, hold more than ten percent of the total voting rights in the Company;
- ii) exercise control over the affairs of the Company directly or indirectly;
- iii) have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- iv) be represented on the Board of Directors (including not having a nominee director) of the Company;
- v) act as a Key Managerial Personnel (KMP) in the Company;

RESOLVED FURTHER THAT the aforesaid members of the 'Promoter and Promoter Group' seeking re-classification have confirmed that: -

- i) they are not a 'wilful defaulter' as per the Reserve Bank of India Guidelines;
- ii) they are not a fugitive economic offender.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolution, the Board of Directors do, either by themselves or through delegation to any person, as they may in their absolute discretion deem fit, all such acts, deeds, matters and things as they may at their discretion deem necessary or expedient for such purpose, and make all necessary filings including but not limited to making applications to the SEBI/Stock Exchange to seek their approval for the re-classification in accordance with the Listing Regulations and other applicable laws, if any, and to execute all such deeds, documents or writings as are necessary or expedient, to settle any questions, difficulties or doubt that may arise in this behalf."

- 5) To consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Regulation 31A and other applicable provisions of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory amendments made thereto) and applicable provisions, if any of the Companies Act, 2013 and any other applicable laws and subject to necessary approvals of Regulatory authorities including the Securities and Exchange Board of India ('SEBI') and / or Stock Exchange, and such other approvals as may be necessary, and pursuant to the communication received from Dr. Pravin Hukmichand Chordia, the member of Promoter/Promoter Group holding 20,908 Equity Shares of ₹ 10/- each comprising of 0.52% of the total share capital, who is currently categorized as Promoter/Promoter Group of the Company be and is hereby reclassified from the 'Promoter and Promoter Group' category to the 'Public' category shareholder.

RESOLVED FURTHER THAT Dr. Pravin Hukmichand Chordia has separately confirmed that all the conditions specified in Regulation 31A (3) (b) of the Listing Regulations have been complied with by him.

RESOLVED FURTHER THAT upon receipt of the necessary approval(s) from the SEBI/Stock Exchange for reclassification of Dr. Pravin Hukmichand Chordia from the Promoter/ Promoter Group category to Public Category as stated above, the Company shall effect such re-classification in the statement of shareholding pattern from the immediate succeeding quarter under Regulation 31 of the Listing Regulations, and shall ensure necessary compliance under SEBI [Substantial Acquisition of Shares and Takeovers] Regulations, 2011, SEBI [Prohibition of Insider Trading] Regulations, 2015 and other laws, as may be applicable.

RESOLVED FURTHER THAT Dr. Pravin Hukmichand Chordia from the 'Promoter and Promoter Group' category seeking re-classification in Public category does / will not:-

- (i) together, hold more than ten percent of the total voting rights in the Company;
- (ii) exercise control over the affairs of the Company directly or indirectly;
- (iii) have any special rights with respect to the Company through formal or informal arrangements including through any shareholder agreements;
- (iv) be represented on the Board of Directors (including not having a nominee director) of the Company;
- (v) act as a Key Managerial Personnel (KMP) in the Company;

RESOLVED FURTHER THAT Dr. Pravin Hukmichand Chordia Member of the 'Promoter and Promoter Group' category seeking re-classification in public category has confirmed that: -

- (i) He is not a 'wilful defaulter' as per the Reserve Bank of India Guidelines;
- (ii) He is not a fugitive economic offender.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolution, the Board of Directors do, either by themselves or through delegation to any person, as they may in their absolute discretion deem fit, all such acts, deeds, matters and things as they may at their discretion deem necessary or expedient for such purpose, and make all necessary filings including but not limited to making applications to the SEBI/Stock Exchange to seek their approval for the re-classification in accordance with the Listing Regulations and other applicable laws, if any, and to execute all such deeds, documents or writings as are necessary or expedient, to settle any questions, difficulties or doubt that may arise in this behalf."

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By Order of the Board of Directors  
For Aveer Foods Limited

**Tejashree Wagholikar**  
Company Secretary  
ACS No. 39767

Place : - Pune  
Date : - 12<sup>th</sup> August 2023

**NOTES: -**

- 1) Ministry of Corporate Affairs ("MCA") has vide its recent Circular No. 10/2022 dated 28<sup>th</sup> December, 2022 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 5<sup>th</sup> 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 4<sup>th</sup> 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 shekhar\_fcs1659@yahoo.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 5 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 Tuesday 19<sup>th</sup> September 2023 to Monday 25<sup>th</sup> September 2023. (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 2022-2023 only to those shareholders who specifically requests for the same by sending mail at investors@aveerfoods.com.

**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](http://www.aveerfoods.com). The Notice can also be accessed from the website of the Stock exchange i.e. BSE Limited at [www.bseindia.com](http://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](http://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:230822028]

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 230822028

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 Friday , 22<sup>nd</sup> September, 2023 and ends at 5.00 p.m. (Ending Time) on Sunday 24<sup>th</sup> September 2023.

### 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 <b>CDSL</b>	<p>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 <a href="https://web.cdslindia.com/myeasitoken/home/login">https://web.cdslindia.com/myeasitoken/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasitoken.</p> <p>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 &amp; 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.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasitoken/Registration/">https://web.cdslindia.com/myeasitoken/Registration/</a> Easi Registration</p> <p>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</p>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<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: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> 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 &amp; voting during the meeting.</p>



Type of shareholders	Login Method
	<p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> 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 &amp; voting during the meeting</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	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 Friday, 22<sup>nd</sup> September, 2023 and ends at 5.00 p.m. (Ending Time) on Sunday 24<sup>th</sup> September 2023. During this period Shareholders' of the Company, holding Shares as on the cut-off date, Monday, 18<sup>th</sup> September, 2023, 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](http://www.evotingindia.com);
  - iv. Click on "Shareholders" tab to caste 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](http://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
<b>PAN</b>	<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"> <li>• 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.</li> <li>• 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.</li> </ul>

	<b>For Members holding shares in Demat Form</b>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>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).</li> </ul>

- 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](http://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](mailto: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](mailto: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](http://www.evotingindia.com), under help section or write an email to [evoting@cdslindia.com](mailto:evoting@cdslindia.com).
  - xx. Following are the important dates:

<b>Cut off date for E-Voting</b>	<b>Monday 18-09-2023</b>
<b>E-voting Start date /time</b>	<b>Friday, 22-09-2023-09:00 AM</b>
<b>E-voting End date/Time</b>	<b>Sunday, 24-09-2023-5:00 P M</b>
<b>AGM date/Time</b>	<b>Monday, 25-09-2023 - 11:30 AM</b>

**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 download 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 Ghatpande & Ghatpande Associates, Practicing Company Secretaries, 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](http://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: [shekhar\\_fcs1659@yahoo.com](mailto:shekhar_fcs1659@yahoo.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.

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By Order of the Board of Directors  
For Ameer Foods Limited

**Tejashree Waghlikar**  
Company Secretary  
ACS No. 39767

Place: - Pune  
Date: - 12<sup>th</sup> August 2023

**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 12<sup>th</sup> August, 2023.

**Item No. 3**

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

The performance and growth of the Company is dependent on the availability of Agri based raw material such as Raw Mangoes, Lemons, Tomato, Spices etc. The availability of the raw material at right time and right place with a good quality is a difficult task to the Company. It is difficult to procure raw materials in a short span of time due to the changing environment, erratic atmosphere and weather conditions which results in a setback to the agricultural sector. Consequent to which the sourcing of right and qualitative Raw Material, due to its scarcity day by day, during the very limited period of its season has become crucial. The processing of these Agri based Products within a day or two of its procurement and further its preservation without loss of quality and taste and marketing throughout the year is also a difficult task. Hence, the Company processes these Raw Materials at various places in the units established by the Related Parties and also by unrelated parties.

Considering the process to widen its production and marketing base so as to cater to various untouched markets in various States, the Company also intends to introduce various tastes of different regions. For all these activities the Company will have to procure and process Raw Material throughout the Country and will have to change its marketing strategies including incurring heavy expenditure in establishing its present ongoing Brands throughout the Country.

The Company also intends to enter export market and establish its Brand in overseas market. For undertaking all these activities the Company shall be required to deal with other business units of the Relatives of the Promoters/Directors, their sister concerns, who are already experienced, engaged and established in Food Industry over decades. The transactions entered with the related parties falls under the provisions of Section 188 of the Companies Act, 2013 read with Rule 15 of Companies (Meetings of Board and its Powers) Rules 2014 and under the provisions of SEBI[Listing Obligations and Disclosure Requirements] Regulations, 2015 (Listing Regulations).

Pursuant to the provisions of Section 188 of the Companies Act, 2013 and 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 Shareholders. 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, although the provisions of Section 188 are not applicable, as an abundant precaution the approval of shareholders as set out at Item No. 3 of the Notice is proposed for your approval.

The Directors in their Board Meeting held on 12<sup>th</sup> August, 2023 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: -

<b>Sr. No.</b>	<b>Name of Related Party</b>	<b>Nature of Relationship</b>	<b>Duration of Contract and Particulars of Contract or Arrangement</b>	<b>Material terms of the Contract/ Arrangement including the value if any</b>	<b>Any advance paid or received for Contract or arrangement if any</b>
1.	Kamal Industries	Partnership Firm in which Director and relative of Director 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
2.	Maven Tech Services Private Limited	A company with common Directors	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
3.	Raja Flavours & Foods LLP	LLP in which Directors are Designated 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
4.	Pravin Sales Division	Partnership Firm in which Director and relative of Director 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

<b>Sr. No.</b>	<b>Name of Related Party</b>	<b>Nature of Relationship</b>	<b>Duration of Contract and Particulars of Contract or Arrangement</b>	<b>Material terms of the Contract/ Arrangement including the value if any</b>	<b>Any advance paid or received for Contract or arrangement if any</b>
5.	Pravin Masalewale	Partnership 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
6.	Adya Herbal	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
7.	Adya Herbal Private Limited	A Company with common Directors	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
8.	Pure Sattva Agri LLP	A LLP in which Directors are Designated 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
9.	Dhanyakumar & Co	Partnership in which relative of Director is Partner.	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
10.	Chordia Products	Partnership in which relative of Director is a Partner	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
11.	Chordia Industrial Park LLP	A LLP in which relative of the Directors is a Designated Partner	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
12.	Chordia Food Products Limited	A Company in which Relatives of Directors are Directors.	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 sought for the Resolution as set out in Item No. 3 of the Notice. The Board recommends the Resolution for approval by the Members.

Mr. Rajkumar Chordia, Mr. Vishal Chordia and Mr. Anand Chordia the Directors of the Company are interested and concerned in passing of the said Resolution.

**Item No. 4**

Chordia Family is having two (2) Companies viz., Chordia Food Products Limited and Aveer Foods Limited. The day-to-day affairs of Chordia Food Products Limited are managed by Mr. Pradeep Hukmichand Chordia and his family members (PHC Group) and the day-to-day affairs of Aveer Foods Limited are managed by Mr. Rajkumar Hukmichand Chordia and his family members (RHC Group). PHC Group and RHC Group have been defined in the Scheme of Demerger referred to herein below, and made available on the website of the Company under the tab Corporate Announcement with a sub-tab as 'Reclassification of Promoters'

The Equity Shares of Chordia Food Products Limited are Listed on BSE Limited since 28<sup>th</sup> September 1994 and the Company was engaged in two Business Segments viz., Food Division and Food-Infra Division. Aveer Foods Limited was established on 11<sup>th</sup> April, 2019 mainly for undertaking the Food Business. The Company was 100% Subsidiary of Chordia Food Products Limited.

Thereafter, it was decided to demerge the Food Division/Business of Chordia Food Products Limited (Demerged Company) into Aveer Foods Limited (Resulting Company) and to continue with Food-Infra division in Chordia Food Products Limited.

Accordingly, the Scheme of Demerger under Section 230 to 232 of the Companies Act, 2013 was filed with the Hon'ble NCLT and the same was approved vide its Order dated 1<sup>st</sup> July, 2022. All the necessary compliances have been completed and the shareholders of Chordia Food Products Limited on the record date have been allotted One (1) Equity Share of ₹ 10/- each fully paid up of Aveer Foods Limited for every One (1) Equity Share of ₹ 10/- each fully paid up held in Chordia Food Products Limited.

Pursuant to Clause No. 9.10 of the Scheme of Demerger, in order to achieve focused management of Demerged Company and the Resulting Company, the inter-se transfer of shares amongst RHC Group and PHC Group as approved by Hon'ble NCLT, was effected. Accordingly, the Inter-Se Transfer of Shares amongst PHC Group and RHC Group in Aveer Foods Limited has been completed and is reported to BSE Ltd., and SEBI by paying prescribed fees.

Pursuant to Clause 9.12 of the Scheme of Demerger the reclassification of Promoters was duly approved by the Hon'ble NCLT, is being effected under this Resolution. However, it is subject to the approval of shareholders and BSE Ltd., under Regulation 31A of the Listing Regulations.

The gist of Clause No. 9.10 and 9.12 is reproduced below for the information of the members: -

**Clause No. 9.10 of the Scheme of Demerger for Inter-Se Transfer of Shares:**

*'In order to achieve objectives of focused management for the Demerged Company and Resulting Company which is an integral objective of the scheme, within 12 (Twelve) months from the listing of equity shares of Resulting Company, there shall be realignment of Shareholding between RHC Promoter group & PHC Promoter group such that: (a) PHC Promoter group will transfer in one or more tranches, on stock exchange or otherwise, such number of equity shares so that their total shareholding in Resulting Company post-transfer will not exceed 5% of the total paid-up share capital of the Resulting Company post-demerger to RHC Promoter group; and (b) the RHC Promoter group shall transfer in one or more tranches, on stock exchange or otherwise, all equity shares of Demerged Company to PHC Promoter group. It is clarified that transfer of equity shares of both the Demerged Company and the Resulting Company and the consequent change in management and control of respective companies shall be an integral part of the Scheme. Such transfer and change in control being exempt under Regulation 10 of the Takeover Code shall not trigger the open offer requirements in the Demerged Company and/or Resulting Company under Regulation 3 or Regulation 4 of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011. For the purpose of availing exemption under Regulation 10 of the Takeover Code, the promoters of Demerged Company shall be deemed to have been the promoters of the Resulting Company for the same duration they have been promoters of the Demerged Company and this recognition shall be available on the listing of equity shares of the Resulting Company, statutory exemption for the transfer of shares of the Resulting Company amongst the RHC & PHC Promoter group shall be deemed to be available to RHC & PHC Promoter group under the Takeover Code.'*

**Clause No. 9.12 of the Scheme of Demerger for Reclassification of Promoters:**

*'Post transfer of shares between PHC & RHC Promoter group, as mentioned in clause no. 9.10 above, RHC Promoter group shall cease to be the part of promoters/ promoter group of the Demerged Company and PHC Promoter group shall be ceased to be the part of promoters/promoter group of the Resulting Company.'*

In pursuance of the same the Company has received separate request letters dated 10<sup>th</sup> August, 2023 from the following persons at Sr. No. 1 to 6 (PHC Group) belonging to the Promoter and Promoter Group of the Company for their re-classification from the 'Promoter and Promoter Group' category to 'Public' category shareholder. This Re-classification shall be effected in accordance with Regulation 31A of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015.

Sr. No.	Name of the shareholder	'Promoter/ Promoter Group' category	Number of Equity Shares held	% of shareholding
1.	Mr. Pradeep Hukmichand Chordia	Promoter Group	1,00,000	2.48
2.	Mrs. Meena Pradeep Chordia	Promoter Group	99,913	2.48
3.	Ms. Anuradha Pradeep Chordia	Promoter Group	486	0.04
4.	Ms. Namita Kushal Pittie	Promoter Group	19	
5.	Ms. Neelam Sameer Goyal	Promoter Group	27	
6.	Chordia Technologies (India) LLP	Promoter Group	969	
<b>Total PHC Group Shareholders</b>			<b>2,01,414</b>	<b>5.00</b>

Each of the aforesaid promoters have in their respective request letters informed the Company that they are neither a part of the Board of Directors of the Company nor hold any Key Managerial Position in the Company. Further, they had confirmed in their letters that they do not participate in the management of the Company in any manner or capacity and do not have any special rights in the Company through formal or informal arrangements, including any shareholder agreement.

Pursuant to the provisions of Regulation 31A(3)(b) of the Listing Regulations, the aforesaid members of the 'Promoter and Promoter Group', in their respective request letters, have separately confirmed that each of them fulfill the conditions specified in the said Regulation as mentioned in the Resolution at Item No. 4 of the notice.

As required under Regulation 31A (8) of the Listing Regulations, the Company has intimated the Stock Exchange of receipt of reclassification request from the aforesaid members of the 'Promoter and Promoter Group' on 11<sup>th</sup> August, 2023 and the extract of the minutes of the meeting of the Board of Directors of the Company approving the re-classification was submitted to the BSE Ltd on 12<sup>th</sup> August, 2023.

After the reclassification, following members of the Promoter/Promoter Group shall continue as the Promoter/Promoter Group of the Company and all other Chordia family members and other persons shall cease to be the Promoter/Promoter Group shareholders and shall be clubbed in Public Category shareholders: -

<b>Sr. No.</b>	<b>Name of the member of Promoter/Promoter Group</b>	<b>Number of Equity Shares</b>	<b>% of shareholding</b>
1)	Mr. Rajkumar Hukmichand Chordia	15,47,770	38.42
2)	Mrs. Madhubala Rajkumar Chordia	1,97,775	4.90
3)	Mr. Vishal Rajkumar Chordia	3,78,258	9.39
4)	Mr. Anand Rajkumar Chordia	3,87,945	9.63
5)	Mrs. Shweta Vishal Chordia	1,87,574	4.66
<b>Total:</b>		<b>26,99,322</b>	<b>67.00</b>

In accordance with Regulation 31A(3)(a)(iii) of the Listing Regulations, the reclassification of status of a shareholder from the 'Promoter and Promoter Group' category to the 'Public' category, inter alia requires approval of the members of the Company by way of an ordinary resolution. Therefore, the Resolution at Item No. 4 of the Notice for re-classification of the members of the 'Promoter and Promoter Group' is being placed before the members of the Company for approval by way of an Ordinary Resolution.

The names of Mrs. Kamalbai Hukmichand Chordia and Mr. Hukmichand Sukhlal Chordia, appearing in the Promoters/Promoters Group, who passed away on 11<sup>th</sup> February, 2020 and 3<sup>rd</sup> June, 2022 respectively, who were holding 933 Equity Shares each of ₹ 10/- each and whose shares have been transmitted in favour of Mr. Pradeep Hukmichand Chordia, have automatically ceased to be the members of Promoters/Promoter Group pursuant to Regulation 31A(6)(c) of the Listing Regulations. The shareholding of Mr. Pradeep Hukmichand Chordia as mentioned above is inclusive of these 1,866 Equity Shares of ₹ 10/- each transmitted in his favour.

The Company is in compliance with the requirement for minimum public shareholding as required under Regulation 38 of the Listing Regulations, does not have trading in its shares suspended by the Stock Exchange and does not have any outstanding dues to the Securities and Exchange Board of India, the Stock Exchange or the Depositories.

The following documents have been kept on the website of the Company under the tab name Corporate Announcement with a sub-tab as 'Reclassification of Promoters' for inspection by the members of the Company: -

- i) Order of Hon'ble National Company Law Tribunal, Mumbai Bench dated 1<sup>st</sup> July, 2022 approving the Scheme of Demerger of Food Business of Chordia Food Products Limited into Aveer Foods Limited with the Special attention to Clause No. 9.10 and 9.12 of the said Scheme.
- ii) Extract of the Minutes of the Board Meeting held on 12<sup>th</sup> August, 2023 inter alia considering and approving the reclassification of Promoters.
- iii) Request Letters dated 10<sup>th</sup> August, 2023 received from PHC Group members for reclassification from 'Promoter/Promoter Group' category to 'Public' Category.

The promoter(s) seeking reclassification and persons related to them are not entitled to vote to approve such reclassification request as per the provisions of Regulation 31(A)(3)(iii) of the Listing Regulations. None of the Directors of the Company except Mr. Rajkumar Chordia are concerned or interested in passing of the said Resolution.

**Item No. 5.**

Chordia Family is having two (2) listed Companies viz., Chordia Food Products Limited and Aveer Foods Limited. The day-to-day affairs of Chordia Food Products Limited are managed by Mr. Pradeep Hukmichand Chordia and his family members (PHC Group) and the day-to-day affairs of Aveer Foods Limited are managed by Mr. Rajkumar Hukmichand Chordia and his family members (RHC Group).

Dr. Pravin Hukmichand Chordia is not involved in any of these companies and is independent of both Groups. Dr. Pravin Hukmichand Chordia never participated in the day-to-day affairs of the Company and has his own business. He continued in the Company as a mere shareholder, without any special rights, benefits, and obligations. He was never the Guarantor to any of the Bankers of the Company for the Loans availed. The Banks never insisted on his Net Worth Certificate and other details while sanctioning the Loans. He is also not aware of any of the Unpublished Price Sensitive Information and is like the other Public Shareholders. Dr. Pravin Hukmichand Chordia has voluntarily made a request dated 10<sup>th</sup> August, 2023 to the Board of Directors to reclassify him from Promoter/ Promoter group Category to Public Category under Regulation 31 A (3) (a) (iii) and his total shareholding in the Company as on date is as follows:

<b>Name of the shareholder 'Promoter/ Promoter'</b>	<b>Group' category</b>	<b>Number of Equity Shares held</b>	<b>% of shareholding</b>
Dr. Pravin Hukmichand Chordia	Promoter Group	20,908	0.52

Dr. Pravin Hukmichand Chordia the aforesaid Promoter / Promoter Group Shareholder has in his request letter dated 10<sup>th</sup> August, 2023 informed the Company that he is neither a part of the Board of Directors of the Company nor holds any Key Managerial Position in the Company. Further, he has confirmed in his letter that he does not participate in the management of the Company in any manner or capacity and does not have any special rights in the Company through formal or informal arrangements, including any shareholder agreement.

Pursuant to the provisions of Regulation 31A(3)(b) of the Listing Regulations, Dr. Pravin Hukmichand Chordia member of the 'Promoter and Promoter Group', in his request letter, has separately confirmed that he fulfills the conditions specified in the said Regulation as mentioned in the Resolution at Item No. 5 of the notice.

As required under Regulation 31A (8) of the Listing Regulations, the Company has intimated the Stock Exchanges of receipt of reclassification request from Dr. Pravin Hukmichand Chordia the member of 'Promoter and Promoter Group' on 11<sup>th</sup> August, 2023. The extract of the minutes of the meeting of the Board of Directors of the Company approving the re-classification was submitted to the BSE Ltd. on 12<sup>th</sup> August, 2023.

After the reclassification Dr. Pravin Hukmichand Chordia along with PHC Group shareholders as mentioned in Resolution at Item No. 4 of the notice shall cease to be the Promoter/Promoter Group shareholders and shall be clubbed in Public Category shareholders, and the following members of the Promoter/Promoter Group shall continue as the 'Promoter/Promoter Group' shareholders of the Company: -

<b>Sr. No.</b>	<b>Name of the member of Promoter/Promoter Group</b>	<b>Number of Equity Shares</b>	<b>% of shareholding</b>
1)	Mr. Rajkumar Hukmichand Chordia	15,47,770	38.42
2)	Mrs. Madhubala Rajkumar Chordia	1,97,775	4.90
3)	Mr. Vishal Rajkumar Chordia	3,78,258	9.39
4)	Mr. Anand Rajkumar Chordia	3,87,945	9.63
5)	Mrs. Shweta Vishal Chordia	1,87,574	4.66
	<b>Total:</b>	<b>26,99,322</b>	<b>67.00</b>

In accordance with Regulation 31A(3)(a)(iii) of the Listing Regulations, the reclassification of the status of a shareholder from the 'Promoter and Promoter Group' category to the 'Public' category, requires approval of the members of the Company by way of an ordinary resolution in addition to other compliances. Therefore, the Resolution at Item No 5 of the Notice, for re-classification of Dr. Pravin Hukmichand Chordia the member of the 'Promoter and Promoter Group' as public category Shareholder is placed before the members of the Company for approval by way of an Ordinary Resolution.

The Company is in compliance with the requirement for minimum public shareholding as required under Regulation 38 of the Listing Regulations, does not have trading in its shares suspended by the Stock Exchange and does not have any outstanding dues to the Securities and Exchange Board of India, the Stock Exchange or the Depositories.

The following documents have been kept on the Website of the Company under the tab name 'Corporate Announcement' and under the sub-tab 'Reclassification of Promoters' for inspection by the members of the Company: -

- (i) Extract of the Minutes of the Board Meeting held on 12<sup>th</sup> August, 2023 inter alia considering and approving the reclassification of Promoters.
- (ii) Request Letter dated 10<sup>th</sup> August, 2023 received from Dr. Pravin Hukmichand Chordia member of the 'Promoter and Promoter Group' for Reclassification from 'Promoter/Promoter Group' category to 'Public' category.

The promoter(s) seeking reclassification and persons related to him are not entitled to vote to approve such reclassification request as per the provisions of Regulation 31(A)(3)(iii) of the Listing Regulations.

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

By Order of the Board of Directors  
For Aveer Foods Limited

**Tejashree Wagholikar**  
Company Secretary  
ACS No. 39767

Place: - Pune  
Date: - 12<sup>th</sup> August 2023



## Annexure A

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

<b>Name of the Director</b>	<b>Mr. Rajkumar Hukmichand Chordia</b>
DIN	00058185
Date of Birth	4 <sup>th</sup> March, 1956
Date of original Appointment	11 <sup>th</sup> April, 2019
Relationship with Directors	Relative (Father) of Mr. Vishal Chordia & Mr. Anand Chordia Managing Directors
Qualifications	He is Bachelor of Commerce and Master of Business Administration
Nature of his Expertise in specific functional areas	He is having more than 40 years of Experience in the field of foods industries. He is Chairman of Pravin Masalewale since 1978. He is actively involved in the business of Pravin Masalewale. He has started the Company, Aveer Foods Limited on 11 <sup>th</sup> April, 2019 with an object of manufacturing and dealing in agriculture, horticulture and farm produce, food substances, food concentrates, health products etc. He guides the Company in its growth strategies. He has been on board of the Company since April, 2019.
Name of the Listed Companies in which he holds Directorship, and Membership of the Committees of the Board as on 31/03/2023	NIL
No. of Shares held in the Company as on date	15,47,770 (38.42%)

**DIRECTORS' REPORT**

To,  
The Members,  
**Aveer Foods Limited**

The Directors have pleasure in presenting the 4<sup>th</sup> Annual Report which is the 1<sup>st</sup> Annual Report after the equity shares of the Company are Listed with BSE Ltd, together with the Audited Statement of Accounts of the Company for the financial year ended 31<sup>st</sup> March 2023.

**1. HIGHLIGHTS OF EVENTS OCCURRED DURING THE FINANCIAL YEAR UNDER REPORT:**

- a) During the Financial Year under Report, the Hon'ble National Company Law Tribunal, Mumbai Bench approved the Scheme of Demerger vide its Order dated 1<sup>st</sup> July, 2022 for Demerger of Food Division of Chordia Food Products Limited [CFPL] into Aveer Foods Limited [AFL/Company]. Accordingly, the Food Business of CFPL was demerged into the Company w.e.f. 20<sup>th</sup> July, 2022.
- b) The Company was a 100% Subsidiary of CFPL. The Company ceased to be the subsidiary of CFPL w.e.f. 20<sup>th</sup> July, 2022.
- c) Pursuant to the Scheme of Demerger, the shareholders as appearing in the Register of Members on Record Date i.e. 4<sup>th</sup> August, 2022 of CFPL were allotted 1 (One) Equity share of ₹ 10/- each fully paid up in the Company for every 1 (One) Equity Share of ₹ 10/- each fully paid up held in CFPL. The said Equity Shares were allotted on 4<sup>th</sup> August, 2022.

The shareholders of CFPL who were holding their shares in Demat form on the Record Date i.e. 4<sup>th</sup> August, 2023 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'. The shareholders who have not yet intimated the details of the Demat Account held by them are requested to inform the same immediately so that the shares held in suspense can be credited to their respective Demat Accounts.

- d) Pursuant to the Scheme of Demerger, the Equity Shares of the Company were automatically listed on the BSE Ltd., on 6<sup>th</sup> October 2022 and the trading approval for the said shares was received on 4<sup>th</sup> January 2023.

**2. HIGHLIGHTS OF EVENTS OCCURRED AFTER THE CLOSE OF FY 2022-2023 TILL THE DATE OF THIS REPORT:**

- a) Pursuant to Clause 9.10 of the Scheme of Demerger duly approved by Hon'ble NCLT, Mumbai Bench vide its Order dated 1<sup>st</sup> 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) Pursuant to Clause 9.12 of the Scheme of Demerger duly approved by Hon'ble NCLT, Mumbai Bench vide its Order dated 1<sup>st</sup> July, 2022 the shareholders of PHC Group are to be reclassified from Promoter/Promoter Group category to Public Category. Additionally, Dr. Pravin Chordia, the member of Promoter/Promoter Group has voluntarily applied to the Company vide his Intimation letter dated 10<sup>th</sup> August, 2023 for reclassification from Promoter/Promoter Group category shareholder to Public Category shareholder. Accordingly, necessary Resolution for reclassification of Promoters of PHC Group and Dr. Pravin Chordia, from Promoter/Promoter Group category shareholders to Public Category shareholders is recommended for your approval.

**3. FINANCIAL RESULTS:**

During the financial year under report, the Scheme of Arrangement between Chordia Food Products Limited [Demerged Company] and Aveer Foods Limited [Resulting Company] and their respective shareholders has been sanctioned by the Hon'ble National Company Law Tribunal [NCLT] Mumbai Bench on 1<sup>st</sup> July, 2022 and the Scheme became effective w.e.f. 20<sup>th</sup> July 2022.

Therefore, pursuant to the provisions of Clause 2.7 of the said Scheme of Arrangement the Investment of Chordia Food Products Limited held in the equity shares of the Company has been cancelled and extinguished. Consequently, the holding-subsiary relationship between Chordia Food Products Limited and Aveer Foods Limited has been extinguished and both the entities have started working independently. The Appointed Date for the said Scheme was 1<sup>st</sup> April, 2020 and the Company has restated its Financial Statements for the FY 2020-2021 and FY 2021-2022 and the same are available on the website of the Company at [www.aveerfoods.com](http://www.aveerfoods.com) and on the website of BSE Ltd.

The Financial Statements for the financial year ended 31<sup>st</sup> March, 2023 are presented by the company after giving effect to the aforesaid Scheme of Arrangement in accordance with the accounting treatment prescribed in the Scheme and relevant accounting standards.

Particulars	2022-23 (₹ in Lakh)	2021-22 (₹ in Lakh)
Sales & Other Income	9,763.66	7,918.31
Profit before Depreciation & Interest	346.88	(351.67)
Less: Depreciation	132.37	95.65
Interest/Finance cost	112.24	50.31
Profit before Tax	102.27	(497.63)
Less: Provision for Taxation	-	-
Profit after Taxation for the Year	102.27	(497.63)

#### 4. 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 ₹ 9,759.98 Lakh as against ₹ 7,917.76 Lakh of the previous year. The Company has earned a Profit of ₹ 102.27 Lakh, after depreciation, interest and tax against a loss of ₹ 497.63 Lakh in the previous year.

##### Industry Structure, Development, Opportunities and Outlook

###### A. Government Initiatives:

The Governments both Central and State are focusing on development of preservation of Agro Products and the main thrust is for processing of more and more agro cultivation. The Indian Government supported the private sector investment in agricultural and allied sectors to enhance value addition.

###### B. Company Overview:

During the year under review, after the Scheme became effective the Company started to carry forward the business of the Food Division independently. The Company 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.

We are pleased to present the overall function-wise evaluation of the performance of the Company as follows:

##### Sales & Marketing:

- The Company has maintained its preferred position in the pickle product category. In the other important product categories of Thecha and Papad, the Company has registered healthy volume growths in FY 2022-2023.
- The Company enjoys a strong distribution footprint and its products are now present in 60% of the outlets in Maharashtra. The Company continues to stay focused on the twin objectives of growing its distribution footprint and also continually expanding its product offerings.
- The strong growth in Papad category was achieved by increasing the distribution footprint from 18% to 40%.

##### Product Development:

After receiving an overwhelming response to "Thecha" the Company introduced "Schezwan chutney" a universally appealing product which is not only preferred by the young generation but by all age groups.

##### Information Technology:

The Company has implemented SAP and other applications such as SFA (Sales Force Automation) and DMS (Distributor Management Service) and continues to leverage its core strengths in multiple functions to embark on sustainable high-growth performance.

##### 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.

**Internal Control & Finance:**

The Company has improved decision-making on the basis of Finance functional support and MIS resulting in improved performance. The Company has a secured system of internal controls which works together with internal financial controls that are repeatedly administered by the management. The internal control system shows proficiency in operations, make the best use of resources and adhere with all applicable laws and regulations. Key controls are examined during the year and restorative and precautionary actions are taken for any fault. Internal audits are organized systematically by designated audit teams.

**C. Risk & Mitigation:**

The Company is in the process of identifying the risks involved in the business and try to mitigate those risks as follows:

**1) Demand risk:**

The food processing sector is an extension of Agri-Sector. Both are interdependent on each other for its progress. The developments in the food processing sector have created a demand in the fruits and vegetables segment of Agri-Sector. In this modern era, the consumer demands and tastes have been varied due to changing lifestyles, change in the customer tastes and priorities and they have become more health conscious.

**2) Environmental risk:**

Due to the changing environment, erratic atmosphere and weather conditions, the agricultural sector has seen a setback over past few years. The procurement of quality raw material at the right time and right price has become a difficult task, which results into rise in raw material costs which could affect the competitiveness and margins.

Mitigation:

The Company keeps track of decisive and bulk purchases and its reliable distribution network has enabled it to maintain uninterrupted availability of raw materials at predetermined costs.

**3) Competition risk:**

Competition in Food Industry is very strong and tough, as it covers International Players as well as Players from Organized and Unorganized Sector. It is difficult to balance the marketing and pricing strategies, because of the product range and volumes the International Players are dumping in the market and the low prices that are offered by the Unorganized Sector.

The ever increasing prices and scarcity of quality Raw Material also matters the financial performance of the Company, as the Prices of the Products marketed by the Company are market driven and there is hardly any chance to fix the Prices on its own.

Mitigation:

To match with the fast growing technical developments, the Company is also upgrading itself with new developed manufacturing techniques and is upgrading its manufacturing processes and production infrastructure. In the processed Food Industry, 'Packaging' is also a vital part. The Company is giving utmost thrust and importance to the packaging whereby the shelf life of the products is improved as well it attracts the attention of the Customers

**D. Opportunities & outlook:**

- The Company's objective is to achieve volume growth.
- The Company has focused to increase and strengthen the distribution coverage from 60 % to 80% outlets within Maharashtra
- To give further impetus to our EBITDA growth.
- The Company has planned to focus on launching products in other states also focused on entering new high-growth products to cater to the tastes of new generation.

**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.

**5. 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 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2022	% Change in Ratio
Current Ratio	1.43	1.35	5.92
Debt-Equity Ratio	0.49	0.81	(39.50)
Debt Service Coverage Ratio	3.09	(6.99)	(144.20)
Return on Equity Ratio	0.06	(0.33)	(118.18)
Trade Receivables turnover ratio	46.09	15.57	196.01
Trade Payable turnover ratio	7.38	7.02	5.12
Net capital turnover ratio	11.28	8.93	26.31
Net profit ratio	1.05	(6.28)	(116.72)
Return on Investments	0.06	(0.33)	(118.18)
Return on Capital employed	0.09	(0.16)	(156.25)
Inventory Turnover Ratio	2.18	2.40	(9.16)

**Notes:**

- As a result of decrease in the Cash Credit Facility, the Debt Equity Ratio has decreased.
- There was an improvement in the Debt Service Coverage Ratio, Return on Equity Ratio, Net Profit Ratio, and Return on Investment during the year as the company earned profits after tax of ₹102.27 lakh compared to the loss of ₹497.63 lakh in the previous year.
- Turnover of Trade Receivables improved as the company realized substantial amount from its customers, resulting in a reduction of Trade Receivables from ₹ 413.52 lakh to ₹ 10 lakh.
- As a result of the increase in sales turnover, the net capital turnover ratio improved.
- As a result of an increase in EBIT, the company's Return on Capital Employed ratio improved.

**6. TRANSFER TO RESERVES:**

Your Company has not proposed to transfer any amount to the General Reserve. An amount of ₹102.27 Lakh is proposed to be retained in the Profit and Loss Account.

**7. DIVIDEND:**

The Company wishes to apprise its shareholders that, despite its strong operational performance during the financial year ended 31<sup>st</sup> March, 2023 the Board of Directors do not recommend dividend on equity shares for the Financial year 2022-23, considering the accumulated losses.

**8. DIRECTORS:**

Pursuant to the Articles of Association and the Composition of the Board of Directors, the Promoter Directors of the Company viz., Mr. Rajkumar Chordia, Mr. Vishal Chordia and Mr. Anand Chordia and an employee Director Mr. Babu Gavhane are liable to retire by rotation.

In accordance with provisions of Section 152 of Companies Act, 2013, and in terms of Articles of Association of the Company, Mr. Rajkumar Chordia [DIN: 00058185], retires by rotation at forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment.

Necessary resolution for appointment of Mr. Rajkumar Chordia as a Director, is recommended for your approval.

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 29<sup>th</sup> 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 14<sup>th</sup> July, 2027 not liable to retire by rotation.

**9. PUBLIC DEPOSITS:**

During the Financial Year 2022-2023, your Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

The Central Government Ministry of Corporate Affairs vide notification dated 22<sup>nd</sup> January, 2019 read with further notification dated 30<sup>th</sup> April, 2019 required the Companies to file return of Deposits or Particulars of Transactions not considered as Deposit. The Company has complied with the said notification.

**10. INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY:**

The Company has adequate internal control systems 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. An Internal Auditor has been appointed for this purpose.

The Audit Committee of the Board reviews the Internal Audit Report and the adequacy and effectiveness of internal controls periodically.

**11. LISTING FEES:**

The Company got listed on BSE Ltd on 6<sup>th</sup> October 2022 and the trading of the securities of the Company has been commenced on 6<sup>th</sup> January 2023. The Company has paid the Annual Listing Fees for the financial year 2023-2024 to BSE Limited, where your Company's shares are listed.

The Scrip Name allotted by BSE Ltd., to the Company is 'Aveer' and the Scrip Code is 543737.

The ISIN allotted to the Company is INE09BN01011.

**12. HOLDING COMPANIES, SUBSIDIARY COMPANIES AND ASSOCIATE COMPANIES:**

Pursuant to the Scheme of Arrangement the Investment made by Chordia Food Products Limited in the equity shares of the Company has been cancelled and consequently, the Company ceased to be the 100% Subsidiary Company of CFPL.

**13. EXTRACT OF ANNUAL RETURN:**

The furnishing of the details in Form MGT-9- Extract of Annual Return and attaching the same to the Directors Report in accordance with Section 92(3) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, is dispensed with vide notification dated 5<sup>th</sup> March, 2021 issued by the Ministry of Corporate Affairs. Accordingly, the same is not attached herewith.

Pursuant to provisions of Section 134 read with Section 92(3) of the Companies Act, 2013, as amended, copies of Annual Returns filed with the MCA are available at the website of the Company viz. [www.aveerfoods.com](http://www.aveerfoods.com) and the Annual Return for the Financial Year 2022-2023 will be uploaded at the website of the Company after filing with the MCA.

**14. NUMBER OF MEETINGS OF THE BOARD:**

During the financial year under report Fourteen (14) Board Meetings were convened and held, including one Independent Directors meeting. The meeting of Independent Directors was held on 28<sup>th</sup> March 2023. 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.	18 <sup>th</sup> April, 2022	3(*)	3	100
2.	27 <sup>th</sup> May, 2022	3(*)	3	100
3.	18 <sup>th</sup> June, 2022	3(*)	3	100
4.	8 <sup>th</sup> July, 2022	7	7	100
5.	11 <sup>th</sup> July, 2022	7	7	100
6.	20 <sup>th</sup> July, 2022	9	9	100
7.	4 <sup>th</sup> August, 2022	9	9	100
8.	11 <sup>th</sup> August, 2022	9	9	100
9.	31 <sup>st</sup> October, 2022	9	9	100
10.	11 <sup>th</sup> November, 2022	9	9	100
11.	21 <sup>st</sup> November, 2022	9	8	88
12.	1 <sup>st</sup> December, 2022	9	8	88
13.	13 <sup>th</sup> February, 2023	9	9	100
14.	28 <sup>th</sup> March, 2023	5	5	100

(\*) 4 Independent Directors were appointed on 30<sup>th</sup> June, 2022 and Mrs. Samruddhi Mehta, Independent Woman Director was appointed on 15<sup>th</sup> July, 2022. Therefore, for the first three Board Meetings, only the Promoter Directors were present.

The intervening gap between the Meetings was within the period prescribed under Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**15. 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 31<sup>st</sup> March, 2023 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 31<sup>st</sup> March, 2023 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.

**16. 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.

**17. AUDITORS AND AUDITORS' REPORT****a) Internal Auditor:**

After the listing & trading commencement of the Company on BSE Ltd, the Company has appointed Mr. Nisarg Shah Chartered Accountants as an Internal Auditor of the Company for the Financial Year 2022-2023 pursuant to the provisions of Section 138 of the Companies Act, 2013.

He has conducted Internal Audit for the financial year ended on 31<sup>st</sup> March, 2023 and submitted the periodical Internal Audit Reports to the Audit Committee. The said Reports have been reviewed by the Statutory Auditors and the Board of Directors.

**b) Statutory Auditors:**

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

The Auditor's Report to the Shareholders for the year under review does not contain any qualifications.

No frauds have been reported by the Auditors under Section 143(12) of the Companies Act, 2013 requiring disclosure in Board's Report.

**c) Secretarial Audit:**

Ghatpande and Ghatpande Associates, Company Secretaries were appointed as the Secretarial Auditors for conducting the Secretarial Audit for FY 2022-2023.

The Secretarial Audit Report is annexed herewith as **Annexure – I** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

**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.

**18. 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:

- a) 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.
- b) Details of Investments in Equity Shares made by the Company as on 31<sup>st</sup> March, 2023 (including Investments made in the previous years) in unquoted Shares are as under:-

Name of Entity	Amount as at 31 <sup>st</sup> March, 2023 (₹ in Lakh)	Amount as at 31 <sup>st</sup> March, 2022 (₹ in Lakh)
<b>Unquoted</b>		
Vishweshar Sahakari Bank Ltd.	1.69	1.69
<b>TOTAL:</b>	<b>1.69</b>	<b>1.69</b>

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

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 done at Arm's Length and are in the ordinary course of business.

The Particulars of the transactions so entered in to with Related Parties have been provided in Form No. AOC -2 attached herewith as **Annexure II**.

**20. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF THE REPORT AND SIGNIFICANT/ MATERIAL ORDERS PASSED BY THE REGULATORS:**

The material changes and commitments between the date of the balance sheet and the date of the report are reported in Point No. 2 of this Report.

**21. 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 and there are no further areas where energy conservation measures can be taken. However, efforts to conserve and optimize the use of Energy through improved Operational methods and other means will continue.
- 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 for implementing various aspects under the Environmental, Social, and Governance pillars for an organization under Business Responsibility and Sustainability Reporting Framework.

The Company has set certain targets as follows to achieve Environmental, Social & Governance growth:

- 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 Programmes 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.
- b) Water Recycling Projects: Using the treated effluent for gardening and recycling the process water wherever possible resulting to reduced freshwater usage.
- 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.

**22. RISK MANAGEMENT POLICY:**

Various risks such as financial risk arising out of the operations, increased competition in the sectors/areas of the Company, business conditions in the markets and other risks have been identified and taken into account while formulating policies. The Directors get themselves trained and educated on various risks factors. Periodic reviews are also being taken to improve the same.

Hence at present the Company has not formulated any Policy for Risk Management, however during the course of business the Management looks after and studies the Business Risks involved.

**23. NOMINATION AND REMUNERATION POLICY:**

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 said Nomination & Remuneration committee at present is constituted as under: -

- 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

**24. 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.

**25. 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.

**26. CHANGE IN THE NATURE OF BUSINESS, IF ANY:**

During the year under review the holding subsidiary relationship between Chordia Food Products Limited and Aveer Foods Limited has been extinguished and both the entities have started working independently. Apart from this, there is no change in the nature of business.

**27. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL [KMP] WHO WERE APPOINTED OR HAVE RESIGNED DURING THE FINANCIAL YEAR**

Directors appointed/ceased during the financial Year:

Sr. No.	Name of Directors/KMP	Designation	Date of Appointment/ Change in Designation
1	Mr. Rajkumar Chordia	Chairman- Non Executive Director	11 <sup>th</sup> April, 2019
2	Mr. Vishal Chordia	Managing Director- Strategy, Marketing & Finance	Change in Designation from Director to Managing Director -15 <sup>th</sup> July, 2022
3	Mr. Anand Chordia	Managing Director-Product Development Innovation & Technology	Change in Designation from Director to Managing Director 15 <sup>th</sup> July, 2022
4	Mr. Vijaykumar Kankaliya	Independent Director	30 <sup>th</sup> June, 2022
5	Mr. Rajendra Lunkad	Independent Director	30 <sup>th</sup> June, 2022
6	Dr. Ajitkumar Mandlecha	Independent Director	30 <sup>th</sup> June, 2022
7	Mr. Ritesh Mehta	Independent Director	30 <sup>th</sup> June, 2022
8	Mrs. Samruddhi Mehta	Woman Independent Director	15 <sup>th</sup> July, 2022
9	Mr. Bapu Gavhane	Whole Time Director	15 <sup>th</sup> July, 2022
10	Mr. Bapu Gavhane	Appointed as CFO	11 <sup>th</sup> July, 2022
11	Mr. Bapu Gavhane	Resigned as CFO	13 <sup>th</sup> February, 2023
12	Mr. Dharmendra Tulshyan	Chief Financial Officer	13 <sup>th</sup> February, 2023
13	Mrs. Tejashree Wagholikar	Company Secretary & Compliance officer	20 <sup>th</sup> July, 2022

**28. 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 said Audit committee at present is constituted as under: -

- 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- Executive Director

**b) 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 said Stakeholder Relationship Committee at present is constituted as under:-

- 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- Executive Director

**29. 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.

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

The Company has not received any orders from any regulator, court & tribunals other than those mentioned above approving the Scheme of Demerger of Food Division of Chordia Food Products Limited [CFPL] into Aveer Foods Limited [AFL] by Hon'ble NCLT, Mumbai Bench.

**31. CASH FLOW:**

The Cash Flow Statement for the financial year ended 31<sup>st</sup> March 2023 is attached to the Financial Statements.

**32. CORPORATE GOVERNANCE:**

As per Regulation 15(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the provisions of Corporate Governance 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 Company is not complying with the said criteria, 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.

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

During the year under Report the Company has in place 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.

**34. SECRETARIAL STANDARDS:**

During the year under review the Company has complied with all applicable mandatory Secretarial Standards issued by Institute of Company Secretaries of India, and approved by the Central Government u/s 118(10) of the Companies Act, 2013.

**35. 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.

**36. 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.

**37. 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.

**38. APPRECIATION:**

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

The Directors are also thankful to the officials of the Government of India, State Governments, Local Authorities for their continued help and timely assistance extended to the Company.

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By Order of the Board of Directors  
For Aveer Foods Limited

**Rajkumar H. Chordia**  
Chairman  
[DIN: 00058185]

Place: - Pune  
Date: 12<sup>th</sup> August, 2023

**ANNEXURE I  
(FORM MR-3)****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023**

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

To,  
The Members  
**Aveer Foods Limited**  
Plot 55/A/5 6, Hadapsar Industrial Estate  
Near Tata Honeywell  
Pune- 411013

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good Corporate Practices by Aveer Foods Limited (hereinafter called 'the Company'). The Secretarial Audit was conducted in accordance with the ICSI Auditing Standards (CSAS-1 to CSAS-4) issued by the Institute of Company Secretaries of India and made applicable w.e.f. 1<sup>st</sup> April, 2021 and in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our 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 to us by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the Audit Period covering the Financial Year ended on 31<sup>st</sup> March, 2023 [Audit Period] complied with the statutory provisions listed hereunder and also that the Company has established & maintained proper Board-processes and Compliance-Mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We report that the maintenance of proper and updated Books, Papers, Minute Book, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is the responsibility of the management and of the Company. Our responsibility is to verify the contents of the Documents produced before us, make objective evaluation of the contents, in respect of compliance and report thereon.

We have examined on test check basis (Excluding the Books of Accounts whether maintained Physically or Electronically) the Registers, Books, Papers, Minutes Book, Forms and Returns filed and other records maintained by the Company and produced before us for the Audit Period i.e. Financial Year ended as on 31<sup>st</sup> March, 2023 as per the provisions of:-

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment (ODI) and External Commercial Borrowings (ECB); (\*)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (\*)
  - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (\*)
  - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (\*)
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (\*)
  - h) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018 (\*)
  - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

(\*) There were no events/ actions occurred during the Financial Year under the report which attracts the provisions of these Act/Regulations/Guidelines, hence the same were not applicable.

We were informed that the following Acts and Regulations are specifically applicable to the Company for its Food Business. We 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.

- Food Safety and Standards Act, 2006,
- Food Safety and Standards Rules, 2011
- Food Safety and Standards (Packaging and Labelling) Regulations, 2011; and
- Legal Metrology Act, 2009.

We have also examined compliances with the applicable clauses of the following and have to report that: -

- (i) Secretarial Standards with regard to Meeting of the Board of Directors [SS-1], General Meetings [SS-2], Dividends [SS-3] (Not applicable to the Company since the Company has not declared and paid any Dividend during the Audit Period) and Report of the Board of Directors [SS-4] issued by the Institute of Company Secretaries of India, have been complied with.
- (ii) We have checked the compliance with the provisions of The Listing Agreement entered into by the Company with BSE Ltd., [Bombay Stock Exchange]. We are of the view that the Company has complied with the Secretarial functions and Board processes to comply with the applicable provisions.
- (iii) As per Regulation 15(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the provisions of Corporate Governance are not applicable to those Companies whose paid up equity share capital does not exceed Rs. Ten Crore and net worth does not exceed Rs. 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 given under SEBI (LODR) Regulations are not applicable.

We further report that, we 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.

We further report that the compliance by the Company of applicable Financial Laws, like Direct and Indirect Tax Laws, has not been reviewed in this Audit since the same have been subject to review by Statutory Financial Auditor and other Designated Professionals.

We further report that: -

- (i) During the Financial Year under Report, the Hon'ble National Company Law Tribunal, Mumbai Bench approved the Scheme of Demerger vide its Order dated 1<sup>st</sup> July, 2022 for Demerger of Food Division of Chordia Food Products Limited [CFPL] into Aveer Foods Limited [AFL/Company]. Accordingly, the Food Business of CFPL was demerged into the Company w.e.f. 20<sup>th</sup> July, 2022.
- (ii) The Company was a 100% Subsidiary of CFPL. The Company ceased to be the subsidiary of CFPL w.e.f. 20<sup>th</sup> July, 2022.
- (iii) Pursuant to the Scheme of Demerger, the then shareholders as appearing in the Register of Members on Record Date i.e. 4<sup>th</sup> August, 2022 of CFPL were allotted 1 (One) Equity share of Rs. 10/- each fully paid up in the Company for every 1 (One) Equity Share of Rs. 10/- each fully paid up held in CFPL. The said Equity Shares were allotted on 4<sup>th</sup> August, 2022.
- (iv) The then shareholders of CFPL who were holding their shares in Demat form were allotted shares of the Company in Demat Form and were credited to their respective Demat accounts. The then shareholders of CFPL who were holding shares in physical mode, the shares allotted to them are credited to 'Aveer Foods Limited-Physical Unclaimed Securities Escrow Account'.
- (v) Pursuant to the Scheme of Demerger, the Equity Shares of the Company were listed on the BSE Ltd., on 6<sup>th</sup> October, 2022 and the trading approval for the said shares was granted by BSE Ltd., on 6<sup>th</sup> January, 2023.
- (vi) During the Current Financial Year i.e. 2023-2024, pursuant to Clause 9.10 of the Scheme of Demerger duly approved by Hon'ble NCLT, Mumbai Bench vide its Order dated 1<sup>st</sup> July, 2022 the effect for Inter-Se transfer of Shares amongst two Group of Promoters viz., RHC Group and PHC Group were effected.
- (vii) During the Current Financial Year i.e. 2023-2024, pursuant to Clause 9.12 of the Scheme of Demerger duly approved by Hon'ble NCLT, Mumbai Bench vide its Order dated 1<sup>st</sup> July, 2022 the shareholders of PHC Group are to be reclassified from Promoter/Promoter Group category to Public Category. As informed to us, the Company is taking necessary steps in this connection.
- (viii) The Company in its Annual General Meeting held on 14<sup>th</sup> August, 2021 has taken the approval of shareholders for entering into Related Party Transactions for a period of 5 (Five) Financial Years w.e.f. 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2026.
- (ix) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Directors. During the Financial Year under Report, there was change in the composition of

the Board of Directors of the Company and the Company has complied with the necessary compliances in this connection. None of the Directors of the Company have been debarred or disqualified from being appointed or continuing as the Directors of the Companies by The Securities and Exchange Board of India [SEBI], Ministry of Corporate Affairs, Government of India [MCA] or any such other statutory Authority. Also all the Independent Directors of the Company have got themselves registered on the Portal of 'Independent Director's Data Bank' introduced by Indian Institute of Corporate Affairs (IICA).

- (x) Adequate notices were given to all Directors for convening the Board Meetings, Agenda and detailed Notes on Agenda were generally sent at least seven days in advance, 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.
- (xi) Based on the representations made by the Company and its Officers, we report that all the decisions in the Board / Committee Meetings were carried unanimously as recorded in the Minutes of the meetings of Board of Directors or Committees of the Board, as the case may be.
- (xii) We 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.
- (xiii) Non-compliance with provisions of Reg. 3(5) and/or Reg. 3(6) of SEBI (Prohibition of Insider Trading) Regulations, 2015.
- a) The Company was maintaining the Unpublished Price Sensitive Information (UPSI) in the database maintained with Company Secretary & Compliance Officer along with the copy to the Chairman of the Audit Committee who happens to be an Independent Director. Company had maintained such UPSI manually, considering the small size and scale of the Company.
- b) Recently on 2<sup>nd</sup> June, 2023 the Company has installed the designated SDD Software and as such, has complied with the same as of date.
- c) However, as on 31<sup>st</sup> March, 2023 the period for which this Report is prepared, the compliance for the same was not done by installing the designated SDD Software and it was complied in a PDF File maintained with Company Secretary & Compliance Officer. However, all the said data maintained in other than SDD format has since been transferred to the designated SDD Software, and as on date the Company is SDD compliant.
- (xiv) We further report that during the Audit Period there is no event/action having a major bearing on the Company's affairs, except for the acquisition by way of Demerger of Food Division of Chordia Food Products Limited [Demerged Company].

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For Ghatpande & Ghatpande Associates  
Company Secretaries

**Shekhar Ghatpande**  
Partner

FCS No. 1659/CP No. 782

FRN: P2019MH077200

Peer Review No.: 1503/2021

UDIN: F001659E000766445

Date: 8<sup>th</sup> August, 2023

Place: Pune

This Report is to be read with our letter of even date which is annexed as **Annexure A** 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,**  
Plot 55/A/5 6, Hadapsar Industrial Estate  
Near Tata Honeywell  
Pune- 411013

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial Record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
2. We 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. We believe that the processes and practices, followed by us provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of Financial Statements / Records and Books of Accounts of the Company, since the same have been subject to review by Statutory Financial Auditor and other Designated Professionals.
4. Wherever required, we have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. 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.

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For Ghatpande & Ghatpande Associates  
Company Secretaries

**Shekhar Ghatpande**

Partner

FCS No. 1659/CP No. 782

FRN: P2019MH077200

Peer Review No.: 1503/2021

UDIN: F001659E000766445

Date: 8<sup>th</sup> August, 2023

Place: Pune

**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 Sub Section (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	Chordia Food Products Limited	Company in which Relative of Director is Director	Availing of Services	116.97
2	Kamal Industries	Partnership Firm in which Director and relative of Director are Partners	Sales	852.35
			Purchases	458.95
3	Pravin Masalewale	Partnership in which Directors are Partners.	Sales	616.99
			Purchases	27.79
			Advance received	73.29
4	Pravin Sales Division	Partnership Firm in which Director and relative of Director are Partners	Sales	198.03
			Purchases	0.70
5	Dhanyakumar & Co	Partnership in which relative of Director is Partner.	Advances paid	1.70
6	(*) Maven Tech Services Private Limited	Company with common Directors	Purchases	1.01
7	Chordia Industrial Park LLP	LLP in which relative of the Director is a Designated Partner.	Availing of Services	41.98
8	(*) Raja Flavours & Foods LLP	LLP in which Directors and promoters are Designated Partners.	Payment of Royalty	18.00
9	Mr. Babu Gavahane	Whole Time Director	Remuneration to Director & KMP	41.53
	Mr. Dharmendra Tulshyan	Chief Financial Officer		
	Mrs. Tejashree Wagholikar	Company Secretary		
10	Mr. Rajkumar Chordia	Chairman Non-Executive Director	Purchases	0.07
	Mr. Vijaykumar Kankaliya	Independent Director	Sitting Fees	2.37
	Dr. Ajitkumar Mandlecha	Independent Director		
	Mr. Rajendra Lunkad	Independent Director		
	Mr. Ritesh Mehta	Independent Director		
	Mrs. Samruddhi Mehta	Independent Director		

**Notes:**

- 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 in their Annual General Meeting held on 14<sup>th</sup> August 2021 for a period of 5 years w.e.f. 1<sup>st</sup> April, 2021 upto 31<sup>st</sup> March, 2026.
- (\*) The Transactions held with these parties during FY 2022-23 have been approved by the board of directors.
- No amount is paid/received as Advance against these transactions.



## 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	161
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.	<p>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.</p> <p>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.</p>
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.

## 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, 2023, 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, 2023, 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 Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Director's Report including annexures to Director's Report, Business Responsibility and Sustainability Report and Report on Corporate Governance, but does not include the financial statements and my auditor's report thereon. The Management Discussion and Analysis Director's Report, including annexures to Director's Report, Business Responsibility and Sustainability Report and Report on Corporate Governance is expected to be made available to me after the date of this auditor's report.

- My opinion on the financial statements does not cover the other information and I do not and will 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 my knowledge obtained during the course of my audit or otherwise appears to be materially misstated.
- When I read the Management Discussion and Analysis, Director's Report, Business Responsibility and Sustainability Report and Report on Corporate Governance, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information.

### 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, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March, 2023 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 2022-23;
  - 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. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

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M/s. Bharat H Shah & Associates  
Chartered Accountants

**CA Bharat H Shah**  
Proprietor

Place: Pune  
Date: 24<sup>th</sup> May, 2023

M No. 110878 FRN:122100W  
UDIN:23110878BGWKSX4212

## **“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 31<sup>st</sup> March 2023.

I report that,

### **i. In respect of Property, Plant and Equipment and Intangible Assets:**

- a. (A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.  
  
(B) The Company does not have any intangible assets. Hence reporting under clause 3(i)(a)(B) is not applicable.
- b. The major portion of property, plant and equipment 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 program, a portion of the property, plant and equipment were due for physical verification during the year and were been physically verified by the management during the year. According to information and explanation given to me, no material discrepancies between the book’s records and the physical property, plant and equipment have been noticed during the physical verification.
- 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.

### **ii. In respect of Inventory**

- a. The inventories were physically verified during the year by the Management at reasonable intervals. In my opinion and according to the information and explanations given to me, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
  - 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.
- iii. 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 (iii) (a) to Clause 3(iii) (f) is not applicable to the company.
  - iv. 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 were not attracted during the year under Report and hence not commented upon.
  - v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3 (v) of the Order is not applicable.
  - vi. 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. Hence, reporting under clause 3 (vi) of the Order is not applicable.

**vii.** 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 31<sup>st</sup>, 2023 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.

viii. 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.

ix. (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 and according to the information and explanations given to me, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(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.

x. (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 3(x)(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 3(x)(b) of the Order is not applicable to the Company.

xi. (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.

xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under Clause 3(xii) of the Order is not applicable to the Company.

xiii. 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.

- xiv. (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 for the period under audit.
- xv. 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.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under Clause 3(xvi)(a),(b) and (c) of the Order is not applicable to the Company.
- The Group does not have any CIC as part of the group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred any cash losses during the financial year covered by my audit but the Company has incurred losses amounting to ₹ 401.99 lakh during the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under Clause 3(xviii) of the Order is not applicable to the Company.
- xix. 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.
- xx. 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 3(xx) of the Order is not applicable to the Company.

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M/s. Bharat H Shah & Associates  
Chartered Accountants

**CA Bharat H Shah**  
Proprietor

M No. 110878 FRN:122100W  
UDIN:23110878BGWKSX4212

Place: Pune  
Date: 24<sup>th</sup> May, 2023

**“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 31<sup>st</sup> March, 2023 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 31<sup>st</sup> March 2023, 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).

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M/s. Bharat H Shah & Associates  
Chartered Accountants

**CA Bharat H Shah**

Proprietor

M No. 110878 FRN:122100W  
UDIN:23110878BGWKSX4212

Place: Pune

Date: 24<sup>th</sup> May, 2023

**Balance Sheet as at 31<sup>st</sup> March 2023**

(Amount in Lakh)

Particulars	Note	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>A. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Property, plant & equipment	3	936.25	789.85
(b) Capital work-in-progress		-	-
(c) Goodwill		-	-
(d) Other intangible Assets		-	-
(e) Intangible assets under development		-	-
(f) Investment in subsidiaries		-	-
(g) Financial Assets		-	-
(i) Investments	4	1.69	1.69
(ii) Loans		-	-
(iii) Other Financial Assets		-	-
(h) Other Non Current Assets		-	-
(i) Deferred tax assets (net)		-	-
<b>Sub Total - Non-Current Assets</b>		<b>937.94</b>	<b>791.54</b>
<b>(2) Current assets</b>			
(a) Inventories	5	2,701.10	2,352.85
(b) Financial Assets			
(i) Trade receivables	6	10.00	413.52
(ii) Cash and cash equivalents	7	57.90	43.41
(iii) Bank balances other than (ii) above	7	0.10	359.03
(iv) Loans		-	-
(v) Derivatives		-	-
(vi) Other Financial Assets		-	-
(c) Other Assets	8	108.12	230.48
<b>Sub Total - Current Assets</b>		<b>2,877.22</b>	<b>3,399.29</b>
<b>TOTAL ASSETS</b>		<b>3,815.16</b>	<b>4,190.83</b>
<b>B. Equity And Liabilities</b>			
<b>(1) Equity</b>			
(a) Share Capital	9	402.83	-
(b) Other Equity	10	1,222.06	1,119.80
(c) Share Capital Suspense	10.1	-	402.83
<b>Sub Total -Equity</b>		<b>1,624.89</b>	<b>1,522.63</b>
<b>(2) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings		-	-
(ii) Other Financial Liabilities		-	-
(b) Long Term Provisions		178.54	155.96
(c) Deferred tax liability (net)		-	-
<b>Sub Total - Non-Current Liabilities</b>		<b>178.54</b>	<b>155.96</b>
<b>(3) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	11	791.72	1,230.47
(ii) Trade Payables			
- Micro Enterprises & small enterprises	12	170.00	185.42
- Other than Micro Enterprises & small enterprises		513.92	715.70
(iii) Derivatives		-	-
(iv) Other current Financial Liabilities		-	-
(b) Short Term Provisions	13	339.89	121.92
(c) Other Liabilities	14	196.20	258.73
<b>Sub Total - Current Liabilities</b>		<b>2,011.73</b>	<b>2,512.24</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,815.16</b>	<b>4,190.83</b>

As per our Report of even date

For &amp; 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: 24<sup>th</sup> May, 2023

**Bapu Gavhane**  
 Executive 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 31<sup>st</sup> March 2023

(Amount in Lakh)

Sr. No	Particulars	Note	Current Year 2022-23	Previous Year 2021-22
<b>I</b>	<b>INCOME FROM OPERATIONS</b>			
a	Revenue from Operations	15	9,759.98	7,917.76
b	Other Income	16	3.68	0.55
	<b>Total Income</b>		<b>9,763.66</b>	<b>7,918.31</b>
<b>II</b>	<b>EXPENSES</b>			
a.	Cost of Materials Consumed	17	5,928.91	5,325.98
b.	Purchase of Stock in trade		-	-
c.	Changes in inventories of finished goods, work-in-progress and stock-in-trade	18	(426.43)	(210.86)
d.	Employees cost	19	818.46	693.24
e.	Finance Costs	20	112.24	50.31
f.	Depreciation & Amortisation Expenses	3	132.37	95.65
g.	Other expenditure	21	3,095.84	2,461.63
	<b>Total Expenses</b>		<b>9,661.39</b>	<b>8,415.95</b>
III	Profit before tax ( I - II)		102.27	(497.64)
IV	Tax expense			
a)	Current Tax		-	-
b)	Deferred Tax		-	-
	Total Tax Expenses (a+b)		-	-
<b>V</b>	<b>Profit (Loss) after tax (III - IV)</b>		<b>102.27</b>	<b>(497.64)</b>
VI	Other comprehensive income/(Expenses)		-	-
<b>VII</b>	<b>Total comprehensive income for the period net of Tax ( V + VI)</b>		<b>102.27</b>	<b>(497.64)</b>
VIII	Earnings Per Share (EPS)			
	Basic and diluted EPS (₹)		2.54	(12.35)

As per our Report of even date

For &amp; 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: 24<sup>th</sup> May, 2023

**Bapu Gavhane**  
Executive Director  
DIN: 00386217

**Dharmendra Tulshyan**  
Chief Financial Officer  
PAN: AEOPT8157K

**Tejashree Wagholikar**  
Company Secretary  
M. No. A39767

**Cash Flow Statement for the year ended 31<sup>st</sup> March 2023**

(Amount in Lakh)

Particulars	Current Year 2022-23		Previous Year 2021-22	
<b>(A) Cash Flow from Operating Activities</b>				
Net Profit before tax		<b>102.27</b>		<b>(497.64)</b>
Add : Depreciation	132.37		95.65	
Less : Profit on Sales of Assets	(1.02)		-	
Add: Finance Cost	112.24	243.59	50.31	145.96
Operating Profit before Working Capital Changes		<b>345.86</b>		<b>(351.68)</b>
(Increase)/ Decrease in Trade Receivables	403.52		189.78	
(Increase) / Decrease in Other Assets	122.36		37.68	
(Increase) / Decrease in Inventories	(348.25)	177.63	(438.38)	(210.92)
		<b>523.49</b>		<b>(562.60)</b>
Increase / (Decrease)in Trade Payables	(217.20)		220.93	
Increase / (Decrease)in Long Term Provisions	22.57		26.36	
Increase / (Decrease)in Short Term Provisions	217.96		11.70	
Increase / (Decrease)in Other Payables	(62.53)		52.33	
		(39.20)		311.32
Cash Flow from Operating Activities (A)		<b>484.29</b>		<b>(251.28)</b>
<b>(B) Cash Flow from Investing Activities</b>				
Acquisition of Fixed Assets/capital advances		(279.24)		(371.10)
Sale of Fixed Assets		1.50		-
Cash Outflow in course of Investing Activities (B)		<b>(277.74)</b>		<b>(371.10)</b>
<b>(C) Cash Flow from Financing Activities</b>				
Inflow/(Outflow) proceeds from Borrowings		(438.75)		799.63
Finance Cost		(112.24)		(50.31)
Cash Inflow / (Outflow) in course of Financing Activities ( C)		<b>(550.99)</b>		<b>749.32</b>
<b>Net Increase(Decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>(344.44)</b>		<b>126.94</b>
Opening Balance of Cash and Cash Equivalents		402.44		275.50
Closing Balance of Cash and Cash Equivalents		58.00		402.44

As per our Report of even date

For &amp; 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: 24<sup>th</sup> May, 2023

**Bapu Gavhane**  
 Executive Director  
 DIN: 00386217

**Dharmendra Tulshyan**  
 Chief Financial Officer  
 PAN: AEOPT8157K

**Tejashree Waghlikar**  
 Company Secretary  
 M. No. A39767

**Statement of Changes in Equity for the year ended March 31, 2022**

(Amount in Lakh)

Particulars	Equity share Capital	Share Capital Suspense	Other Equity	
			Retained Earnings	Capital Reserves
Balance as at April 1, 2021	-	402.83	34.83	1,582.60
Changes in equity for the year ended March 31,2022	-	-	-	-
Profit for the year	-	-	(497.64)	-
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>402.83</b>	<b>(462.81)</b>	<b>1,582.60</b>

**Statement of Changes in Equity for the year ended March 31, 2023**

(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	-
<b>Balance as at March 31, 2023</b>	<b>402.83</b>	<b>-</b>	<b>(360.54)</b>	<b>1,582.60</b>

As per our Report of even date

For &amp; 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: 24<sup>th</sup> May, 2023

**Bapu Gavhane**  
Executive Director  
DIN: 00386217

**Dharmendra Tulshyan**  
Chief Financial Officer  
PAN: AEOPT8157K

**Tejashree Waghlikar**  
Company Secretary  
M. No. A39767

## Notes forming part of the Financial Statements

### 1. Corporate Information

- a. The Company is Public Limited Company domiciled in India and is incorporated on 11<sup>th</sup> 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.

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 1<sup>st</sup> July, 2022 and the scheme has become effective from the date of filing the Form INC-28 with the ROC i.e., on 20<sup>th</sup> July 2022.

In pursuance of the said Scheme, the Resulting Company has issued and allotted 40,28,252 equity shares on 4<sup>th</sup> 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 1<sup>st</sup> 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.

- b. 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.
- c. The functional and presentation currency of the company is Indian Rupee which is the currency of primary economic environment in which the company operates.
- d. The financial statements for the year ended 31<sup>st</sup> March, 2023 were approved by the Board of Directors in its meeting held on 24<sup>th</sup> May, 2023.
- e. The Company has considered the possible impact that may arise from COVID-19, a global pandemic, on the carrying amount of its assets including inventory and receivables. In developing the assumptions relating to the impact of possible future uncertainties in global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information including economic forecasts. The Company based on current estimates expects the carrying amount of the above assets will be recovered, net of provisions established.

### 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 has been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

#### a. 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, 2023 comprises of the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement, Statement of Changes in Equity and the Notes to Financial Statements.

#### b. 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.

## Notes forming part of the Financial Statements

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
- 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 realization 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.

### c. Key Accounting Estimates and Judgements

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

### d. Property, Plant and Equipment

#### i. Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, taxes (against which input has not been availed), 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. 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. All other repair and maintenance costs are recognized in Statement of Profit or Loss as incurred.

#### ii. Subsequent measurement (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.

#### 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.

### e. 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.

## Notes forming part of the Financial Statements

### f. 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.

### g. 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.

### h. 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.

### i. 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.

### j. 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.

### k. 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:



## Notes forming part of the Financial Statements

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:

- 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.

### m. 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.

**Notes forming part of the Financial Statements****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 finance costs in the Statement of Profit and Loss.”

- **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

## Notes forming part of the Financial Statements

instrument is recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI 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.

## 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.

**Notes forming part of the Financial Statements****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.

**n. 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.

**o. 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.

**p. 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.

**q. 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.
- 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.

## Notes forming part of the Financial Statements

### r. 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.

### s. 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.

### t. 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.

### u. Exceptional Items

Exceptional items refer to items of income or expense within the statement of profit and loss from ordinary activities which are nonrecurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

### v. 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

Liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the end of each reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by the Company. This cost is included in employee benefit expense in the statement of profit and loss.

##### Defined Contribution Plans

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

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

### w. 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.

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

(Amount in Lakh)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Total
<b>Gross carrying value</b>						
As at 31 <sup>st</sup> March,2021	-	-	1,823.68	12.26	2.23	1,838.17
Addition	-	70.52	288.02	62.87	-	421.41
Deduction	-	-	-	-	-	-
As at 31 <sup>st</sup> 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 31 <sup>st</sup> March, 2023	-	70.52	2,332.67	100.72	29.66	2,533.57
<b>Accumulated Depreciation</b>						
As at 31 <sup>st</sup> March,2021	-	-	1,360.76	11.20	2.12	1,374.08
Addition	-	1.02	88.84	5.79	-	95.65
Deduction	-	-	-	-	-	-
As at 31 <sup>st</sup> 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 31 <sup>st</sup> March, 2023	-	3.25	1,566.31	23.78	3.98	1,597.32
<b>Net carrying value</b>						
As at 31 <sup>st</sup> March,2021	-	-	462.92	1.06	0.11	464.09
As at 31 <sup>st</sup> March,2022	-	69.50	662.10	58.14	0.11	789.85
As at 31 <sup>st</sup> March, 2023	-	67.27	766.36	76.94	25.68	936.25

**Note 4 Investments**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Investments in Securities (Unquoted)</b>		
3280 shares of the Vishweshwar Sahakari Bank Limited of ₹ 50/- each	1.69	1.69
<b>Total</b>	<b>1.69</b>	<b>1.69</b>

**Note 5 Inventories**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(a) Raw materials	984.38	1,150.51
(b) Work-in-progress	1,166.00	794.30
(c) Packing Material	256.36	168.41
(d) Finished goods	294.36	239.63
<b>Total</b>	<b>2,701.10</b>	<b>2,352.85</b>

**Note 6 Trade receivables**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Trade receivables</b>		
Secured, considered good	-	-
Unsecured, considered good	10.00	413.52
<b>Total</b>	<b>10.00</b>	<b>413.52</b>

## Notes forming part of the Financial Statements

## Trade Receivables Ageing Schedule

(Amount in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Trade receivables</b>		
Secured, considered good		
Unsecured, considered good		
Less than 6 Months	10.00	413.52
6 months to 1 year	-	-
1 to 2 years	-	-
2 to 3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>10.00</b>	<b>413.52</b>

## Note 7 Cash and cash equivalents

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(a) Cash on hand	57.90	43.41
(b) Cheques, drafts on hand	-	-
(c) Balances with banks		
(i) In current accounts	0.10	359.03
(ii) In CC accounts	-	-
<b>Total</b>	<b>58.00</b>	<b>402.44</b>

## Note 8 Other Assets

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Advance to Creditors	6.89	81.88
Advance to Staff & Other	8.08	-
Deposits	66.84	67.73
Balance with Tax Authorities	11.42	27.84
Loans & Advances	-	3.15
GST Credit	14.89	49.88
<b>Total</b>	<b>108.12</b>	<b>230.48</b>

## Note 9 Share Capital

Particulars	As at 31 <sup>st</sup> March ,2023		As at 31 <sup>st</sup> March ,2022	
	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	-	-	-	-
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	-	-	-	-
Add: Shares issued during the year pursuant to Scheme of Arrangement	4,028,252	402.83	-	-
<b>Total</b>	<b>4,028,252</b>	<b>402.83</b>	<b>-</b>	<b>-</b>

**Notes forming part of the Financial Statements**
**Notes:**

The Scheme of Arrangement between Chordia Food Products Ltd (Demerged Company) and Ameer 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 existing 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 Shares outstanding is set out below.:**

Particulars	As at 31 <sup>st</sup> March ,2023			As at 31 <sup>st</sup> March ,2022	
	Par Value (in ₹)	No. of Shares	Amount	No. of Shares	Amount
Equity Shares					
Shares Outstanding at the beginning of the year	-	-	-	-	-
Shares Issued during the Year	10.00	4,028,252	402.83	-	-
<b>Shares Outstanding at the end of the year</b>	<b>10.00</b>	<b>4,028,252</b>	<b>402.83</b>	<b>-</b>	<b>-</b>

**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.
- If any Dividend is Declared and paid it is done in Indian Rupees. The Final 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 <sup>st</sup> March ,2023		As at 31 <sup>st</sup> March ,2022	
	No of Shares	% Holding	No of Shares	% Holding
Rajkumar Hukmichand Chordia	1,544,968	38.35	1,544,968	38.35
Pradeep Hukmichand Chordia	373,102	9.26	373,102	9.26
Meena Pradeep Chordia	219,941	5.46	219,941	5.46

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

Name of Shareholder	As at 31 <sup>st</sup> March ,2023		As at 31 <sup>st</sup> March ,2022	
	No of Shares	% Holding	No of Shares	% Holding
Rajkumar Hukmichand Chordia	1,544,968	38.35	1,544,968	38.35
Pradeep Hukmichand Chordia	373,102	9.26	373,102	9.26
Meena Pradeep Chordia	219,941	5.46	219,941	5.46
Madhubala Rajkumar Chordia	197,775	4.91	197,775	4.91
Shweta Vishal Chordia	187,574	4.66	187,574	4.66
Anand Rajkumar Chordia	187,520	4.66	187,520	4.66
Vishal Rajkumar Chordia	178,730	4.44	178,730	4.44
Pravin Hukmichand Chordia	20,908	0.52	20,908	0.52
Chordia Technologies (India) LLP	969	0.02	969	0.02
Late Kamalbai Hukmichand Chordia*	933	0.02	933	0.02
Late Hukmichand Sukhlal Chordia*	933	0.02	933	0.02
Anuradha Pradeep Chordia	486	0.01	486	0.01
Neelam Saameer Goyal	27	-	27	-
Namita Kushal Pittie	19	-	19	-

\* Shares are in the process of transmission.



## Notes forming part of the Financial Statements

## Note 10 Other Equity

(Amount in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(a) Capital reserve</b>		
Balance as per Last Financial Statement	1,582.60	1,582.61
Closing balance	<b>1,582.60</b>	<b>1,582.61</b>
<b>(b) Surplus / (Deficit) in Statement of Profit and Loss</b>		
Balance as per Last Financial Statement	(462.81)	34.83
Add: Transferred from Statement of Profit and Loss	102.27	(497.64)
Closing balance	<b>(360.54)</b>	<b>(462.81)</b>
<b>Total</b>	<b>1,222.06</b>	<b>1,119.80</b>

## Note 10.1 Share Capital Suspense

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(a) Share Capital Suspense</b>		
40,28,252 Shares to be issued to the shareholders of the demerged company pursuant to scheme of arrangement	-	402.83
<b>Total</b>	<b>-</b>	<b>402.83</b>

## Note 11 Borrowings

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>(a) Loans repayable on demand</b>		
From banks		
Secured	791.72	1,230.47
Unsecured	-	-
<b>Total</b>	<b>791.72</b>	<b>1,230.47</b>

## Notes:

(i) Details of security for the secured borrowings:

Particulars	Nature of security	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Cash Credit account from Union Bank of India	1) Hypothecation of all present & future Plant & Machinery, Furniture & Fixture, Movable Fixed Asset Stocks of Raw Material, Semi Finished Goods, Finished Goods, & Book Debts & Receivables.	-	1,230.47
	2) Mortgage of piece & parcel of Land & Construction thereon of the factory premises situated at Village Sanghavi Shirwal Taluka Khandala, Dist Satara	-	-
Cash Credit account from HDFC	1) Hypothecation of all present & future Stocks of Raw Material, Semi Finished Goods, Finished Goods, Book Debts & Receivables.	791.72	-
	2) Corporate Guarantee given by M/s Pravin Masalewale (Related Party)	-	-
	3) Personal Guarantee given by Mr Rajkumar Hukmichand Chordia (Related Party)	-	-
<b>Total</b>		<b>791.72</b>	<b>1,230.47</b>

**Notes forming part of the Financial Statements**
**Note 12 Trade Payables**

(Amount in Lakh)

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Trade payables:		
Acceptances		
- Micro Enterprises & small enterprises	170.00	185.42
- Other than Micro Enterprises & small enterprises	513.92	715.70
<b>Total</b>	<b>683.92</b>	<b>901.12</b>

**Trade Payables Ageing Schedule**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
<b>Trade Payables:</b>		
Acceptances		
- <b>Micro Enterprises &amp; small enterprises</b>		
Less than 1 year	170.00	185.42
1 to 2 years	-	-
2 to 3 years	-	-
More than 3 years	-	-
- <b>Other than Micro Enterprises &amp; small enterprises</b>		
Less than 1 year	513.26	712.17
1 to 2 years	0.66	3.53
2 to 3 years	-	-
More than 3 years	-	-
<b>Total</b>	<b>683.92</b>	<b>901.12</b>

**Note 13 Short-term provisions**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(a) Provision for Expenses	157.33	-
(b) LIC of India	0.06	0.06
(c) GST Payable	42.20	4.94
(d) Profession Tax	0.33	0.31
(e) Salary & Wages Payable	46.51	38.48
(f) ESI-Payable	0.15	0.53
(g) PF Payable	6.51	6.02
(h) Bonus Payable	75.19	63.47
(i) TDS Payable	9.43	7.46
(j) Sitting Fees Payable	2.13	0.62
(k) TCS Payable	0.05	0.03
<b>Total</b>	<b>339.89</b>	<b>121.92</b>

**Note 14 Other Current Liabilities**

Particulars	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
(a) Security Deposit	66.64	72.39
(b) Advances Received from Debtors	123.41	186.34
(c) Other payables	6.15	-
<b>Total</b>	<b>196.20</b>	<b>258.73</b>

## Notes forming part of the Financial Statements

## Note 15 Revenue from operations

(Amount in Lakh)

Particulars	Current Year 2022-2023	Previous Year 2021-2022
Sale of products	9,759.98	7,917.76
<b>Total</b>	<b>9,759.98</b>	<b>7,917.76</b>

## Note 16 Other Income

Particulars	Current Year 2022-2023	Previous Year 2021-2022
Interest	1.28	0.28
Rent	0.03	0.27
Discount Received	0.06	-
Dividend	0.25	-
Misc. Income	2.06	-
<b>Total</b>	<b>3.68</b>	<b>0.55</b>

## Note 17 cost of Materials Consumed

Particulars	Current Year 2022-2023	Previous Year 2021-2022
Opening stock	1,318.92	1,091.39
Add: Purchases	5,850.73	5,553.51
	<b>7,169.65</b>	<b>6,644.90</b>
Less: Closing stock	1,240.74	1,318.92
<b>Total</b>	<b>5,928.91</b>	<b>5,325.98</b>

(Note: Opening &amp; Closing Stock includes Packing Material)

## Note 18 Changes in inventories of Finished Goods, Work In progress and Stock in Trade

Particulars	Current Year 2022-2023	Previous Year 2021-2022
<b>Inventories at the end of the year:</b>		
Finished goods	294.36	239.63
Work-in-progress	1,166.00	794.30
Stock-in-trade	-	-
	<b>1,460.36</b>	<b>1,033.93</b>
<b>Inventories at the beginning of the year:</b>		
Finished goods	239.63	232.20
Work-in-progress	794.30	590.87
Stock-in-trade	-	-
	<b>1,033.93</b>	<b>823.07</b>
<b>Net (increase) / decrease</b>	<b>(426.43)</b>	<b>(210.86)</b>

## Note 19 Employee Benefit Expenses

Particulars	Current Year 2022-2023	Previous Year 2021-2022
Salaries and wages	736.88	614.74
Remuneration to Directors	14.92	14.95
Contributions to provident and other funds	41.68	37.20
Gratuity Expenses	24.98	26.35
<b>Total</b>	<b>818.46</b>	<b>693.24</b>

**Notes forming part of the Financial Statements**
**Note 20 Finance Cost**

(Amount in Lakh)

Particulars	Current Year 2022-2023	Previous Year 2021-2022
(a) Interest expense on:		
(i) Borrowings	91.54	40.53
(ii) Deposits	3.99	3.66
(iii) Other Bank Charges	16.71	6.12
<b>Total</b>	<b>112.24</b>	<b>50.31</b>

**Note 21 Other Expenses**

Particulars	Current Year 2022-2023	Previous Year 2021-2022
Advertisement Expenses	13.64	74.53
Amalgamation Expenses	1.30	39.54
Audit Fees (Refer Note 31)	2.70	2.70
Canteen Expenses	10.39	9.13
Cleaning Expenses	16.02	15.54
Commission on Sales	19.13	21.50
Computer Expenses	10.19	7.52
Cutting, Packing, Production, Loading & Unloading Expenses	878.43	758.74
Donation	1.76	0.60
Fees & License	21.56	8.15
Forwarding Charges	136.50	127.09
GST Expenses	154.59	82.35
Insurance	7.56	7.12
Interest On T.D.S	0.02	0.02
Interest on VAT, CST & GST	0.69	1.05
Laboratory Expenses	9.13	0.85
Legal & Professional Fees	34.50	37.36
Maintenance Expenses	41.98	39.98
Operational Charges	109.61	115.08
Other Expenses	36.82	28.69
Printing & Stationary	4.76	5.10
Professional Tax Expenses	0.09	0.03
Power & Fuel	101.17	97.18
Rent, Rates & Taxes	223.01	201.00
Repairs & Maintenance	115.77	182.07
Royalty	18.00	18.00
Sales Promotion Expenses	1,082.48	539.93
Security Charges	38.68	36.34
Short Provision Of Income Tax	2.99	3.75
Sitting Fees	2.37	0.69
<b>Total</b>	<b>3,095.84</b>	<b>2,461.63</b>

## Notes forming part of the Financial Statements

### Note 22 Earning Per Equity Share as calculated in accordance with Indian Accounting Standard (Ind AS 33)

Sr. No.	Particulars	Current Year 2022-2023	Previous Year 2021-2022
1	Earnings Per Share (EPS) (in ₹)		
	Basic	2.54	(12.35)
	Diluted	2.54	(12.35)
2	Net Profit after tax considered for the calculation of EPS (Amount in Lakh)	102.27	(497.64)
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

\* 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. The Resulting Company has issued and allotted 40,28,252 equity shares on 4<sup>th</sup> August, 2022 pursuant to "Scheme of Arrangement".

As per Ind AS 33, Ordinary shares issued as part of the consideration transferred in a business combination are included in the weighted average number of shares from the acquisition date. This is because the acquirer incorporates into its statement of profit and loss the acquiree's profits and losses from that date. Therefore, while calculating the weighted average number of shares for the purpose of EPS, the ordinary shares issued pursuant to "Scheme of Arrangement" shall be considered.

### Note 23 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:

Class of Provision	(Amount in Lakh)				
	Opening Balance as at 1 <sup>st</sup> April,2022	Provisions for the year	Amounts used during the year	Amounts reversed during the year	Closing Balance as at 31 <sup>st</sup> March,2023
Godown Rent	-	2.31	-	-	2.31
Post Sales Discount	-	108.27	-	-	108.27
Sales Return	-	37.93	-	-	37.93
Leave Encashment	-	1.06	-	-	1.06
Sales Promotion Expense	-	7.76	-	-	7.76
Salary & Wages	38.48	46.51	38.48	-	46.51
Bonus	63.47	75.19	63.47	-	75.19
Sitting Fees	0.62	2.13	0.62	-	2.13
<b>Total</b>	<b>102.57</b>	<b>281.16</b>	<b>102.57</b>	<b>-</b>	<b>281.16</b>

### Note 24 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.

**Notes forming part of the Financial Statements**
**Note 25 Related Party Disclosures as required by Accounting Standards (Ind AS 24)**

As required by Accounting Standards-AS "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) Dr. 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

**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) Chordia Products	Firm in which relative of Key Managerial Personnel is interested
v) Adya Herbal	Firm in which Key Managerial Personnel is interested
vi) Dhanyakumar & Co	Firm in which Key Managerial Personnel is interested
vii) Raja Flavours & Foods LLP	LLP in which Key Managerial Personnel is interested
viii) Chordia Industrial Park LLP	LLP in which relative of Key Managerial Personnel is interested
ix) Chordia Food Products Limited	Company in which relative of Key Managerial Personnel is interested
x) 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 2022-2023	Previous Year 2021-2022
<b>1</b>	<b>Sales &amp; Other Income</b>		
i)	Kamal Industries	852.35	766.69
ii)	Pravin Sales Division	198.03	143.72
iii)	Pravin Masalewale	616.99	775.90
iv)	Chordia Products	-	0.54
	<b>Total</b>	<b>1667.37</b>	<b>1686.85</b>
<b>2</b>	<b>Purchase &amp; Other Services</b>		
i)	Kamal Industries	458.95	1,348.24
ii)	Pravin Sales Division	0.70	0.03
iii)	Pravin Masalewale	27.79	153.50
iv)	Maven Tech Services Private Limited	1.01	1.64
v)	Mr. Rajkumar Chordia	0.07	0.01
vi)	Mr. Hukmichand Chordia	-	0.30
vii)	Chordia Industrial Park LLP	41.98	39.98
viii)	Chordia Food Products Limited	116.97	109.59
ix)	Adya Herbal	-	0.33
	<b>Total</b>	<b>647.47</b>	<b>1,653.62</b>

## Notes forming part of the Financial Statements

(Amount in Lakh)

Sr. No.	Particulars	Current Year 2022-2023	Previous Year 2021-2022
<b>3</b>	<b>Royalty Paid</b>		
	i) Raja Flavours & Foods LLP	18.00	18.00
	<b>Total</b>	<b>18.00</b>	<b>18.00</b>
<b>4</b>	<b>Sitting Fees</b>		
	i) Mr. Hukmichand Chordia	-	0.12
	ii) Mrs. Zalak Shah	-	0.19
	iii) Mr. Vijaykumar Kankaliya	0.43	0.19
	iv) Mr. Ajit Mandlecha	0.43	0.19
	v) Mr. Rajkumar Chordia	0.33	-
	vi) Mrs. Samruddhi Mehta	0.36	-
	vii) Mr. Rajendra Lunkad	0.43	-
	viii) Mr. Ritesh Mehta	0.39	-
	<b>Total</b>	<b>2.37</b>	<b>0.69</b>
<b>5</b>	<b>Salary &amp; Remuneration</b>		
	i) Mr. Bapu Gavhane	14.92	14.95
	ii) Mr Dharmendra Tulshyan	19.98	-
	iii) Mrs Tejashree Suyog Wagholikar	6.63	4.85
	<b>Total</b>	<b>41.53</b>	<b>19.80</b>
<b>6</b>	<b>Trade Receivables</b>		
	i) Pravin Sales Division	2.61	41.90
	ii) Pravin Masalewale	-	364.22
	<b>Total</b>	<b>2.61</b>	<b>406.12</b>
<b>7</b>	<b>Trade Payable</b>		
	i) Kamal Industries	113.15	183.46
	ii) Maven Tech Services Pvt Ltd	-	0.38
	iii) Chordia Food Product Limited	0.10	-
	<b>Total</b>	<b>113.25</b>	<b>183.84</b>
<b>8</b>	<b>Advance to Creditor</b>		
	i) Dhanyakumar & Co	1.70	1.70
	ii) Chordia Food Product Limited	-	8.72
	<b>Total</b>	<b>1.70</b>	<b>10.42</b>
<b>9</b>	<b>Advance from Debtor</b>		
	i) Pravin Masalewale	73.29	-
	<b>Total</b>	<b>73.29</b>	<b>-</b>

## Note 26 Foreign Currency Exposure

## Details of Foreign Currency Exposures:

Particulars	Currency	Amount in foreign Currency	Equivalent Indian Currency	Purpose
Payable at 31.03.2023	-	-	-	-
Payable at 31.03.2022	-	-	-	-

**Notes forming part of the Financial Statements**
**Note 27 C.I.F. value of Imports and Expenditure in Foreign Currencies**

(Amount in Lakh)

Particulars	Current Year 2022-2023	Previous Year 2021-2022
a) C.I.F. Value of Imports	-	-
b) Expenditure in Foreign Currencies - Others	-	-

**Note 28 Earnings in Foreign Exchange**

Particulars	Current Year 2022-2023	Previous Year 2021-2022
FOB value of Exports	-	-

**Note 29 Raw Material and Stores & Spares Consumption**
**a. Imported and Indigenous Raw Material Consumption**

Particulars	Current Year 2022-2023	Previous Year 2021-2022
i) Imported	-	-
ii) Indigenous	5,928.91	5,325.98
<b>Total</b>	<b>5,928.91</b>	<b>5,325.98</b>

**b. Imported and Indigenous Stores and Spares Consumption**

Particulars	Current Year 2022-2023	Previous Year 2021-2022
i) Imported	-	-
ii) Indigenous	-	-

**Note 30**

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 2023. 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 <sup>st</sup> March,2023	As at 31 <sup>st</sup> March,2022
1	Principle*	170.00	185.42
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



## Notes forming part of the Financial Statements

### Note 31 Payment to Auditors

(Amount in Lakh)

Particulars	Current Year 2022-2023	Previous Year 2021-2022
Payment to auditor comprise		
For Statutory Audit	2.70	2.70
<b>Total</b>	<b>2.70</b>	<b>2.70</b>

### Note 32 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 lakh (2021-22: ₹ 31.99 lakh), paid for cold storage 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.

### Note 33 Financial Ratio

Particulars	As at 31 <sup>st</sup> March,2023	As at 31 <sup>st</sup> March,2022
Current Ratio	1.43	1.35
Debt-Equity Ratio	0.49	0.81
Debt Service Coverage Ratio	3.09	(6.99)
Return on Equity Ratio	0.06	(0.33)
Trade Receivables turnover ratio	46.09	15.57
Trade Payable turnover ratio	7.38	7.02
Net capital turnover ratio	11.28	8.93
Net profit ratio	1.05	(6.28)
Return on Investments	0.06	(0.33)
Return on Capital employed	0.09	(0.16)
Inventory Turnover Ratio	2.18	2.40

#### Reason for variance in ratios:

During the year the company has earned profit after tax of ₹102.27 Lakh in contrast to the loss incurred in previous year of ₹497.64 Lakh. Further, the company has made considerable realization from its customers resulting in reduction of Trade Receivables from ₹ 413.52 lakh as on 31.03.2022 to ₹ 10 lakh as on 31.03.2023.

The operating Cash flow generated from the above factors has been used for repayment of Shor Term Borrowing

#### Working for Financial Ratio

(Amount in Lakh)

Particulars	As at 31 <sup>st</sup> March,2023	As at 31 <sup>st</sup> March,2022
Current Ratio	1.43	1.35
Current Assets	2,877.22	3,399.29
Current Liabilities	2,011.73	2,512.24
Debt - Equity Ratio	0.49	0.81
Total Debt	791.72	1,230.47
Equity	1,624.89	1,522.63

**Notes forming part of the Financial Statements**

(Amount in Lakh)

Particulars	As at 31 <sup>st</sup> March,2023	As at 31 <sup>st</sup> March,2022
Debt Service Coverage Ratio	3.09	(6.99)
EBITDA	346.88	(351.68)
Finance Cost	112.24	50.31
Return on Equity	0.06	(0.33)
Net Income	102.27	(497.64)
Shareholder's Equity	1,624.89	1,522.63
Trade Receivable Turnover Ratio	46.09	15.57
Revenue from Operations	9,759.98	7,917.76
Average Trade receivable	211.76	508.42
Trade Payable Turnover Ratio	7.38	7.02
Credit Purchases	5,850.73	5,553.51
Average Trade Payable	792.52	790.66
Net Capital Turnover Ratio	11.28	8.93
Revenue from Operations	9,759.98	7,917.76
Net Working Capital	865.49	887.05
Net Profit Ratio	1.05	(6.28)
Net Profit	102.27	(497.64)
Revenue from Operations	9,759.98	7,917.76
Return on Investments	0.06	(0.33)
Net Profit	102.27	(497.64)
Net Investments (Shareholder's Equity)	1,624.89	1,522.63
Return on Capital Employed	0.09	(0.16)
Earning before Interest and Tax	214.51	(447.33)
Capital Employed	2,416.61	2,753.10
Inventory Turnover Ratio	2.18	2.40
Cost of Goods Sold	5,502.48	5,115.12
Average Inventory	2,526.98	2,133.66

## Notes forming part of the Financial Statements

## Note 34 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, 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	
<b>Financial assets not measured at fair value*</b>								
<b>Financial Assets</b>								
<b>Non-Current</b>								
Loans	-	-	-	-	-	-	-	-
Investment	1.69	-	-	1.69	-	1.69	-	1.69
<b>Other Financial Assets</b>								
<b>Current</b>								
Trade Receivable	-	-	10.00	10.00	-	-	-	-
Cash and cash equivalents	-	-	57.90	57.90	-	-	-	-
Bank balances other than above	-	-	0.10	0.10	-	-	-	-
<b>Total</b>	<b>1.69</b>	<b>-</b>	<b>68.00</b>	<b>69.69</b>	<b>-</b>	<b>1.69</b>	<b>-</b>	<b>1.69</b>
<b>Financial liabilities not measured at fair value*</b>								
<b>Financial Liability</b>								
<b>Current</b>								
Loans	-	-	791.72	791.72	-	-	-	-
Trade Payables	-	-	683.92	683.92	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,475.64</b>	<b>1,475.64</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<hr/>								
March 31, 2022	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	
<b>Financial assets not measured at fair value*</b>								
<b>Financial Assets</b>								
<b>Non-Current</b>								
Loans Investment	-	-	-	-	-	-	-	-
<b>Other Financial Assets</b>	<b>1.69</b>	<b>-</b>	<b>-</b>	<b>1.69</b>	<b>-</b>	<b>1.69</b>	<b>-</b>	<b>1.69</b>
<b>Current</b>								
Trade Receivable	-	-	413.52	413.52	-	-	-	-
Cash and cash equivalents	-	-	43.41	43.41	-	-	-	-
Bank balances other than above	-	-	359.03	359.03	-	-	-	-
<b>Total</b>	<b>1.69</b>	<b>-</b>	<b>815.96</b>	<b>817.65</b>	<b>-</b>	<b>1.69</b>	<b>-</b>	<b>1.69</b>
<b>Financial liabilities not measured at fair value*</b>								
<b>Financial Liability</b>								
<b>Current</b>								
Trade Payables	-	-	901.12	901.12	-	-	-	-
Loans	-	-	1,230.47	1,230.47	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,131.59</b>	<b>2,131.59</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes forming part of the Financial Statements

\* 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.

### Note 35 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 ₹ 10 lakh (March 31, 2022 – ₹ 413.52 lakh) 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

## Notes forming part of the Financial Statements

### 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, 2023	Carrying Amount	Total	Contractual cash flows		
			Within 12 Months	1-5 Years	More than 5 Years
<b>Financial Liabilities</b>					
<b>Current</b>					
<b>Borrowings</b>	791.72	791.72	791.72	-	-
<b>Trade payables</b>					
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	-	-
<b>Other Liabilities</b>	536.09	536.09	536.09	-	-
<b>Total</b>	<b>2,011.73</b>	<b>2,011.73</b>	<b>2,011.73</b>	-	-

March 31, 2022	Carrying Amount	Total	Contractual cash flows		
			Within 12 Months	1-5 Years	More than 5 Years
<b>Financial Liabilities</b>					
<b>Current</b>					
<b>Borrowings</b>	1,230.47	1,230.47	1,230.47	-	-
<b>Trade payables</b>					
a) Total outstanding dues of Micro Enterprises and Small Enterprises	185.42	185.42	185.42	-	-
b) Total outstanding dues of creditors other than Micro Enterprises and Small Enterprises	715.70	715.70	715.70	-	-
<b>Other Liabilities</b>	380.65	380.65	380.65	-	-
<b>Total</b>	<b>2,512.24</b>	<b>2,512.24</b>	<b>2,512.24</b>	-	-

### 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.

#### Interest rate risk

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at March 31, 2023, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates.

**Notes forming part of the Financial Statements**
**Interest rate risk exposure**

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

Particulars	(Amount in Lakh)	
	Current Year 2022-2023	Previous Year 2021-2022
Variable rate borrowing	791.72	1,230.47
<b>Total borrowings</b>	<b>791.72</b>	<b>1,230.47</b>

**Note 36 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.

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

Particulars	(Amount in Lakh)	
	As at 31 <sup>st</sup> March, 2023	As at 31 <sup>st</sup> March, 2022
Total borrowings	791.72	1,230.47
Less: Cash and cash equivalents	58.00	402.44
<b>Net debt</b>	<b>733.72</b>	<b>828.03</b>
Total equity	1,624.89	1,522.63
<b>Adjusted net debt to adjusted equity ratio</b>	<b>0.45</b>	<b>0.54</b>

**Note 37** Information's 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 38** 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 has released draft rules for the Code on Social Security, 2020 on November 13, 2020. However, the date on which the code will come into effect has not been notified. The Company will assess the impact and will record any related impact in the period once the code becomes effective.

**Note 39 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.

## Notes forming part of the Financial Statements

- 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 40** 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 lakh.

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: 24<sup>th</sup> May, 2023

**Bapu Gavhane**  
Executive Director  
DIN: 00386217

**Dharmendra Tulshyan**  
Chief Financial Officer  
PAN: AEOPT8157K

**Tejashree Waghlikar**  
Company Secretary  
M. No. A39767