



# TANVI FOODS (INDIA) LIMITED

06.11.2021

To  
The Department of Corporate Services  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai — 400 001

Dear Sir

**Sub: Annual Report for the Financial Year 2020-21**  
**Ref: Scrip Code — 540332**

We wish to inform you that 14<sup>th</sup> Annual General Meeting of the members of the Company is scheduled to be held on Tuesday, 30<sup>th</sup> November, 2021 at 11.00 A.M. at Flat No. 101, Alekhya Homes Temple Tree, Raghavendra Colony, Kondapur, Hyderabad – 500084.

Pursuant to Regulation 34 of SEBI {Listing Obligations and Disclosure Requirements} Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2020-21. The Annual Reports along with Notice of AGM have been despatched to the shareholders as per the provisions of the Act and also been uploaded on the Company's website i.e. [www.tanvifoods.com](http://www.tanvifoods.com).

This is for your information and necessary records

Regards

For Tanvi Foods (India) Limited

**Soumith Kumar Sikinderpurkar**  
Company Secretary & Compliance Officer



Encl.: As Above:

CIN :  
L15433TG2007PLC053406

[www.tanvifoods.com](http://www.tanvifoods.com)

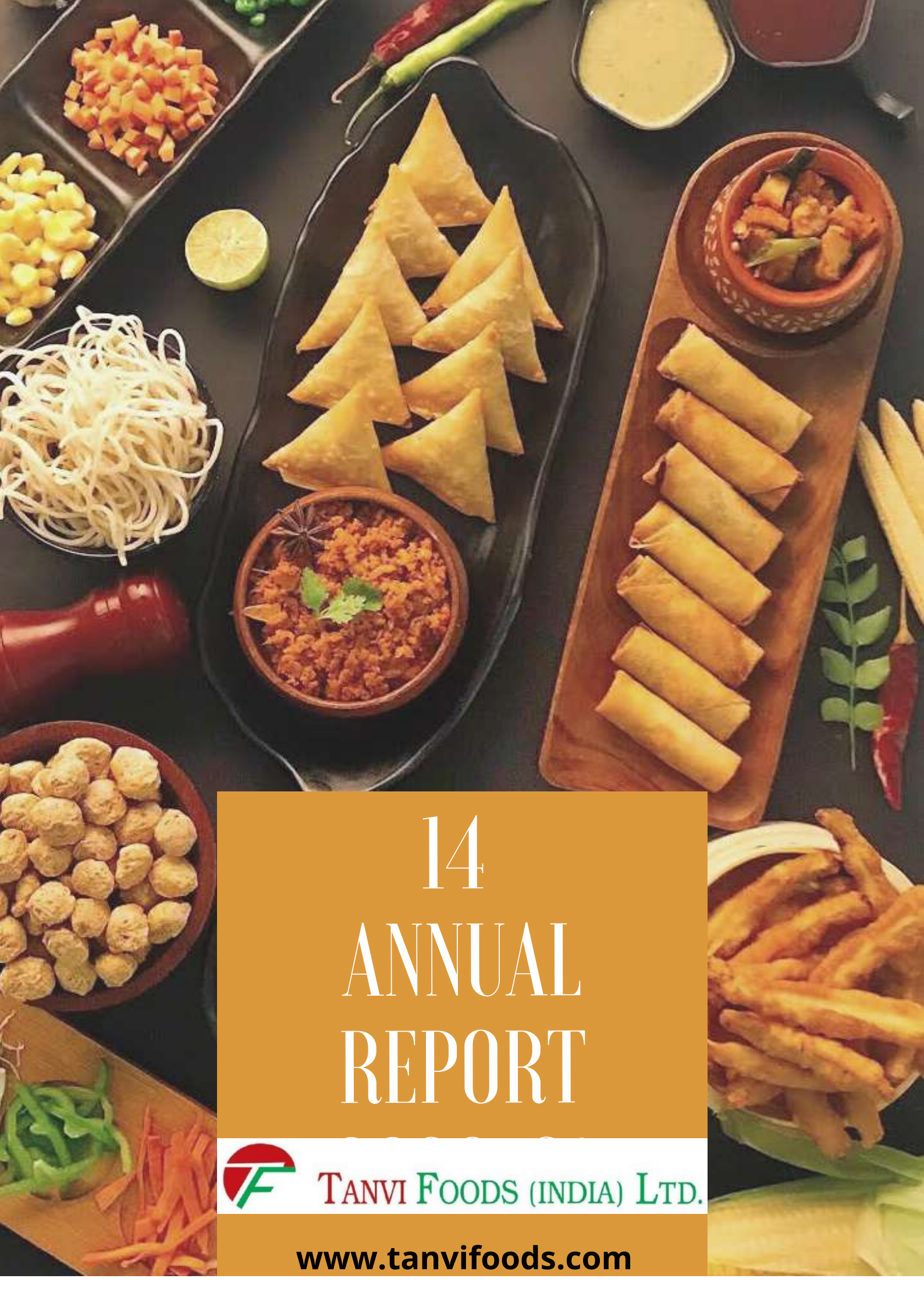


**Frozen King's®**  
Hold the Freshness...

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

**Manufacturing Unit :**  
D.No: 3-157, Seetharampuram  
Nuzvidu Mandal, Krishna Dist, Pin - 521106, A.P, INDIA





# 14 ANNUAL REPORT



TANVI FOODS (INDIA) LTD.

[www.tanvifoods.com](http://www.tanvifoods.com)





**Frozen King's™**  
*Hold the Freshness...*



## **FROZEN FRUITS & VEGETABLES**



- **AMERICAN SWEET CORN.**
- **GREEN PEAS**
- **MIX VEGETABLES**
- **CARROT \* DRUMSTICKS \* LADIES FINGER \* BEETROOT \* IVY GUARD**





**Frozen King's™**  
*Hold the Freshness...*

## **FROZEN SNACK RANGE**



- **FROZEN SAMOSA**

CORN \* VEG \* ONION \* PANEER \* IRANI \*

POTATO

- **FROZEN SPRING ROLL**

CORN \* PANEER \* SHANGHAI \* VEG \*  
CHOCOLATE







NEW LAUNCH

frozen



Frozen King's™  
*Hold the Freshness...*

Dal & Curries



Mango \* Tomato

Brinjal \* Ridge Guard & Dal

Dal

Curries





**Frozen King's™**  
Hold the Freshness...



NEW LAUNCH

frozen



vegetable pickles

Discover a new level of taste...



100%  
fresh food

రోటి పచ్చళ్లు





# Group Companies



Temperature Controlled  
Ware Housing



Cold Chain Logistics







# CORN CLUB<sup>®</sup>

*Everyday Healthy*

Exclusive corn snack store



**Healthy snacks  
for a**

**healthy Life**



**14th ANNUAL GENERAL MEETING**Tuesday, 30<sup>th</sup> November, 2021

at 11.00 A.M.

at Flat No. 101, Alekhya Homes Temple Tree, Raghavendra Colony,  
Kondapur, Hyderabad - 500084

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Corporate Information

<b>Board of Directors</b>	<b>Chief Executive officer</b>
A Sarat Chandra Babu - Chairman Naveen Nandigam - Independent Director Jonnada Vaghira Kumari - Independent Director (Appointed wef: 03.11.2021) A.Vasavi - Managing Director A Sarada - Non-Executive Director	A Sri Nagaveer
<b>Chief Financial Officer</b>	<b>Company Secretary &amp; Compliance Officer</b>
Roselyn Villuri	Soumith Kumar Sikinderpurkar (Appointed wef 09.09.2021)
<b>Statutory Auditors</b>	<b>Registered Office</b>
VNS Srinivasa Rao M/s VNSS & Associates Chartered Accountants 158/B, 71-1-277/429, Flat No 102, Nandhi Villa, Beside Adarsha Bank, SR Nagar Hyderabad - 500038	Flat No. 101, Alekhya Homes Temple Tree, Raghavendra Colony, Kondapur, Hyderabad - 500084
<b>Corporate Consultants</b>	<b>14<sup>th</sup> Annual General Meeting</b>
P.S Rao & Associates Company Secretaries Flat No: 10, 4th Floor # 6-3-347/22/2, Dwarkapuri Colony, Panjagutta, Hyd- 500082	Date & Time: 30 <sup>th</sup> November, 2021 at 11.00 A.M Day: Tuesday Venue: Flat No. 101, Alekhya Homes Temple Tree, Raghavendra Colony, Kondapur, Hyderabad - 500084



**NOTICE**

Notice is hereby given that the Fourteenth Annual General Meeting of Tanvi Foods (India) Limited will be held on Tuesday, 30<sup>th</sup> November 2021 at 11.00 A.M. at the Registered Office of the Company at Flat No. 101, Alekhya Homes Temple Tree, Raghavendra Colony, Kondapur, Hyderabad – 500084 to transact the following business:

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**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2021 and the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the audited Consolidated Financial Statement of the Company for the Financial Year ended March 31, 2021 and the Report of Auditors thereon.
3. To appoint a Director in place of Mr. A. Sarat Chandra Babu (DIN: 02589830) who retires by rotation and being eligible offers himself for re-appointment.

**SPECIAL BUSINESS:**

4. **Re-appointment of Ms. Adusumilli Vasavi, (DIN: 02589803), to the office of Managing Director**

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Act (including any statutory modification(s) or re-enactments thereof for the time being in force), the re-appointment of Ms. Adusumilli Vasavi (DIN: 02589803) to the office of Managing Director of the Company for a period of 3 years w.e.f 01.02.2021, a Key Managerial Personnel as defined U/s 2(51) of the Act, by the Board of Directors, at a remuneration not exceeding Rs. 1.5 Lacs per month as approved by the Nomination and Remuneration Committee be and is hereby approved.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to vary the terms and conditions of appointment including but not limited to remuneration payable to her, however subject to a maximum limit of Rs. 2.00 lacs per month or make any other variation(s), alteration(s), addition(s), deletion(s), to the aforementioned remuneration structure, as it may deem fit and proper, during the currency of tenure of Ms. Adusumilli Vasavi as Managing Director of the Company.

**“RESOLVED FURTHER THAT** Ms. Adusumilli Vasavi (DIN: 02589803), the Managing Director and / or Ms. Adusumilli Sarada (DIN: 02609097), the Director of the Company be and are hereby severally authorized to do necessary acts, deeds and things as may be required in this regard to give effect to this resolution.”

**5. Re-appointment of Mr. A Sarat Chandra Babu, (DIN: 02589830), to the office of Whole Time Director (Chairman).**

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

**“RESOLVED THAT** pursuant to the provisions of Section 196 and 197, and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Schedule V to the Act (including any statutory modification(s) or re-enactments thereof for the time being in force), the re-appointment of Mr. A Sarat Chandra Babu (DIN: 02589830) to the office of Whole Time Director, designated as Chairman of the Company for a period of 3 years w.e.f 03.11.2021, by the Board of Directors, at a remuneration not exceeding Rs.35,000 per month, as detailed hereunder, as approved by the Nomination and Remuneration Committee be and is hereby approved.

- i. Basic pay : Rs.17,500 per month
- ii. D.A : Rs.3,500 per month
- iii. HRA : Rs.7,000 per month
- iv. CC : Rs.7,000 per month
- v. Provision of Companies Car for official purpose
- vi. Mobile phone for official purpose.

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to vary the terms and conditions of appointment including but not limited to remuneration payable to him, however subject to a maximum of Rs.5.00 lacs per annum or make any other variation(s), alteration(s), addition(s), deletion(s), to the aforementioned remuneration structure, as it may deem fit and proper, during the currency of tenure of Mr. A Sarat Chandra Babu as the Whole Time Director of the Company.

**“RESOLVED FURTHER THAT** Ms. Adusumilli Vasavi (DIN: 02589803), the Managing Director and / or Ms. Adusumilli Sarada (DIN: 02609097), the Director of the Company be and are hereby severally authorized to do necessary acts, deeds and things as may be required in this regard to give effect to this resolution.”

**6. Appointment of Ms. Jonnada Vaghira Kumari (DIN: 06962857) as an Independent Director:**

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

**“RESOLVED THAT** pursuant to the provisions of Section 152, 160 and all other applicable provisions contained under the Companies Act, 2013 (“Act”), Ms. Jonnada Vaghira Kumari (DIN: 06962857), who was appointed as an Additional Director by the Board of Directors, effective 03<sup>rd</sup> November, 2021 and who holds office upto the date of this Annual General Meeting in terms of Section 161(1) of the



said Act and the Articles of Association of the Company and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, and as recommended by the Nomination and Remuneration Committee, be and is hereby appointed to the office of Director of the Company.”

**“RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Act, as amended from time to time, the appointment of Ms. Jonnada Vaghira Kumari to the office of Independent Director, who meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing 03<sup>rd</sup> November, 2021, as recommended by the Nomination and Remuneration Committee, be and is hereby approved.”

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

**By Order of the Board of Directors  
For Tanvi Foods (India) Limited**

**Sd/-  
Soumith Kumar Sikinderpurkar  
Company Secretary**

**Place : Hyderabad**

**Date : 03<sup>rd</sup> November, 2021**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The Proxy form duly filled in should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. All alterations/corrections made in the form of Proxy should be initialed by the Member.
2. The Registrar of Companies, for the State of Telangana, Hyderabad, MCA, vide General Order Number ROCH/AGM/STA/2020-2021 dated 23.09.2021 has granted extension of time upto a maximum period of 2 months (i.e., till 30<sup>th</sup> November, 2021) to hold the AGM in respect of the FY 2020-21. In line with the said, the instant AGM is being convened on 30<sup>th</sup> November, 2021.
3. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
4. Explanatory Statement in respect of Business Items No.4, 5 and 6 is annexed hereto.
5. Members, who hold shares in the dematerialized form and wish to change / rectify the bank account details, should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR code of their Bank to their Depository Participants. While making payment of Dividend, Registrar is obliged to use only the data provided by the Depositories.
6. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Sundays, during business hours upto the date of the Annual General Meeting.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts.
9. Members are requested to mandatorily quote their Registered Folio No. or Demat Account No. and Depository Participant Identification Number (DPID No) on all correspondence with the company. Securities and Exchange Board of India [SEBI] has mandated that securities of Listed Companies can be transferred only in dematerialised form with effect from April 1, 2019. Accordingly, the Company / the RTA has stopped



accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.

10. Members are advised to update their email IDs with Company's RTA and/or concerned Depository participants as soon as possible.
11. As per Secretarial Standards 2 (SS-2), complete particulars of the venue of the Meeting (route map) has been attached herewith to the Notice.
12. Information pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Secretarial Standards on General Meetings, in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting is furnished along with this Notice. The Directors have furnished the requisite consent/declaration for their appointment /re-appointment. Further Additional Disclosure in terms of Section II of Part II of Schedule V of the Companies Act, 2013 in relation to Item Nos.4 & 5 is furnished herewith and forms part of the Notice.

### **13. Remote e -Voting**

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

The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, November 23<sup>rd</sup>, 2021 are entitled to vote on the resolutions set forth in this Notice. Eligible members who have acquired shares after the dispatch of the Annual Report may approach the Company for required assistance in connection with generation of the User ID / Password in order to exercise their right to vote by electronic means. The remote e-voting period will commence at **9.00 A.M. on Saturday, November 27, 2021 and will end at 5.00 P.M. on Monday, November 29, 2021**. The members will not be able to cast their votes electronically beyond the date and time mentioned above.

The Company has appointed Mr. Anand Kumar C. Kasat, Practicing Company Secretary (Membership. No. 11175 and C.P No.17420) to act as a Scrutinizer to conduct and scrutinize the voting process in a fair and transparent manner. The Members desiring to vote through electronic mode may refer to the detailed procedure on remote e-voting given hereunder:

#### **INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING ARE AS UNDER:**

- (i) The voting period begins at **9.00 A.M. on Saturday, November 27, 2021 and will end at 5.00 P.M. on Monday, November 29, 2021**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as

on the cut-off date i.e. **Tuesday, November 23, 2021** 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) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <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/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</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</p>



	<p>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/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></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 or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> 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>
<p>Individual Shareholders holding securities in demat mode with <b>NSDL</b></p>	<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.nsd.com">https://eservices.nsd.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> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.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.nsd.com/">https://www.evoting.nsd.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.
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on "Shareholders" module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.



- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

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

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant Company, i.e., Tanvi Foods (India) Limited on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investors@tanvifoods.com](mailto:investors@tanvifoods.com) (designated email address by company), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.



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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

**GENERAL INSTRUCTIONS:**

- I. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 23rd November, 2021, the Cut-off date.
- II. Members who do not have access to remote e-voting facility have been additionally provided the facility of voting on a Ballot Form. The facility for physical voting, shall be made available at the Meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the Meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- III. A member can opt for only one mode of voting, i.e., either through remote e-voting or by Ballot. If a member cast votes by both modes, then voting done through remote e-voting shall prevail and Ballot shall be treated as invalid.
- IV. Members have the option to request for physical copy of Ballot Form by sending an e-mail to [investors@tanvifoods.com](mailto:investors@tanvifoods.com), by mentioning their Folio / DP ID and Client ID.
- V. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and make not later than 48 hours of conclusion of the Meeting a

consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the result of voting forthwith.

- VI. The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

**By Order of the Board of Directors  
For Tanvi Foods (India) Limited**

**Sd/-  
Soumith Kumar Sikinderpurkar  
Company Secretary**

**Place : Hyderabad**

**Date : 03<sup>rd</sup> November, 2021**

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

**ITEM NO. 4**

As you are aware, Ms. Adusumilli Vasavi, is the promoter of the Company and has been associated as its Managing Director. She has been re-appointed to the office of the Managing Director of the Company for a period of 3 years with effect from 01.02.2021. This appointment is subject to the approval of the members in their General meeting. It would not be an exaggeration to mention that despite hostile economic conditions, the Company could sustain and move forward under the able guidance and untiring efforts of Mrs. Vasavi as its Managing Director.

She has been instrumental in building leadership talent and substantially strengthening organizational capabilities.

In view of the said, the Board of Directors of the Company reappointed Ms. Adusumilli Vasavi to the office of Managing Director of the Company for another term of 3 years at a remuneration of Rs.1.5 lacs per month.

Pursuant to the provisions of Section 196 and 197 read with Schedule V to the Companies Act, 2013, any such appointment / remuneration needs to be approved by the members in their General Meeting.

Hence, it is proposed to seek members approval for the re-appointment of and remuneration payable to Ms. Adusumilli Vasavi as Managing Director of the Company, in terms of the applicable provisions of the Act.

**Brief Profile****Ms. Adusumilli Vasavi**

Ms. Adusumilli Vasavi, aged 43 years, is the Managing Director of our Company. She is the wife of our CEO - Mr. Sri A. Nagaveer. She has completed her Bachelor of Commerce from Nagarjuna University. Prior to joining our company, she had worked with ICFAI University as a Senior Admin Officer. As the Managing Director, she is responsible for the overall administration and operations of the Company.

Ms. Adusumilli Vasavi, being an appointee, her husband Mr. Sri A Nagaveer, her father in law Mr. A. Sarat Chandra Babu and mother in law Ms. A. Sarada are the Directors / KMP and shareholders in the Company and hence may be deemed to be concerned / interested in the resolution set out at Item No. 4 in the Notice. Further their relatives are shareholders in the Company, who may be deemed to be concerned / interested in the said resolution.

Save and except the said, none of the other Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

A copy of draft letter of appointment of Ms. Adusumilli Vasavi as the Managing Director of the Company setting out the terms and conditions is available for inspection by members at the Registered Office of the Company, during working hours on all working days, till 30<sup>th</sup> November, 2021.



This Explanatory Statement may also be regarded as a disclosure under Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Detailed Profile of Ms. Adusumilli Vasavi is available and can be accessed at [www.tanvifoods.com](http://www.tanvifoods.com).

Your Board of Directors recommend the Special Resolution for your approval.

#### **ITEM NO.5**

As the members are aware, Mr. A. Sarat Chandra Babu is the promoter of the Company and has been associated as Whole Time Director (designated as Chairman) since more than a decade. It would not be an exaggeration to mention that he has proved his worth in more than one ways while discharging multi-functional responsibilities in the Operational division of the Company.

Considering his unparalleled contribution in the past and his inevitable association in the future, the Board of Directors, reappointed him for a further period of 3 years with effect from 03<sup>rd</sup> November, 2021.

Pursuant to the provisions of Section 196 and 197 of the Companies Act, 2013 read with Schedule V to the said Act, any such appointment needs to be approved by the members in their General Meeting.

Hence, it is proposed to seek members approval for the re-appointment of and remuneration payable to Mr. A. Sarat Chandra Babu as Whole Time Director of the Company, in terms of the applicable provisions of the Act

A copy of draft letter of appointment of Mr. A. Sarat Chandra Babu as the Whole Time Director of the Company setting out the terms and conditions is available for inspection by members at the Registered Office of the Company, during working hours on all working days, till 30<sup>th</sup> November, 2021.

Mr. A. Sarat Chandra Babu, being an appointee, his son Mr. Sri A Nagaveer, (CEO) his wife Ms. A. Sarada (Director) and his Daughter in law, Ms. Adusumilli Vasavi (Managing Director) are Directors / KMP and shareholders in the Company and hence may be deemed to be concerned / interested in the resolution set out at Item No.5 in the Notice. Further their relatives are shareholders in the Company, who may be deemed to be concerned / interested in the said resolution.

Save and except the said, none of the other Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

Your Board of Directors recommend the Special Resolution for your approval.

Detailed Profile of Mr. A. Sarat Chandra Babu is available and can be accessed at [www.tanvifoods.com](http://www.tanvifoods.com).

**ITEM NO. 6**

The members may note that pursuant to the provisions of Section 161 of the Companies Act, 2013, Ms. Jonnada Vaghira Kumari was appointed as Additional Director (in the Independent category) of the Company with effect from 03.11.2021, who holds the office as such till the ensuing Annual General Meeting:

The Company has received a Notice in writing from its member as required under Section 160 of the Act proposing the candidature of Ms. Jonnada Vaghira Kumari for the office of Director of the Company.

Pursuant to the provisions of Section 160 of the Companies Act, 2013 read with Rules thereunder, any proposal to appoint a Director needs to be approved by the members in their General Meeting.

The aforesaid appointee has declared that she is not disqualified from being appointed as Director in terms of Section 164 of the Act and that she meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act. She has also given her consent for the proposed appointment to the office of Director of the Company.

Further, in the opinion of the Board, Ms. Jonnada Vaghira Kumari fulfills the conditions of her appointment as Independent Director as specified in the Act and the Rules made thereunder and she is independent of the Management as well.

She possess immense wealth of knowledge and expertise in her respective fields and brings her vast and rich experience that would definitely help the Company to take itself to the next level of growth. Keeping the said in view, it will be in the best interest of the Company that the said Additional Director be appointed as Director on the Board of the Company.

Pursuant to the provisions of Section 149 of the Act, an independent director shall hold office for a term upto 5 (Five) consecutive years on the Board of a company and such Director shall not be included in the total number of directors for calculating the number of directors who would retire by rotation. If the appointment is approved, Ms. Jonnada Vaghira Kumari shall hold her office of Independent Director of the Company up to 02<sup>nd</sup> November, 2026.

In view of the aforesaid, the resolution set out at Item No.6 is recommended for your consideration.

A copy of draft letter of appointment of Ms. Jonnada Vaghira Kumari as Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company, during working hours on all working days, till 30<sup>th</sup> November, 2021.

**Brief Profile of Ms. Jonnada Vaghira Kumari:**

She is a qualified Company Secretary and a Law Graduate. She holds seven years of experience in various Companies. She possesses immense wealth of knowledge and expertise in her field and brings with her fair amount of experience that would definitely help the Company to set good standards of Corporate Governance. Keeping the said in view, it will be in the best interest of the Company that Ms. Jonnada Vaghira Kumari be appointed to the office of Independent Director of the Company.

Except Ms. Jonnada Vaghira Kumari, being an appointee, none of the Directors and Key Managerial Personnel of the Company and her relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No.6. This Explanatory Statement may also be regarded as a disclosure under Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

Your Board of Directors recommend the Special Resolution for your approval.

Detailed Profile of Ms. Jonnada Vaghira Kumari is available and can be accessed at [www.tanvifoods.com](http://www.tanvifoods.com).



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

**BRIEF PROFILE OF MS. ADUSUMILLI VASAVI**

<b>Name of the Director</b>	Adusumilli Vasavi
<b>Date of Appointment including terms and conditions of appointment</b>	Reappointed to the office of Managing Director of the Company, for another period of 3 years, effective 01.02.2021, at a remuneration of Rs.1,50,000 per month, subject to a maximum of Rs.2 lacs per month.
<b>Date of first appointment on the Board</b>	05.05.2009
<b>Date of Birth</b>	16.11.1978
<b>Expertise in Specific Functional areas and Experience</b>	She has completed her Bachelor of Commerce from Nagarjuna University. Prior to joining the company, she had worked with ICFAI University as a Senior Admin Officer. She is responsible for Administration and Operations of the Company.
<b>Educational Qualification</b>	Post-Graduation
<b>Directorships in other Companies (other than Tanvi Foods (India) Limited)</b>	Squarepeg Distribution Services Private Limited
<b>Membership / Chairmanship of committees of Other Boards (other than Tanvi Foods (India) Limited)</b>	NIL
<b>Details of Remuneration sought to be paid and the remuneration last drawn by such person</b>	Last drawn and proposed remuneration Rs.150,000 per month. No change in the Proposed remuneration
<b>Shareholding in the Company as on 31.03.2021</b>	She holds 3,38,038 Equity Shares of Rs. 10/- each
<b>Relationship between Directors inter-se/ Manager and KMPs</b>	Wife of Mr. Sri A Nagaveer (CEO) Daughter in law of Sri A. Sarat Chandra Babu, the Whole Time Director and A. Sarada, the Director of the Company
<b>Number of Meetings of the Board attended during the year 2020-21</b>	10

**BRIEF PROFILE OF MR. A SARAT CHANDRA BABU**

<b>Name of the Director</b>	A. Sarat Chandra Babu
<b>Date of Appointment including terms and conditions of appointment</b>	Reappointed to the office of Whole-time Director and designated as the Chairman of the Company, for another period of 3 years, effective 03.11.2021, at a remuneration of Rs.35,000 per month in addition to provision of car and mobile phone for official purpose, subject to a maximum of Rs.5 lacs per annum.
<b>Date of first appointment on the Board</b>	30.03.2007
<b>Date of Birth</b>	12.08.1950
<b>Expertise in Specific Functional areas and Experience</b>	He is the founder promoter of the Company. He has more than two decades of varied business experience in fish cultivation. He has been the main guiding force behind the growth and business strategy of the Company.
<b>Educational Qualification</b>	He is an under graduate.
<b>Directorships in other Companies (other than Tanvi Foods (India) Limited)</b>	NIL
<b>Membership / Chairmanship of committees of Other Boards (other than Tanvi Foods (India) Limited)</b>	NIL
<b>Details of Remuneration sought to be paid and the remuneration last drawn by such person</b>	Remuneration last drawn: Rs.360,000 for the FY 2020-21.  Remuneration proposed to be paid: Rs.35,000 per month in addition to provision of car and mobile phone for official purpose, subject to a maximum of Rs.5 lacs per annum.
<b>Shareholding in the Company as on 31.03.2021</b>	He holds 2,00,000 Equity Shares of Rs. 10/- each
<b>Relationship between Directors inter-se/ Manager and KMPs</b>	He is the father of Mr. A. Sri Nagaveer, the Chief Executive officer. He is the father-in-law of A. Vasavi, the Managing Director of the Company and

	husband of A. Sarada, the Non-Executive Director of the Company.
<b>Number of Meetings of the Board attended during the year 2020-21</b>	10

**BRIEF PROFILE OF MS. JONNADA VAGHIRA KUMARI**

<b>Name of the Director</b>	<b>Jonnada Vaghira Kumari</b>
<b>Date of Appointment including terms and conditions of appointment</b>	She was appointed as the Independent Director of the Company effective 03.11.2021, for a period of 5 years, subject to approval of the members of the Company. No specific terms and conditions, other than as laid at Schedule IV to the Companies Act, 2013.
<b>Date of first appointment on the Board</b>	03.11.2021
<b>Date of Birth</b>	07/05/1989 (Age: 32 years)
<b>Expertise in Specific Functional areas</b>	She is a member of the Institute of Company Secretaries of India. She is holding seven years of experience in various Companies.
<b>Educational Qualification</b>	Bachelor of Arts, Company Secretary, LLB
<b>Directorships in other Companies</b>	GVR Ashoka Chennai ORR Limited DRS Dilip Roadlines Limited Aryabhatta Solutions And IT Parks Limited Vama Industries Limited.
<b>Membership / Chairmanships of committees of Other Boards (other than the Company)</b>	<u>DRS DILIP ROADLINES LIMITED</u> Stakeholder's Relationship Committee- Chairman Audit Committee - Member Nomination & Remuneration Committee- Member  <u>GVR ASHOKA CHENNAI ORR LIMITED</u> Nomination & Remuneration Committee- Chairman  <u>ARYABHATTA SOLUTIONS AND IT PARKS LIMITED</u> Audit Committee - Chairman Stakeholder's Relationship Committee- Chairman Nomination & Remuneration Committee- Member
<b>Details of Remuneration sought to be paid and the remuneration last drawn by such person</b>	Nil remuneration. Sitting fee as may be decided by the Board from time to time.
<b>Shareholding in the Company as on 31.03.2021</b>	Nil
<b>Relationship between Directors inter-se</b>	Nil
<b>Number of Meetings of the Board attended during the year</b>	N.A



Additional Disclosure in terms of Section II of Part II of Schedule V of the Companies Act, 2013 in relation to Item Nos.4 and 5

<b>I. GENERAL INFORMATION</b>			
Nature of Industry	Food Processing and Trading		
Date of commencement of commercial operation	The Company was incorporated in the year 2007 and commenced the Business operations in the same year.		
In case of new Company, expected date of Commencement of activities as per project approved by FI, appearing in the prospectus	N.A		
<b>Financial Performance</b>	(Rs. in lakhs)		
<b>Financial parameters:</b>	<b>2020-21</b> (audited)	<b>2019-20</b> (audited)	<b>2018-19</b> (audited)
Turnover (operational revenue)	5977.38	8171.26	7279.04
Net profit after tax	94.84 Nil	168.96 Nil	163.03 Nil
Amount of dividend paid	Nil	Nil	Nil
Rate of dividend declared			
<b>Foreign Investments or collaborations</b>	<b>Nil</b>		
<b>II. INFORMATION ABOUT THE APPOINTEE</b>			
	<b>A. Vasavi</b>	<b>A Sarat Chandra Babu</b>	
Background Details	Ms. Adusumilli Vasavi (43 years) is a post-graduate and she is a Promoter of the Company. She takes personal interest in developing teams with a strong belief that ordinary people are capable of making things possible. As the Managing Director of the company she carries the overall responsibility for the strategy and operations of processing and trading business. She has completed her Bachelor of commerce from Nagarjuna University. She is a member of Audit & Stakeholders Relationship Committee.	Mr. A Sarat Chandra Babu is Tanvi's Founder Promoter and Whole Time Director. He has more than two decades of varied business experience in fish cultivation. He has been the main guiding force behind the growth and business strategy of the Company. In addition he also oversees the relationships with clients.	
Past remuneration (Rs per annum)			
2020-21	Rs 15.75 Lacs	Rs. 3.60 Lacs	
2019-20	Rs 18 Lacs	Rs. 3.60 Lacs	
2018-19	Rs 18 Lacs	Rs. 3.60 Lacs	

Job profile and his suitability	As the Managing Director of the Company, she handles the overall responsibility for the strategy and operations of Processing and Trading.	He has executive responsibility for Tanvi's business operations. In addition to he also oversees the relationship with clients
Recognition and Awards	Nil	Nil
Remuneration proposed	Rs.1.50 lacs per month with a maximum ceiling limit of Rs. 2.00 lacs per month	Rs.35,000 per month with a maximum ceiling limit of Rs. 5 lacs per annum
Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person.	Taking into consideration the size of the Company, the qualification and experience of Ms. Adusumilli Vasavi and the profile being handled by her, the remuneration as mentioned above is on par with industry standards and also on par with remuneration being paid to similar position in other Companies.	Taking into consideration the size of the Company and the qualification and experience of Mr. Adusumilli Sarat Chandra Babu, and profile being handled by him, the remuneration as mentioned above is on par with industry standards and also on par with remuneration being paid to similar position in other Companies.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel if any.	<p>Apart from the remuneration drawn by and proposed to Ms. Adusumilli Vasavi, she does not have any direct / indirect pecuniary relationship with the company except to the extent and in the nature that she is the wife of Mr. Adusumilli Nagaveer and daughter in law of Mr. Adusumilli Sarat Chandra Babu and Mrs. Adusumilli Sarada. She holds 3,38,038 equity shares of Rs 10 each in the Company.</p> <p>Further, the Company has entered into transactions with Squarepeg Distribution Services Private Limited, the wholly owned subsidiary, where she is a Director.</p> <p>The Company has entered into related parties transactions, where Ms. Adusumilli Vasavi may be deemed to be interested, which are disclosed in the Directors Report</p> <p>The details of transactions may be also referred at Note. 33 of the Standalone Financial Statements.</p>	<p>Apart from the remuneration drawn by and proposed to Mr Adusumilli Sarat Chandra Babu, he does not have any direct / indirect pecuniary relationship with the Company except to the extent and in the nature that he is the father of Mr. Adusumilli Nagaveer, husband of Mrs. Adusumilli Sarada and father in law of Ms. Adusumilli Vasavi. He holds 2,00,000 equity shares of Rs 10 each in the Company.</p> <p>The Company has entered into related parties transactions, where Mr Adusumilli Sarat Chandra Babu may be deemed to be interested, which are disclosed in the Directors Report</p> <p>The details of transactions may be also referred at Note. 33 of the Standalone Financial Statements.</p>

**III. OTHER INFORMATION**

Reasons of loss or inadequacy of profits	The Company is primarily engaged in the business of processing/ making of corn based eatables such as Corn samosas, Corn patties, Spring rolls other related products and also trading of Fresh corn, Frozen corn etc. The said business is seasonal and caters to organised and as well as unorganised markets. As the company being majorly involved in supply of Frozen foods / ready to eat corn samosas, spring rolls etc. to marriage functions and get together parties in the regions of Andhra Pradesh and Telangana which is totally shut /minimal allowed during the financial year 2020-21, Due to this, the Company could not generate expected revenues and eventual profitability.
Steps taken or proposed to be taken for	<p>To overcome the present economic situation the Company has, inter alia, taken following steps:</p> <ul style="list-style-type: none"> <li>The Company is expanding its facilities in order to scale up its operations.</li> </ul>

improvement	<ul style="list-style-type: none"> <li>• Exploring new markets / buyers in non-southern parts of the Country</li> <li>• The Company has taken various Initiatives to save on the cost so as to improve the profit margin</li> <li>• The Company is taking new initiatives to develop domestic business.</li> <li>• The Company is also looking to tap the overseas market viz Australia, America and Canada and is proactively taking steps to enter the overseas market.</li> </ul>	
Expected increase in productivity and profits	The Company's new plant, being set up at Sitaramapuram village, Nuzividu Mandal (M), Krishna District, A.P., once fully operational would help the Company register an increase of 20% in the overall turnover and about 5-10% increase in operating profits.	
<b>IV. DISCLOSURES:</b>		
Details of proposed Remuneration	Basic Salary - Rs.75,000 HRA - Rs 45,000 DA - Rs15000 CCA - Rs 15000	Basic Salary – Rs 17,500 HRA - Rs 7,000 DA - Rs 3,500 CAA - Rs 7,000

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

**By Order of the Board of Directors**

**For Tanvi Foods (India) Limited**

**Sd/-**

**Soumith Kumar Sikinderpurkar  
Company Secretary**

**Place: Hyderabad**

**Date: 03<sup>rd</sup> November, 2021**



**DIRECTORS' REPORT**

To  
The Members,

Your Directors take pleasure in presenting the **Fourteenth Annual Report** on the business and operations of the company together with the audited financial statements along with the report of the Auditors for the financial year ended March 31, 2021

**FINANCIAL SUMMARY:**

(Rs. in lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	For the FY ended 31.03.2021	For the FY ended 31.03.2020	For the FY ended 31.03.2021	For the FY ended 31.03.2020
Revenue from Operations	5977.38	8171.26	6060.54	8399.33
Other Income	41.66	69.53	85.16	53.39
Total Revenue	6019.04	8240.80	6145.69	8452.72
Total Expenses	5902.06	8027.27	5999.42	8266.82
Exceptional Items	-	-	-	-
Prior period items	-	-	-	-
Profit before tax	116.97	213.52	146.27	185.90
Tax Expenses	22.13	44.56	28.83	31.22
<b>Profit after tax</b>	<b>94.84</b>	<b>168.96</b>	<b>117.44</b>	<b>154.67</b>
<b>EPS</b>	<b>1.77</b>	<b>3.15</b>	<b>2.19</b>	<b>2.88</b>

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

Our revenue from operations on standalone basis decreased to Rs. 5977.38 Lakhs from Rs. 8171.26 Lakhs in the previous year, at a diminishing rate of 26.85%. Despite hit badly by the impact of Covid-19 pandemic, which has affected the entire global economies, Your Company has posted yet another impressive year of performance and managed to remain profitable. Out of the total revenue approx. 82% has been generated from the sale of Frozen Products.

Your Company has incurred total expenses of Rs. 5902.06 lakhs as compared to Rs. 8027.29 lakhs in the preceding financial year.

Your Company earned a Net Profit of Rs.94.84 lakhs for the Financial Year ended 31<sup>st</sup> March, 2021 as compared to Rs. 168.96 in the preceding financial year.

No amount is being proposed to be transferred to Reserves for the financial year ended 31<sup>st</sup> March, 2021.

#### **AT CONSOLIDATED LEVEL:**

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

At consolidated level, revenue from operations stood at Rs.6060.53 lakhs and profit before tax stood at Rs. 146.27 lakhs. After providing for taxes, the PAT stood at Rs. 117.44 lakhs.

#### **CONSOLIDATED FINANCIAL STATEMENTS:**

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

#### **Performance of Subsidiaries**

As per Rule 8 of Companies (Accounts) Rules, 2014, a Report on the Financial performance of the Subsidiary Companies during the Financial Year ended March 2021 is as mentioned below:

#### **i) Squarepeg Distribution Services Private Limited (Amount in Rs)**

<b>Particulars</b>	<b>2020-21</b>	<b>2019-20</b>
Revenue from operations	50,84,315	2,03,41,760
Total Expenses	43,73,087	2,30,18,322
Tax Profit for the year before extraordinary items and tax	7,11,228	-26,76,562
Tax Expense	60,898	-52,759
Profit/Loss for the period	6,50,330	-26,23,803
Earnings per Equity Share	2.44	-9.83

## ii) Polar Cube Cold Storage Solutions Private Limited (Amount in Rs)

Particulars	2020-21	2019-20
Revenue from operations	66,32,381	89,22,680
Total Expenses	52,52,595	80,67,921
Tax Profit for the year before extraordinary items and tax	13,79,786	8,54,759
Tax Expense	3,68,839	2,30,199
Profit/Loss for the period	10,10,948	6,24,560
Earnings per Equity Share	2.27	1.40

**FUTURE OUTLOOK:**

As the members are aware, your company has set up a new plant near Vijayawada ( A.P.) with an investment of Rs.30 Crores approximately in order to scale up the operations of the company, to cater to the increasing demands of the customers and to get access to the larger markets across the country.

As the members are already aware that your company has introduced new products *Paneer Samosa, Soya Samosa, Shanghai Roll, Chocolate Roll, Paneer Roll* under the frozen foods segment, which are getting good response from the market. Further in the year under review, your company is actively promoting and striving to enter the food segment of pickles of different varieties and has launched few samples with a view to promote the same. Further the Company is looking to tap the overseas market viz Australia, America and Canada and is proactively taking steps to enter the overseas market. The Company has shipped 20 tonnes of its products to USA during the financial year 2020-21 and its products have received stupendous response from the American consumers. In this backdrop, your directors are encouraged to tap the potential and hold ground in the overseas market.

**COVID-19 AND ITS IMPACT:**

As we all are aware, the outbreak of Covid-19 pandemic in our country during the late March, 2020 is still alive in some form or the other. Despite the best efforts at all levels, it appears as if the said pandemic has made deep inroads in our life system. The pandemic has created snow-ball rolling effect on the global economy. Before, we could declare that the Covid -19 has been managed successfully, the deadly second wave engulfed one and all, indiscriminate of any age or any other criteria for that matter. While we are collectively and parallelly combating this pandemic, we are also slowly but steadily trying to recover and restore normalcy in our economy and also our lives. We have, to a certain extent, learned to adapt and align our work culture in tune with this Covid -19. The company being majorly involved in supply of frozen foods / ready to eat corn samosas, spring rolls etc. to marriage functions and get together parties in the regions of Telangana and Andhra Pradesh which remained badly affected.

During the first half of the current FY, we could do bare minimum business with reduced margins. Further, in view of the current wave of Covid -19, which is showing the signs of recurrence in many parts of our country, the worries seems to be far from over. Uncertainty looms large over the possibility of revival anytime soon. Further we were impacted by the second wave of Covid-19 and subsequent lockdown imposed during the period April-2021.

In the aforesaid backdrop, as of now it's beyond our capability to ascertain the cascading impact of the ongoing pandemic on our business operations.

However, the management laced with all its experience and acumen, shall put all its efforts to stabilize the Company's operations and achieve good performance as far as possible and finding new strategies to scale up its operations and trying to reach out to the customers in the best possible manner

Further, member's attention is drawn to Note.46 to Standalone Financial Statements for further discussion on the captioned matter.

### **MATERIAL CHANGES AFTER THE CLOSURE OF THE FINANCIAL YEAR**

No material changes have occurred after the close of the financial year ended 31<sup>st</sup> March, 2021 till the date of this report. Despite the said, as discussed above, the ongoing Covid may have its own ripple effect on the business operations of the Company.

### **CHANGE IN THE NATURE OF BUSINESS:**

There was no change in the nature of business of your Company during the financial year ended 31<sup>st</sup> March, 2021.

### **DIVIDEND:**

In view of the ongoing expansion activities of the Company, it needs to plough back its profits into the business. Hence, your Board of Directors has not recommended any dividend for the financial year ended 31<sup>st</sup> March, 2021.

### **ISSUE AND ALLOTMENT OF SECURITIES / CHANGES IN SHARE CAPITAL**

During the period under review, there is no change in the capital structure of the company. The Capital stands as follows as on 31.03.2021.

Sl. No	Particulars	At the end of FY 2021 (Amt. in Rs.)	At the end of FY 2020 (Amt. in Rs.)
1	<b><u>Authorized Capital</u></b> 65,00,000 Equity Shares of Rs.10 each	6,50,00,000	6,50,00,000
2	<b><u>Issued, Subscribed &amp; Paid up Capital</u></b> 53,66,775 Equity Shares of Rs.10 each	5,36,67,750	5,36,67,750



**SUBSIDIARY, JOINT VENTURES & ASSOCIATE COMPANIES**

Your company has two wholly owned subsidiaries in India.

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

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

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

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

[The company has no joint ventures or associate companies till date.](#)

**TRANSACTIONS WITH RELATED PARTIES:**

During the FY under review, transactions conducted by the Company pursuant to the Agreements entered into with its Related Parties, during the FY 2020-21 were at an arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel or any related party, which may have a potential conflict with the interest of the Company at large.

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

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

As per Section 134(3)(h) of the Companies Act, 2013, the particulars of related party transactions as referred to in Section 188(1) of the Companies act, 2013 have been disclosed in **Form No. AOC – 2** which is appended as **Annexure –II** to this Report.

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

Sl.No	In the accounts of	Particulars	Amount at the year ended 2020-21	Maximum amount outstanding during the year 2020-21
1	Tanvi Foods India Limited (Holding Company)	(i) <u>Loans/advances to subsidiaries</u> Polar Cube Cold Storage Solutions Private Limited	Nil	Nil
		Squarepeg Distribution Services Private Limited (Wholly owned subsidiary)	Nil	Nil
		(ii) Loans/advances to associates	NA	NA
		(iii) Loans/advances to firms/ companies in which Directors are interested	NA	NA
2	Tanvi Foods India Limited (Holding Company)	Investment by the Loanee in the shares of parent company/ subsidiary company when the company has made a loan or advance	NA	NA

**POLICY ON MATERIAL SUBSIDIARIES**

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

**DIRECTORS AND KEY MANAGERIAL PERSONS:**

The Board of Directors is duly constituted.

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

Mr. Avneet Singh Kohli has resigned from the office of Company Secretary w.e.f 10.11.2020.

Further, Mr. R.V. Radhakrishna, has resigned from his office of Independent Director effective 02.12.2020.

Further, Ms. Kesara Charita, who was originally appointed as Independent Director effective 05.04.2021 has resigned from the said office effective 16.10.2021.

Further Ms A. Sarada retired by rotation in the previous AGM held on 30.12.2020 and was reappointed thereat.

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and in accordance with provisions of Articles of Association of the Company Mr. Sarat Chandra Babu retires by rotation at the ensuing AGM and being eligible, offers himself for re-appointment.

Further, Mrs. A. Vasavi, has been re-appointed to the office of the Managing Director of the Company for a period of 3 years effective 01.02.2021.

Further, Mr. A. Sarat Chandra Babu, has been re-appointed to the office of the Whole Time Director of the Company for a period of 3 years effective 03.11.2021.

Further, Ms. Jonnada Vaghira Kumari has been appointed as Independent Director for a period of 5 years, effective 03.11.2021, subject to the approval of members of the Company.

The composition of the Board of Directors & Key Managerial Personnel as on date stands as follows:

- |                               |  |
|-------------------------------|--|
| 1. Mr. A. Sarat Chandra Babu  | Chairman   |
| 2. Mrs. A. Vasavi             | Managing Director  |
| 3. Mrs. A. Sarada             | Non-Executive Director   |
| 4. Mr. Naveen Nandigam        | Independent Director   |
| 5. Ms. Jonnada Vaghira Kumari | Independent Director ( <i>appointed effective 03<sup>rd</sup> November, 2021</i> ) |

**Key Managerial Personnel:**

- |                                      |                               |
|--------------------------------------|-------------------------------|
| 1. Mr. A. Sri Nagaveer               | Chief Executive Officer (CEO) |
| 2. Ms. Roselyn Villuri*              | Chief Financial Officer (CFO) |
| 3. Mr. Soumith Kumar Sikinderpurkar* | Company Secretary (CS)        |

*Mr. Soumith Kumar Sikinderpurkar has been appointed as Company Secretary effective 09<sup>th</sup> September, 2021.*

*Ms. Roselyn Villuri has been appointed as Chief Financial Officer effective 05<sup>th</sup> April, 2021 in place of Mr. M. Srinivas Reddy.*

**DECLARATION BY INDEPENDENT DIRECTORS:**

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

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

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

**DIRECTORS' RESPONSIBILITY STATEMENT:**

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

- In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and that no material departures are made from the same;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the Financial year and of the profits of the company for the period;

- iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. The annual accounts have been prepared on a going concern basis.
- v. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- vi. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **MEETINGS OF THE BOARD OF DIRECTORS:**

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

The Board duly met 10 times during the Financial Year 2020-21. The intervening gap between any two consecutive Board Meetings was within the period prescribed under the provisions of the Companies Act, 2013.

The names of members of the Board and their attendance at the Board Meetings are as under:

<b>Name of the Director</b>	<b>Number of Meetings attended/ Total Meetings held during the F.Y. 2020-21</b>
Mr. A. Sarat Chandra Babu	10/10
Ms. A. Vasavi	10/10
Ms. A. Sarada	10/10
Mr. Naveen Nandigam	9/10
Mr. R. V. Radhakrishna	6/10

- Notes :**
1. Mr. R. V. Radhakrishna resigned from the Board effective 02.12.2020.
  2. Ms. Kesara Charita appointed effective 05.04.2021 and resigned effective 16.10.2021.
  3. Ms. Jonnada Vaghira Kumari appointed effective 03.11.2021.



Details of Board Meeting dates and Directors' attendance are as below:

Date of Board Meetings	A. Sarat Chandra Babu	Naveen Nandigam	R. Radhakrishna V.	A. Vasavi	A. Sarada
01.04.2020	✓	✓	✓	✓	✓
25.06.2020	✓	✓	✓	✓	✓
30.07.2020	✓	✓	✓	✓	✓
31.08.2020	✓	✓	✓	✓	✓
15.09.2020	✓	•	✓	✓	✓
13.11.2020	✓	✓	✓	✓	✓
02.12.2020	✓	✓	N.A	✓	✓
11.01.2021	✓	✓	N.A	✓	✓
16.01.2021	✓	✓	N.A	✓	✓
27.01.2021	✓	✓	N.A	✓	✓

- Notes :**
1. Mr. R. V. Radhakrishna resigned from the Board effective 02.12.2020.
  2. Ms. Kesara Charita appointed effective 05.04.2021 and resigned effective 16.10.2021.
  3. Ms. Jonnada Vaghira Kumari appointed effective 03.11.2021.

### **COMPOSITION OF BOARD COMMITTEES**

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

The details of the constituted committees, as on date, and the attendance of each member of the Committee during the FY 2020-21 are as detailed hereunder:

#### **Audit Committee**

##### **a) Composition, names of members and Chairperson**

Name	Category
Mr. Naveen Nandigam	Chairman
Ms. Jonnada Vaghira Kumari*	Member
Ms. A. Vasavi	Member

**b) Meetings and Attendance during the year**

Name	No. of Meetings held during the year	No. of Meetings Attended
Mr. Naveen Nandigam	4	4
Mr. R. V. Radhakrishna**	4	4
Ms. A. Vasavi	4	4

The Committee met 4 times during the year. The said Committee met on the following dates:

01.04.2020	30.07.2020	13.11.2020	01.12.2020
------------	------------	------------	------------

\* Appointed wef 03.11.2021

\*\* Resigned wef 02.12.2020

**Nomination and Remuneration Committee****a) Composition, names of members and Chairperson**

Name	Category
Mr. Naveen Nandigam	Chairman
Ms. Jonnada Vaghira Kumari*	Member
Ms. A. Sarada	Member

**b) Meetings and Attendance during the year**

Name	No. of Meetings held during the year	No. of Meetings Attended
Mr. Naveen Nandigam	2	2
Mr. R. V. Radhakrishna**	2	2
Ms. A. Sarada	2	2

The Committee met 2 times during the year. The said Committee met on the following dates:

01.04.2020	30.07.2020
------------	------------

\* Appointed wef 03.11.2021

\*\* Resigned wef 02.12.2020

**Stakeholders Relationship Committee****a) Composition, names of members and Chairperson**

Name	Category
Ms. Jonnada Vaghira Kumari*	Chairperson
Mr. Naveen Nandigam	Member
Ms. A. Vasavi	Member

**b) Meetings and Attendance during the year**

Name	No. of Meetings held during the year	No. of Meetings Attended
Mr. R. V. Radhakrishna**	2	2
Mr. Naveen Nandigam	2	2
Ms. A. Vasavi	2	2

The Committee met 2 times during the year. The said Committee met on the following dates

01.04.2020	30.07.2020
------------	------------

\*Appointed wef 03.11.2021

\*\*Resigned wef 02.12.2020

**BOARD EVALUATION, NOMINATION AND REMUNERATION POLICY:**

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

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

Besides, your Company also surveys on the best practices prevalent in the Industry with respect to evaluation of the performance of the Board and its members. Your Company also avails services of professionals seeking their suggestions on the said matter. Based on the

inputs received from the aforesaid sources and in accordance with the Policy of the Company, evaluation process is undertaken at appropriate time(s).

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

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

None of the Independent Directors is due for reappointment.

#### **POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION, ETC.:**

The following policies are attached herewith and marked as **Annexure – III and IV** respectively and are available at [www.tanvifoods.com](http://www.tanvifoods.com):

- a. Policy for selection of Directors and determining Directors Independence; and evaluation mechanism.
- b. Remuneration Policy for Directors, Key managerial Personnel and other employees.

#### **INTERNAL FINANCIAL CONTROLS:**

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

#### **SECRETARIAL STANDARDS**

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

#### **STATUTORY AUDITORS:**

M/s VNSS & Associates, Chartered Accountants, (FRN 018367S) who were appointed as the Statutory Auditors of the Company at the 13<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> December, 2020 for a period of 5 years shall continue to hold their office as such till the conclusion of 18<sup>th</sup> Annual General Meeting. The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.



**Auditors Observation(s):**

1. With reference to “Emphasis of Matter” stated in Report on Standalone Financial Statements and also in Report on Consolidated Financial Statements, we would like to mention that the matter pertains to the ongoing pandemic Covid -19, which was set during late March 2020 in our country continued till June, 2021. The same has been more discussed somewhere else in this Report and also under Note 46 of the Standalone Financial Statements and Note 33 of the Consolidated Financial Statements, respectively, attached herewith.

2. With reference to the reported delays in depositing undisputed statutory dues, (para vii in the Annexure A to the Report) we would like to mention that the delays were caused purely on account of liquidity crunch on account of unforeseen contingencies at that particular point of time. Most of the said dues have been either paid as on date or will be paid very shortly. The management shall ensure that such delays will not be repeated in the future.

3. With reference to the reported delays in depositing disputed statutory dues mentioned at Note 40 of the Financial Statements, the same have been recognized as Contingent Liabilities and disclosed accordingly. The matters are pending before appropriate forums. Being, self-explanatory, the said matter does not call for any further comments.

Further the Notes on Financial Statements referred in the Auditors Report are self-explanatory and do not call for any further comments.

**INTERNAL AUDITORS:**

The Board of Directors, based on the recommendation of the Audit Committee has appointed NSVR & Associates LLP, Chartered Accountants, Hyderabad (FRN:008801S/S200060), as the Internal Auditor of your Company for the Financial Year 2020-21.

**SECRETARIAL AUDIT:**

Pursuant to provisions of Section 204 of Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 your company have obtained a Secretarial Audit Report from Mr. Anand Kumar C. Kasat, Practicing Company Secretary, Hyderabad. The copy of said Report is attached herewith and marked as ***Annexure –V.***

**OBSERVATIONS:**

With reference to observations made in the Secretarial Audit Report, we would like to mention that during the most of the said FY, the management and support staff were grappling with pandemic related issues. The entire business operations were hard hit and the very survival was at jeopardy. Amidst the said hostile conditions, certain unintentional delays occurred while complying statutory / regulatory norms.

This explains the reported delay in filing of forms / returns with the MCA. Similarly, despite the best efforts, the Company could not find suitable replacements in order to fill the

vacancies caused in the respective office of Independent Director or that of Company Secretary, owing to the then prevailing abnormal conditions. However, both the said vacancies were filled immediately upon identifying appropriate persons, thus ensuing compliance of applicable laws.

#### **MAINTENANCE OF COST RECORDS:**

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

#### **LOANS, GUARANTEES AND INVESTMENTS:**

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

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

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

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

#### **FIXED DEPOSITS:**

Your Company has neither accepted nor repaid any deposits during the financial year ended on 31<sup>st</sup> March, 2021. Further, there were no outstanding deposits as at the beginning or at any time during the financial year. Hence, no details are required to be provided pursuant to Rule 8 (5) (v) & (vi) of the Companies (Accounts) Rules, 2014.

Further, the details of unsecured loans borrowed from Directors during the FY ended 31<sup>st</sup> March, 2021 and / or outstanding as on the said date are as hereunder:

Sl. No.	Name	Borrowings during the year (Rs. In lacs)	Amt. outstanding as on 31 <sup>st</sup> March, 2021 (Rs. In lacs)
1.	A. Vasavi	291.21	403.38
2.	A. Sarat Chandra Babu	-	7.85

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

**PARTICULARS OF EMPLOYEES:**

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

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

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

Further, details of top ten employees in terms of remuneration drawn during the financial year ended 31<sup>st</sup>March, 2021 as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and as amended is attached herewith and marked as **Annexure- VI (ii)**.

**RISK MANAGEMENT POLICY:**

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

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

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

**CORPORATE SOCIAL RESPONSIBILITY POLICY:**

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

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

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

**MANAGEMENT DISCUSSION AND ANALYSIS:**

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

**CORPORATE GOVERNANCE:**

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

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

**ANNUAL RETURN:**

In accordance with Section 134 (3) (a) of the Companies Act, 2013, a copy of Annual Return in the prescribed format i.e. Form MGT -7 along with attachments is placed on the website of the Company, [www.tanvifoods.com](http://tanvifoods.com) and may be accessed at <http://tanvifoods.com/images/investor/annual-return/2020-21.pdf>

**VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

The Company has in place a robust and full-fledged Vigil Mechanism and a Whistle Blower Policy for its directors and employees, to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct in terms of Section 177 (10) of the Act and Rules thereunder. The mechanism provides adequate safeguards against victimization of persons who use this mechanism.

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

The Vigil Mechanism and Whistle Blower Policy adopted by the Company is set out in **Annexure IX** to this Report.



**LISTING & TRADING**

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

**DEMATERIALIZATION OF SHARES**

Total paid up share capital of your Company is in dematerialized form as on 31<sup>st</sup> March, 2021.

**SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no orders passed by the Regulators / Courts which would impact the going concern status of your Company and its future operations. Further, we confirm that there were no instances of fraud to be reported by the Auditors vide their Report for the FY 2020-21.

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

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

Further, Company have in place a Committee under the name and style “**Internal Complaints Committee**” in compliance of POSH Act, which looks into various matters concerning harassment, if any, against women at workplace, addresses concerns and complaints of sexual harassment and recommends appropriate action. This Committee was constituted to specifically provide a safe, secure and enabling environment, free from sexual harassment to every woman The details of the constituted committees and the attendance by each member of the Committee are as detailed hereunder:

<b>Name of Person</b>	<b>Category</b>
P V S Subhashini	Presiding Officer
V. Roselyn	Member
P. Dathri	Member

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

**ACKNOWLEDGEMENT:**

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

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

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

**Sd/-  
A Sarat Chandra Babu  
Chairman  
DIN:02589830**

**Sd/-  
A Vasavi  
Managing Director  
DIN 02589803**

**Place: Hyderabad**

**Date: 03<sup>rd</sup> November, 2021**

## Annexure – I

FORM AOC-1Statement containing salient features of the financial statement of Subsidiaries/  
Associate Companies/ Joint VenturesPart “A”: Subsidiaries

(Amount in Rs.)

Name of the subsidiaries	Polar Cube Cold Storage Solutions Private Limited	Squarepeg Distribution Services Private Limited
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A	N.A
2. Reporting currency Exchange rate	INR. N.A	INR. N.A
3. Share capital (Rs.)	44,50,000	26,70,000
4. Reserves & surplus	27,17,276	16,64,307
5. Total assets	96,15,800	18,785,823
6. Total Liabilities	96,15,800	18,785,823
7. Investments	-	-
8. Total Turnover	66,32,381	50,84,315
9. Profit before taxation	13,79,786	7,11,228
10. Provision for taxation	3,64,801	60,898
11. Profit after taxation	10,10,948	6,50,330
12. Proposed Dividend	-	-
13. % of shareholding	100	100

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

**Part “B”: Associates and Joint Ventures – NIL**

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

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

**Sd/-  
A. Sarat Chandra Babu  
Chairman  
DIN: 02589830**

**Sd/-  
A Vasavi  
Managing Director  
DIN 02589803**

**Sd/-  
A. Sri Nagaveer  
Chief Executive Officer**

**Sd/-  
Villuri Roselyn  
Chief Financial Officer**

**Place: Hyderabad**

**Date: 03<sup>rd</sup> November, 2021**



## Form No. AOC-2

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

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis: NIL**

The company has not entered into any contract or arrangement or transaction which is not at arm's length basis during the year under review.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangement / transactions:	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Mrs. A. Vasavi Managing Director	Rent (Expenses)	15 years	Lease of premises for a period of 15 years	Existing Agreement	NIL
		11 months	Lease of Premises for a period of 11 months wef 01.12.2020	13.11.2020	100,000
Squarepeg Distribution Services Private Limited Wholly owned Subsidiary Company	Cold Storage Freezer services/ vehicle hire services	3 years	Renewal of agreement to provide vehicle hire services and avail cold storage freezers	30.05.2018	NIL
Polar Cube Cold Storage Solutions Private Limited Wholly owned Subsidiary Company		3 years	Renewal of agreement to avail cold storage freezers	30.05.2018	NIL

Mr. A. Sri Nagaveer,  CEO of the Company and also a relative of Directors, husband of Managing Director	Royalty (Expenses)	5 years	Royalty Agreement for use of trade Mark " Corn Club"	01.04.2020	NIL
Sri Sai Agencies  Proprietorship firm of Mr. A. Sri Nagaveer, the CEO of the Company	Sale / Purchase	3 years	Agreement for Sale / purchase of corn, corn products and other food items for an aggregate value not exceeding Rs.15 lacs per annum	01.04.2020	NIL

Note : No transactions with Squarepeg Distribution Services Private Limited during the FY 2020-21.

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

**Sd/-  
A Sarat Chandra Babu  
Chairman  
DIN:02589830**

**Sd/-  
A Vasavi  
Managing Director  
DIN 02589803**

**Place: Hyderabad  
Date: 03<sup>rd</sup> November, 2021**

**Policy for selection of Directors and determining Directors Independence****1. Introduction:**

- 1.1 Tanvi Foods (India) Limited believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Towards this, Tanvi Foods (India) Limited ensures constitution of the Board of Directors with required composition, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.
- 1.2 Tanvi Foods (India) Limited recognizes the importance of Independent Directors in achieving the effectiveness of the Board.

**2. Scope:**

- 2.1 This Policy sets out the guiding principles for the Nomination and Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as Independent Directors of the Company.

**3. Terms and References:**

In this Policy, the following terms shall have the following meanings:

- 3.1 **“Director”** means a Director appointed to the Board of the Company.
- 3.2 **“Nomination and Remuneration Committee”** means a Committee constituted by Tanvi Foods (India) Limited’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013.
- 3.3 **“Independent Director”** means a Director referred to in sub-section (6) of Section 149 of the Companies Act, 2013.

**4. Policy:****4.1 Qualifications and Criteria**

- 4.1.1 The Nomination and Remuneration (NR) Committee and the Board shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company’s operations.
- 4.1.2 In evaluating the suitability of individual Board members, the Nomination and Remuneration Committee may take into account factors, such as:
  - General understanding of the Industry vis a vis Company’s business perspective;
  - Educational and professional background
  - Standing in the profession;
  - Personal and professional ethics, integrity and values;
  - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
  -

4.1.3 The proposed appointee shall also fulfill the following requirements:

- Shall possess a Director Identification Number;
- Shall not be disqualified under the Companies Act, 2013;
- Shall give his written consent to act as a Director;
- Shall endeavour to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;
- Shall disclose his concern or interest in any Company or Companies or Bodies Corporate, Firms including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013 and other relevant laws.

4.1.4 The NR Committee shall evaluate each individual with the objective of having a group that best enables the success of the Company's business.

#### **4.2 Criteria of Independence**

4.2.1 The NR Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.

4.2.2 The criteria of independence, as laid down in Companies Act, 2013, is as below:

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director—

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;  
  
(ii) Who is not related to promoters or directors in the company, its holding, subsidiary or associate company
- c. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two percent or more of its gross turnover or total income as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e. who, neither himself nor any of his relatives—

- (i) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
  - (ii) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of—
    - (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
    - (B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
  - (iii) holds together with his relatives two per cent or more of the total voting power of the company; or
  - (iv) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
  - (v) is a material supplier, service provider or customer or a lessor or lessee of the company.
- f. shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations, corporate social responsibility or other disciplines related to the Company's business.
- g. shall possess such other qualifications as may be prescribed, from time to time, under the Companies Act, 2013.
- h. who is not less than 21 years of age.

4.2.3 The Independent Directors shall abide by the "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013.

#### **4.3 Other directorships / committee memberships**

4.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance. Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as directors of the Company. The NR Committee shall take into account the nature of and the time involved in a Director's service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.



4.3.2 A Director shall not serve as a Director in more than 20 companies of which not more than shall be 10 Public Limited Companies.

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

**Sd/-  
A Sarat Chandra Babu  
Chairman  
DIN:02589830**

**Sd/-  
A Vasavi  
Managing Director  
DIN 02589803**

**Place: Hyderabad**

**Date: 03<sup>rd</sup> November, 2021**

**Remuneration Policy for Directors, Key Managerial Personnel and other employees****1. Introduction:**

Tanvi Foods (India) Limited recognizes the importance of aligning the business objectives with specific and measurable individual objectives and targets. The Company has therefore formulated the remuneration policy for its directors, key managerial personnel and other employees keeping in view the following objectives:

- a) Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate employees to run the company successfully.
- b) Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.
- c) Ensuring that remuneration is based on such parameters reflecting short and long term performance objectives appropriate to the working of the company and its goals.

**2. Scope:**

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the Company.

**3. Terms and References:**

In this Policy, the following terms shall have the following meanings:

**3.1 “Director”** means a director appointed to the Board of the company.

**3.2 “Key Managerial Personnel”** means

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the Company Secretary;
- (iii) the Whole-time Director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the Companies Act, 2013

**3.3 “Nomination and Remuneration Committee”** means the committee constituted by the Board of Directors of Tanvi Foods (India) Limited in accordance with the provisions of Section 178 of the Companies Act, 2013.

**4. Policy:****4.1 Remuneration to Executive Directors and Key Managerial Personnel**

4.1.1 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

4.1.2 The Board, on the recommendation of the Nomination and Remuneration Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

4.1.3 The remuneration structure to the Executive Directors and Key Managerial Personnel may include the following components:

(i) Basic Pay

(ii) Perquisites and Allowances

(iii) Commission (Applicable in case of Executive Directors)

(iv) Retrial benefits

(v) Annual Performance Bonus

#### **4.2 Remuneration to Non-Executive Directors**

The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders, if any.

#### **4.3 Remuneration to other employees**

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

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

**Sd/-  
A Sarat Chandra Babu  
Chairman  
DIN:02589830**

**Sd/-  
A Vasavi  
Managing Director  
DIN 02589803**

**Place: Hyderabad**

**Date: 03<sup>rd</sup> November, 2021**

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

For The Financial Year Ended on March 31, 2021

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

To,  
The Members,  
**Tanvi Foods (India) Limited,**  
Hyderabad – 500018

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tanvi Foods (India) Limited**, (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31<sup>st</sup> March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Tanvi Foods (India) Limited** ("the Company") for the financial year ended on 31<sup>st</sup> March, 2021 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder.
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing. **(Not applicable to the Company during the audit period);**
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the Company during the audit period)**;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the audit period)**;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the audit period)**
  - (f) The Securities and Exchange Board of India (**Registrars to an Issue and Share Transfer Agents**) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the audit period)**; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the audit period)**;
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- vi) Other specifically applicable laws to the Company:
- i) The Food Safety and Standards Act, 2006,
  - ii) Legal Metrology Act, 2009 & Legal Metrology (Packaged Commodities) Rules 2011,
  - iii) The Prevention of Food Adulteration Act, 1954,
  - iv) The Copyright Act, 1957,
  - v) The Trade Marks Act, 1999.

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

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



- *There were few instances where the Company filed forms and returns required to be filed with the Registrar of Companies with additional fee.*
- *Vacancy caused in the office of Independent Director of the Company was filled belatedly, thus affecting the composition of respective committees also.*
- *Vacancy caused in the office of Company Secretary remained to be filled as on 31<sup>st</sup> March, 2021, however the same was filled subsequently.*

I further report that

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

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

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

I further report that

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

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

**For Kasat & Associates  
Company Secretaries**

**Sd/-  
Anand Kumar C. Kasat  
Proprietor  
M.No. 11175  
C.P. No: 17420  
UDIN : F011175C001353824**

**Place: Hyderabad  
Date : 02.11.2021**

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

**Annexure A**

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

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

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

**Disclaimer**

8. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

9. As regards the Secretarial Audit for the FY 2020-21, the entire period under report was bogged down under the impact of Covid-19. Further, during the later part of the quarter ended 31st March, 2021, the said pandemic resurfaced more furiously and continued to wreak havoc till recently, thus forcing me to re-strategise my audit programme and approach. Further, for verification of documents and cross checks, particularly related to other industrial laws, I had to rely on the management representations and assurances, wherever required, for forming my opinion and eventual reporting.

**For Kasat & Associates  
Company Secretaries**

**Sd/-**

**Anand Kumar C. Kasat  
Proprietor**

**M.No. 11175**

**C.P. No: 17420**

**UDIN : F011175C001353824**

**Place: Hyderabad**

**Date : 02.11.2021**

## Annexure – VI (i)

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

**A.** The ratio of the remuneration of each director to the median employees remuneration and other details in terms of sub section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments thereto.

(Amount in ₹)

Sr. No.	Name of Director / KMP and Designation	Financial Year 2020-21		
		Remuneration of Director / KMP	% increase in Remuneration	Ratio of Remuneration of each Director to median remuneration of employees
1	Mrs A Vasavi (Managing Director)	15,75,000	Nil	9.50
2	Mr. A. Sarat Chandra Babu (Chairman & Whole Time Director)	360,000	Nil	2.17
3.	Mrs. A. Sarada (Non-Executive Director)	Nil	Nil	Nil
4.	Mr. Naveen Nandigam (Independent Director)	Nil	Nil	Nil
5	Mr. R. V. Radhakrishna (Independent Director)	Nil	Nil	Nil
6.	Mr. A Sri Nagaveer (CEO)	36,75,000	Nil	22.16
7	Mr. M. Srinivas Reddy (CFO)	9,55,853	Nil	N.A
8	Mr. Avneet Singh (Company Secretary)	3,16,000	Nil	N.A

**Note :** 1. Mr. R.V. Radhakrishna resigned effective 02.12.2020

2. Mr. M. Srinivas Reddy resigned effective 05.04.2021

3. Mr. Avneet Singh resigned effective 10.11.2020

**B. Percentage Increase in the median remuneration of all employees in the Financial Year 2020-21:**

The median annual remuneration of employees of the Company during the financial year was Rs. 1,65,821 In the financial year, there was decrease of 14.96 % in the median remuneration of employees.

**C. Number of permanent employees on the rolls of Company as on 31<sup>st</sup> March 2021**

There were 54 permanent employees (other than MD, Wholetime Director and CEO) on rolls of the Company as on March 31, 2021

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

Average percentile increase already made in the salaries of the employees other than the managerial personnel in this financial year i.e., 2020-21 is (11.31) % whereas there is a decrease for about 11.79 % in the managerial remuneration for the said financial year when compared to previous financial year

**E. Key parameters for any variable component of remuneration availed by the Directors:** Not Applicable**F. Affirmation that the remuneration is as per the Remuneration Policy of the Company:**

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

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

**Sd/-  
A Sarat Chandra Babu  
Chairman  
DIN:02589830**

**Sd/-  
A Vasavi  
Managing Director  
DIN 02589803**

**Place: Hyderabad**

**Date: 03<sup>rd</sup> November, 2021**



**Annexure VI (ii)**

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

Details of top 10 Employees (interns of Remuneration), other than Executive Directors

Employed throughout the year/part of the year:

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

Details of top 10 Employees (interns of Remuneration), other than Executive Directors

Employed throughout the year/part of the year:

S.No.	Employee Name	Age	Designation	Qualification	Remuneration (per annum)	Nature of Employment	Exp. (Years)	Date of Commencement of employment	Previous employment	Relationship with Director /Manager	Nature of Duties of employee	% Share holding
1	A SRI NAGAVEER	17 January 1978	C.E.O	M.C.A	3,675,000	Management	14 yrs	30 March 2007	-	Son of A Sarat Chandra Babu and Husband of A Vasavi	C.E.O	45.44 %
2	M SRINIVAS REDDY	30 June 1984	C.F.O	M.B.A	9,55,853	Accounts	14 yrs	01 July 2014	7 years	NO	Finance	0.00%
3	R GANGA CHARI	10 May 1986	Plant Manager	Diploma in EEE, AMIE	7,68,600	Production	15 yrs	10 April 2019	13 years	NO	Production	0.00%

4	M.K. BHASKAR	01 September 1981	Head (Finance & Admin)	M.B.A	724,500	Administration	14 yrs	01 October 2014	7 Years	NO	Administration	0.00%
5	V ROSELYN	28 June 1991	Head (Accounts)	B.Com , CA Pursuing	556,500	Accounts	10 yrs	01 September 2017	6 yrs	NO	Accounts	0.00%
6	K PRAVEEN	18 <sup>th</sup> August, 1977	CAO	MBA	5,25,000	Accounts	19 yrs	01 July 2020	06 Months	NO	Accounts	0.00%
7	R SURIBABU	12 June 1976	Head Projects	Degree	384037	Administration	14 yrs	01 July 2014	7 year	NO	Administration	0.00%
8	N. SRI SASANK	26 <sup>th</sup> January, 1986	Head (Marketing & sales)	B.Tech	384037	Sales & Marketing	14 Years	30 March 2007	13 Years	No	Sales & Marketing	0.00%
9	AVNEETH SINGH KOHLI	23 July 1990	C.S	CS, LLB	316,000	Administration	4 yrs	05 April 2019	2 yrs	NO	Administration	0.00%
10	M BALANJANE YULU	10 May 1986	Head Production	Degree	296257	Production	14 yrs	01 July 2014	4 years	NO	Production	0.00%

- Note:**
- i. All the aforementioned employees are permanent and obligated contractually.
  - ii. Ms. Roselyn Villuri has been appointed as Chief Financial Officer effective 05th April, 2021 in place of Mr. M. Srinivas Reddy.
  - iii. Mr. Avneeth Singh Kohli resigned effective 10.11.2020.
  - iv. Except K Praveen, all the other employees were employed for the whole of the year.

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

**Sd/-**

**A Sarat Chandra Babu  
Chairman  
DIN:02589830**

**Sd/-**

**A Vasavi  
Managing Director  
DIN 02589803**

**Place: Hyderabad**

**Date: 03<sup>rd</sup> November, 2021**

**Annexure - VII****CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY  
ABSORPTION AND FOREIGN EXCHANGE INFLOW / OUTFLOW**

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

**A. Conservation of Energy: Not Applicable**

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

**B. Technology Absorption: Not Applicable**

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

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

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

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

**Sd/-  
A Sarat Chandra Babu  
Chairman  
DIN:02589830**

**Sd/-  
A Vasavi  
Managing Director  
DIN 02589803**

**Place: Hyderabad**

**Date: 03<sup>rd</sup> November, 2021**

**MANAGEMENT DISCUSSION AND ANALYSIS****Disclaimer**

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

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

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

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

**INDUSTRY AND DEVELOPMENTS****Global Market for Frozen Food Industry:**

The frozen food market size was valued at \$291.8 billion in 2019, and is estimated to reach \$404.8 billion by 2027, registering a CAGR of 4.2% from 2020 to 2027. Frozen food is defined as food products that are preserved under low temperature and used over a long period. The product market comprises various food products, including ready meals, vegetables & fruits, potatoes, meat & poultry, seafood, and soup. Frozen ready meals further include packaged ready-to-eat foods, bakery, snacks, and desserts. Business buyers such as hotels, caterers, restaurants, and fast food chains are among major users of frozen food products that include frozen vegetables & fruits, potatoes, and non-veg products.

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

The world has witnessed a significant growth in the women employment rate. With increase in number of employed women, it becomes significantly difficult for them to cook meals, which results in consuming frozen ready meals. For instance, according to the United States Department of Labor, the U.S. female employment rate in 2019 was 46%. Similarly, in

China, the women employment rate was around 43.7%, and in South Africa it was around 45%. All these factors collectively drive growth of the market during the forecast period.

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

According to frozen food market analysis On the basis of product type, the ready meals segment is the largest revenue generator in the current scenario, followed by frozen meat and poultry products. This is attributed to surge in use of frozen pizza crusts, bread, and frozen bakery products, which acts as a key driver of the ready meals segment. Frozen potatoes segment is expected to grow at the fastest CAGR of 4.8% from 2019 to 2027, followed by the segment of frozen seafood products segment, which is expected to witness a CAGR of 4.4% during the same period. New launches in frozen ready meals owing to increased investment in R&D of food processing coupled with strengthening distribution network of frozen food items is expected to contribute significantly to the growth of frozen ready meals market segment.

By user, the food service industry segment dominated the market, garnering 53.9% share in 2019, and is expected to continue throughout the frozen food market forecast period. This is attributed to the fact that the food service industry is among the major consumers of frozen foods. The food service industry includes hotel chains, fast food restaurants, cash & carry outlets caterers, and other business buyers. In addition, the popularity of frozen food in the food service sector is increasing, as they can be stored and used over a long period of time, which saves operational costs. Moreover, as they require less time to cook and reduce customer-waiting time, fast food chains and quick service restaurants have adopted them as substitutes to fresh ingredients. In addition, increase in internet penetration and quick access to smartphones have resulted in more purchase through online channels. As a result, several food chains are shifting toward online portals to enhance online food ordering for these fast food chains, which, in turn, augment the growth of the product market.

Region wise, Europe was the prominent market in 2019, which accounted for the maximum share. Large spending capabilities of consumers and economic stability are some of the major reasons for the growth of the product market in the European region. In addition, busy lifestyle of consumers acts as a key factor driving the frozen food market growth. Frozen ready to-eat healthy breakfast segment has gained popularity in recent years, owing to rise in health-conscious consumers in the region. Europe has been one of the most lucrative markets for frozen food, owing to the fact that it is home for numerous food and bakery giants. Moreover, these players operating are continuously striving to increase their market share by means of effective research & development and product innovation. In addition, companies are entering into partnerships with other companies to utilize each other's capabilities and outperform the competitors.

## THE INDIAN FOOD INDUSTRY

### **Introduction**

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year. In India, the food sector has emerged as a high-growth and high-profit

sector due to its immense potential for value addition, particularly within the food processing industry.

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

### **Market Size**

The Indian food and grocery market is the world's sixth largest, with retail contributing 70 per cent of the sales. The Indian food processing industry accounts for 32 per cent of the country's total food market, one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. It contributes around 8.80 and 8.39 per cent of Gross Value Added (GVA) in Manufacturing and Agriculture respectively, 13 per cent of India's exports and six per cent of total industrial investment. The Indian gourmet food market is currently valued at US\$ 1.3 billion and is growing at a Compound Annual Growth Rate (CAGR) of 20 per cent. India's organic food market is expected to increase by three times by 2020#.

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

### **Investments**

According to the data provided by the Department of Industrial Policies and Promotion (DIPP), the food processing sector in India has received around US\$ 7.54 billion worth of Foreign Direct Investment (FDI) during the period April 2000-March 2017. The Confederation of Indian Industry (CII) estimates that the food processing sectors have the potential to attract as much as US\$ 33 billion of investment over the next 10 years and also to generate employment of nine million person-days.

### **Government Initiatives**

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

- The Government of India aims to boost growth in the food processing sector by leveraging reforms such as 100 per cent Foreign direct investment (FDI) in marketing of food products and various incentives at central and state government level along with a strong focus on supply chain infrastructure.
- In Union Budget 2017-18, the Government of India has set up a dairy processing infra fund worth Rs 8,000 crore (US\$ 1.2 billion).
- The Government of India has relaxed foreign direct investment (FDI) norms for the sector, allowing up to 100 per cent FDI in food product e-commerce through automatic route.
- The Food Safety and Standards Authority of India (FSSAI) plans to invest around Rs 482 crore (US\$ 72.3 million) to strengthen the food testing infrastructure in India, by upgrading 59 existing food testing laboratories and setting up 62 new mobile testing labs across the country.



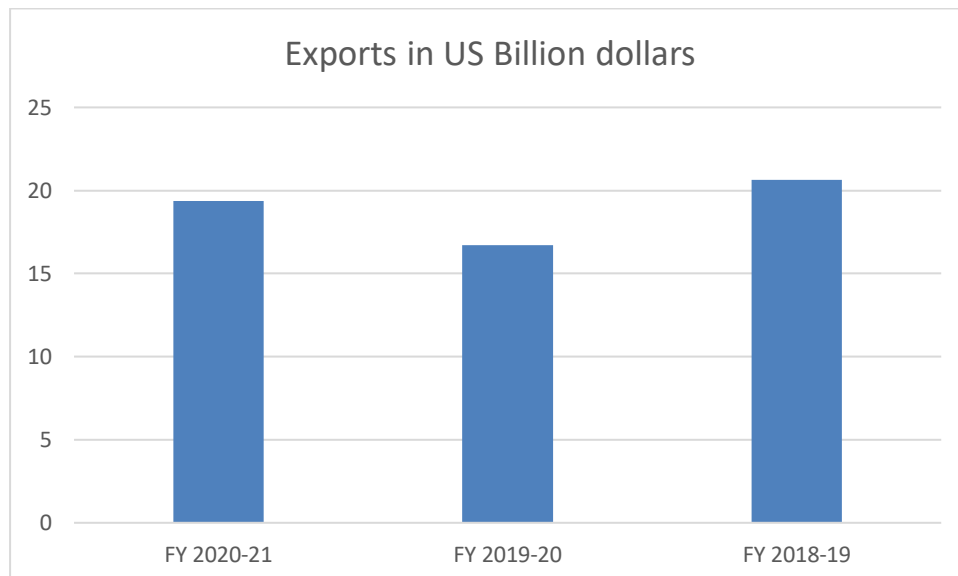
- The Indian Council for Fertilizer and Nutrient Research (ICFNR) will adopt international best practices for research in fertiliser sector, which will enable farmers to get good quality fertilisers at affordable rates and thereby achieve food security for the common man.
- The Ministry of Food Processing Industries announced a scheme for Human Resource Development (HRD) in the food processing sector. The HRD scheme is being implemented through State Governments under the National Mission on Food Processing. The scheme has the following four components:
  - Creation of infrastructure facilities for degree/diploma courses in food processing sector
  - Entrepreneurship Development Programme (EDP)
  - Food Processing Training Centres (FPTC)
  - Training at recognised institutions at State/National level

**Road Ahead**

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

Exports of processed food and related products

- During FY19-20, India's exports of processed food and related products (inclusive of animal products) stood at US\$ 16.69 billion.
- Main export destinations for food products have been the Middle East and Southeast Asia.
- In FY21\* India's exports stood at US\$ 19.38 billion.



### Frozen Foods Market in India

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

#### ***Market insights:***

The frozen food market was valued at INR 98.79 Bn in 2020 and is anticipated to reach INR 224.90 Bn by 2025, expanding at a compound annual growth rate (CAGR) of ~18.17% during the 2021 – 2025 period. Rise in the number of millennial and gen-Z consumers opting for convenience food, improved awareness and acceptance of frozen food among the urban and semi-urban people are some of the significant factors that push the market forward. Development of the cold chain infrastructure in India and constant support are further propelling the market. However, proper cold storage and supply infrastructure are yet to develop adequately and this is a barrier to the growth of frozen food market's growth.

#### ***Segment insights:***

Based on sales channel, the market is segmented into retailers, food service providers, and exporters. In terms of revenue, the export segment dominated the frozen food market, accounting for 44.6% of the overall revenue share in 2020. The retailers segment (online and offline stores) was valued at INR 25.81 Bn in 2020 and is expected to show maximum growth rate during the forecast period, expanding at a CAGR of ~20.94%. The food service providers segment was valued at INR 28.90 Bn in 2020 and is expected to reach INR 70.66 Bn by 2025.

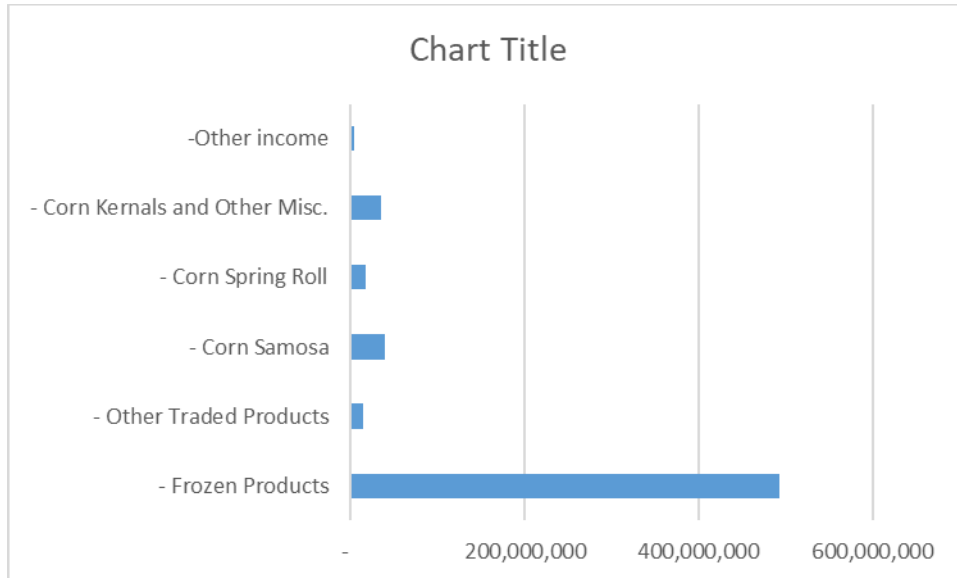
#### ***COVID-19 impact analysis:***

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

**STRENGTHS, OPPORTUNITIES AND THREATS**

Strengths	Opportunities	Threats
<p><b>Experienced Management:</b> The Company has a very good experienced Management team. Mr. AS Nagaveer, the Chief Executive Officer posses more than 17 years of experience in the field of Frozen Food business.</p>	<p><b>Market Space:</b> Currently, the Company is operating in the states of Telangana and Andhra Pradesh and with the upcoming facility and increased production, we have the Immediate Market space to expand to adjacent states like Karnataka, Maharashtra, Odisha, Tamil Nadu and also exploring the option of Exporting our products to various Middle-East &amp; South-East Asian Nations.</p>	<p><b>Risk due to Liquidity:</b> We are the growing MSME with limited resources of funding that has been accessed for establishing our new facility. However, due to the sudden spread of coVID19 pandemic, our regular cash-flow(s) are being adjusted for the day-to-day working capital and the same time we are at the hope of overcoming these threats in coming days.</p>
<p><b>Good Employee Vintage:</b> All most all the Key Management Personnel are with the Company since longer-time of more than 5 years and are qualified staff at Senior and Middle-level(s)</p>		<p><b>Threat due to change of Life-style of people in view of CoVID19 pandemic:</b> In the initial days of spread of Pandemic, there were lot of opinions that the virus is being infected with the fruits, vegetables and frozen Items. However, the World Health Organization (WHO) declared that the impact with this is very low and people are now slowly getting habituated to the pre-coVID19 lifestyle. Hence we are in the risk of meeting our operational performance targets. In order to mitigate this, your company is taking all the precautions of hygiene and getting awareness among all the customers about the same and also maintaining the required safety precautions as well.</p>
<p><b>Established Brand Name:</b> We operate in Brand sensitive market and developed it through a sustainable growth process over the period of last 15 years and majority of our products are under the brand name “Frozen Kings”, “Cornclub” and the rest are branded with “Samosa”</p>	<p><b>Temperature Control Fleets:</b> The Company has more than 17 fleet(s) with the facility of Temperature control(s) and storage for Distribution and Transportation of goods, that help us in very much better way to reach our market(s) in a defined and Planned way.</p>	
<p><b>Acceptance and Credibility across Vendors and Farmers:</b> We have developed goodwill among the Market participants, Vendors, Supermarkets, and all our Farmers, Intermediaries of the Supply chain process and Distribution and all MNCs and other customers who are continuously supporting us all the time.</p>		

**SEGMENT-WISE & PRODUCT WISE REVENUE**



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

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

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

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

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

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

**OTHER RISKS AND CONCERNS**

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

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

**FINANCIAL PERFORMANCE Vs OPERATIONAL PERFORMANCE**

Our revenue from operations on standalone basis decreased to ₹ 5,977.38 Lakhs from ₹ 8171.26 Lakhs in the previous year, at a decline rate of 26.85%. Your Company has posted yet another impressive year of performance. Out of the total revenue approx. 83% has been generated from the sale of Frozen Products and there is a substantial increase in sale of other products as well.

Particulars (Amount in ₹ Lakhs)	FY2020-21	FY2019-20
<b>Income</b>		
Manufacturing & Processing	5838.36	7,931.92
Sales and Trading	139.02	239.35
Other Income	41.66	69.53
<b>Total</b>	<b>6019.05</b>	<b>8,240.79</b>
<b>Particulars (Amount in ₹ Lakhs)</b>	<b>FY2020-21</b>	<b>FY2019-20</b>
<b>Expenditure</b>		
Cost of Product & Service	5,333.96	7,230.54
Employee Benefit Expenses	134.12	173.90
Financial Expenses	227.92	266.78
Depreciation & Amortization	67.90	80.05
Other Expenses	138.17	275.99
<b>Total</b>	<b>5,902.07</b>	<b>8,027.27</b>

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

During the Financial Year 2021, some of the Employee Benefit Expenses and the Financial Cost incurred towards the Loan of Indian Bank have been capitalized towards the expenses incurred for the capital work in progress.

The Company's (Standalone basis) Networth as of FY 2020-21 has been increased to an extent of ₹ 94.84 Lakhs and your Earnings per share stood at ₹ 1.77

Due to the working capital adjustments with the impact of coVID19 pandemic; As of March 2021, the Company has certain outstanding Arrears on the account heads of Statutory Liabilities to an extent of ₹ 10.09 lakhs pending towards the payment of Tax Deducted at

**Source (TDS) Payable, Provident Fund Payable, ESI Payable and the Professional Tax Payable.**

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

**Sources of Funds**

Currently as of March 31, 2021, we have only one class of shares i.e., Equity Shares of nominal value ₹10/- each. Our Authorized Share Capital is ₹6.50 Crores divided into 65,00,000 equity shares of ₹10/- each. The Issued, Subscribed and Paid Up capital stood at ₹5,36,67,750 divided into 53,66,775 Equity Shares of ₹10/- each.

Other than that, of the Equity, the Company possesses certain reserves added back to the Equity shown as Reserve and Surplus as of March 31, 2021 and the amount in reserve account is ₹2,213.16 Lakhs.

**Investments**

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

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

**Outlook**

Currently the Company has the manufacturing facility of producing near 35,000 to 100,000 thousand pieces of product(s) every day. However, with a view to ease-out the complex process of manufacturing and to enhance the production capacities, we are bringing-up a new Manufacturing facility near to the Vijayawada within a space of 55,000 square feet area with the required Food Safety standards that will boost our production facilities to almost 3 times to the existing capacities.

**HUMAN RESOURCES / INDUSTRIAL RELATIONS**

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

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



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

**Key Financial Indicators:**

Sl. No.	Particulars	Standalone		Consolidated		Explanation
		FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20	
1	Debtors Turnover Ratio (Times)	3.53	8.90	3.21	7.13	Delay in recovery from debtors due to Covid-19
2	Inventory Turnover	1.83	3.04	1.85	2.86	Decrease in sales impacted Inventory turnover
3	Interest Coverage	1.51	1.8	1.62	2.19	Not Applicable
4	Current Ratio	1.24	1.36	1.27	1.36	Not Applicable
5	Debt Equity Ratio	0.48	0.48	0.50	0.52	Not Applicable
6	Operating Profit Margin	5.77%	5.88%	6.34%	5.69%	Not Applicable
7	Net Profit Margin	1.59%	2.07%	1.94%	1.84%	Not Applicable
8	Return on Net worth	3.45%	6.36%	4.25%	5.84%	Covid -19 driven low profitability and hence low reserves.

**Number of People Employed:**

As on 31st March 2021, the employee strength was 57 staff members.

**Disclosure of Accounting Treatment**

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

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

**Awards : Nil**

**Certifications:**

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

**Cautionary Statement**

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

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

**Sd/-  
A Sarat Chandra Babu  
Chairman  
DIN:02589830**

**Sd/-  
A Vasavi  
Managing Director  
DIN 02589803**

**Place: Hyderabad**

**Date: 03<sup>rd</sup> November, 2021**

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**Vigil Mechanism and Whistle Blower Policy**

As referred in the Directors Report, the Company has framed and adopted the Whistleblower policy that covers our directors and employees. The policy is subject to need based review and modifications, if required, from time to time. The Policy, as applicable currently, is laid hereunder and is also posted on our website [www.tanvifoods.com](http://www.tanvifoods.com)

**Scope and purpose:**

Tanvi Foods (India) Limited is committed to complying with the foreign and domestic laws that apply to it, satisfying the Company's Code of Conduct and particularly to assuring that business is conducted with integrity and that the Company's financial information is accurate. If potential violations of Company policies or applicable laws are not recognized and addressed promptly, both the Company and those working for or with the Company could face governmental investigation, prosecution, fines, and other penalties that may have cascading impact and may prove fatal consequentially, and to promote the highest ethical standards, the Company will maintain a workplace that facilitates the reporting of potential violations of Company's policies and applicable laws. Employees must be able to raise concerns regarding such potential violations easily and free of any fear of retaliation. That is the purpose of this policy (the 'Policy' or the 'Vigil Mechanism and Whistle Blower Policy'). You are required to read this Policy and acquaint yourself with the same.

**Report at the earliest - Nip at the bud**

Everyone is required to report to the Company any suspected violation of any law that applies to the Company and any suspected violation of the Company's Code of Conduct. It is important that you report all suspected violations. This includes possible accounting or financial reporting violations, insider trading, bribery, harassment, discrimination in your employment etc.

It is the policy of the Company that you must, when you reasonably suspect that a violation of an applicable law or the Company's Code of Conduct has occurred or is occurring, report that potential violation. Reporting is crucial for early detection, proper investigation and remediation, and deterrence of violations of Company's policies or applicable laws. You should not fear any negative consequences for reporting reasonably suspected violations because retaliation for reporting suspected violations is strictly prohibited by Company's policy. Failure to report any reasonable belief that a violation has occurred or is occurring is itself a violation of this Policy and such failure will be addressed with appropriate disciplinary action, including possible termination of employment.

**How & Where to Report**

You must report all suspected violations to (i) your immediate supervisor; (ii) the nodal officer, i.e., the Company Secretary; at or (iii) anonymously, by sending an email to:

If you have reason to believe that your immediate supervisor or the Company Secretary is involved in the suspected violation, your report may be made to the Chairman of the Audit Committee at:

Chairman, Audit Committee, Tanvi Foods (India) Limited, Flat No. 101, Alekhya Homes Temple Tree, Raghavendra Colony, Kondapur, Hyderabad – 500084

Because you have several means of reporting, you need never report to someone you believe may be involved in the suspected violation or from whom you would fear retaliation.

Your report should include as much information about the suspected violation as you can provide. Where possible, it should describe the nature of the suspected violation; the identities of persons involved in the suspected violation; a description of documents that relate to the suspected violation; and the time frame during which the suspected violation occurred. Where you have not reported anonymously, you may be contacted for further information.

#### Post reporting Investigation

All reports under this Policy will be promptly and appropriately investigated, and all information disclosed during the course of the investigation will remain confidential, except as necessary to conduct the investigation and take any remedial action, in accordance with applicable law. Everyone working for or with the Company has a duty to cooperate in the investigation of reports of violations. Failure to cooperate in an investigation, or deliberately providing false information during an investigation, can be the basis for disciplinary action, including termination of employment. If, at the conclusion of its investigation, the Company determines that a violation has occurred, the Company will take effective remedial action commensurate with the nature of the offense. This action may include disciplinary action against the accused party, up to and including termination. Reasonable and necessary steps will also be taken to prevent any further violations of Company's policy.

#### Zero - Retaliation policy

No one may take any adverse action against any employee for complaining about, reporting, or participating or assisting in the investigation of, a reasonably suspected violation of any law, this Policy, or the Company's Code of Conduct and Ethics. The Company takes reports of such retaliation seriously. Incidents of retaliation against any employee reporting a violation or participating in the investigation of a reasonably suspected violation will result in appropriate disciplinary action against anyone responsible, including possible termination of employment. Those working for or with the Company who engage in retaliation against reporting employees may also be subject to civil, criminal and administrative penalties.

#### Modification

The Audit Committee or the Board of Directors of Tanvi Foods (India) Limited can modify this Policy unilaterally at any time without notice. Modification may be necessary, among other reasons, to maintain compliance with national, state or local regulations and / or accommodate organizational changes within the Company.

Please sign the acknowledgment form below and return it to the Company Secretary. This will let the Company know that you have received the Policy and are aware of the Company's commitment to a work environment free of retaliation for reporting violations of any Company policies or any applicable laws.

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

**Sd/-  
A Sarat Chandra Babu  
Chairman  
DIN:02589830**

**Sd/-  
A Vasavi  
Managing Director  
DIN 02589803**

**Place: Hyderabad  
Date: 03<sup>rd</sup> November, 2021**

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**Independent Auditor's Report**

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

**Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the accompanying Standalone Financial Statements of **M/s. Tanvi Foods (India) Limited ("the Company")** which comprise the Balance Sheet as at 31<sup>st</sup> March, 2021, the Statement of Profit and Loss, and the Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act ("AS") and other accounting principles generally accepted in India, of the State of affairs of the Company as at 31<sup>st</sup> March, 2021, and its Profit and its Cash flows for the year ended on that date.

**Basis for Opinion**

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

**Emphasis of Matter**

We draw your attention to Note No. 46 of the Standalone Financial Statements which describes Management's assessment of the impact of the Covid – 19 pandemic on the operations and financial results of the company. Our opinion is not modified in respect of the above matter.

**Key Audit Matters**

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



Key Audit Matter	How the matter was addressed in the Audit
<p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer Note No. 40 to the Financial Statements</p>	<p>Obtained details of completed tax assessments and demands upto the Financial year ended 31<sup>st</sup> March, 2021 from management along with the further course of action adopted by the management.</p> <p>We read and analysed various submissions to the Statutory Authorities in respect of the assessments mentioned above and considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions;</p> <p>We advised the management to disclose the comprehensive summary of the cases pending along with the outstanding amount in Financial Statements and accordingly the same was disclosed under "Contingent Liabilities" in Note No 40. ITAT pronounced 2 Orders dt 12<sup>th</sup> May 2021 &amp; dt 10<sup>th</sup> June 2021 stating that the company is eligible for the benefit of deduction u/sec 80IB(11A) for FY 2012-13, FY 2013-14, FY 2014-15 &amp; FY 2015-16 and directed AO to recalculate the deduction u/sec 80IB(11A) and pass necessary order accordingly. For other details Please refer Note No. 40</p>

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

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

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

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the Financial position, Financial performance and Cash flows of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors / Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the Going concern basis of accounting unless the Board of Directors / Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibility for the Audit of the Standalone Financial Statements;**

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

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

**We also;**

1. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we

are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure – A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by Law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the Internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the company to its directors during the year is in accordance with the provisions of the section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 40 to the financial statements;
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For V N S S & ASSOCIATES**  
**Chartered Accountants**

**Sd/-**  
**V N S SRINIVASARAO**  
**Proprietor**  
**M. No. 225281**  
**Firm Regn. No. 018367S**  
**UDIN : 21225281AAAABS5541**

**Place: Hyderabad**  
**Date : 30.06.2021**

**Annexure - A to the Auditors' Report**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Standalone Financial Statements as at 31<sup>st</sup> March, 2021, we report that:

- (i)
- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The fixed assets are physically verified by the management according to a phased programme designed to cover all items which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification and the same have been properly dealt with in the books of account.
  - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable property are held in the name of the company.
- (ii)
- a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
  - b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
  - c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- (iii)
- a) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
  - b) In case of loans granted to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3 (iii) (b) of the order is not applicable to the company in respect of repayment of principal amount.
  - c) There are no overdue amounts in respect of the loans granted to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained under section 189 of the Companies Act, 2013 (The Act).
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any Loans, made investments of provided Securities to Companies and other parties listed under section 185 and 186 of the Act
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits from the public during the year. Therefore the provisions of Sec 73 to 76 and the rules framed there under are not applicable to the Company.

- (vi) The maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of the Company's operations. Therefore the provisions of Clause 3(vi) of the Order are not applicable to the Company.
- (vii)
- a) According to the information and explanations given to us and on the basis of our examination of the records, Undisputed statutory dues including Provident fund, Employee State Insurance, Income-tax, Sales tax, Value Added Tax, Duty of Customs, Goods and Service tax, Cess have generally been deposited with the appropriate authorities and there have been delays in some cases.
  - b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employee State Insurance, Income-tax, Sales tax, Value Added Tax, Duty of Customs, Goods and Service tax, Cess and other material statutory dues were in arrears as at 31<sup>st</sup> March, 2021 for a period of more than six months from the date they became payable except as mentioned in the following Statement of Arrears;

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

Sl. No	Name of the Statute	Nature of Dues	Amount (INR)
1	Employees Provident Fund and Miscellaneous Provisions Act, 1952	Provident Fund	4,70,869
2	The ESI Act, 1948	Employee State Insurance	49,855
3	Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987	Professional Tax Telangana	20,950
4	Andhra Pradesh Tax on Professions, Trades, Callings and Employments Act, 1987	Professional Tax Andhra Pradesh	9,900
5	Income Tax Act, 1961	TDS	10,09,210

- c) According to the information and explanations given to us, there are no material statutory dues including Sales tax, Value Added Tax, Duty of Customs, Goods and Service Tax, Cess and any other material statutory dues pending for deposit with the appropriate authorities on account of any dispute, except as mentioned in Note No. 40 of the Standalone Financial Statements;
- (viii) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders except as mentioned in Note No 39 of the Standalone Financial Statements



- (ix) The Company did not raise any money by way of Initial Public Offer or Further Public Offer (including debt instruments). The Company has raised new term loans during the year. The term loans outstanding at the beginning of the year and those raised during the year have been applied for the purposes for which they were raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the company, the Company has Paid / Provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the company has not made any Preferential allotment or Private Placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 as a Non-Banking Financial Company.

**For V N S S & ASSOCIATES**  
**Chartered Accountants**

**Sd/-**  
**V N S SRINIVASARAO**  
**Proprietor**  
**M. No. 225281**  
**Firm Regn. No. 018367S**

**Place: Hyderabad**  
**Date : 30.06.2021**

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

We have audited the internal financial controls over financial reporting of **M/s Tanvi Foods (India) Limited** ("the Company") as of 31<sup>st</sup> March, 2021 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For V N S S & ASSOCIATES**  
**Chartered Accountants**

**Sd/-**

**V N S SRINIVASARAO**

**Proprietor**

**M. No. 225281**

**Firm Regn. No. 018367S**

**Place: Hyderabad**

**Date : 30.06.2021**

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2021

Particulars	Note No	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders 'funds</b>			
(a) Share capital	3	5,36,67,750	5,36,67,750
(b) Reserves and surplus	4	22,13,15,741	21,18,31,386
(c) Money received against share warrants		-	-
Share application money pending allotment	5	-	-
<b>Non-current liabilities</b>			
(a) Long-term borrowings	6	11,08,53,147	10,72,71,864
(b) Deferred tax liabilities (net)		29,31,950	28,62,172
(c) Other long-term liabilities	7	-	60,000
(d) Long-term provisions	8	30,38,549	25,19,718
<b>Current liabilities</b>			
(a) Short-term borrowings	9	18,11,79,053	14,24,56,658
(b) Trade payables	10		
- Total Outstanding dues of Micro Enterprises and Small Enterprises			-
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		2,80,17,139	2,66,70,387
(c) Other current liabilities	11	7,97,26,967	5,35,97,363
(d) Short-term provisions	12	25,56,604	45,81,109
<b>TOTAL</b>		<b>68,32,86,899</b>	<b>60,55,18,408</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment			
(i) Tangible assets	13	5,93,65,728	6,55,72,277
(ii) Intangible assets			-
(iii) Capital work-in-progress		16,85,90,768	14,98,14,074
(iv) Intangible assets under development			-
(b) Non-current investments	14	1,19,41,190	1,19,41,190
(c) Long-term loans and advances	15	8,14,34,961	6,93,25,217
(d) Other Non-Current Assets	16	-	-
<b>Current Assets</b>			
(a) Current investments	17	-	-
(b) Inventories	18	32,73,61,820	26,87,18,475
(c) Trade receivables	19	2,49,75,444	2,80,57,765
(d) Cash and bank balances	20	25,32,445	37,03,778
(e) Short-Term loans and advances	21	52,66,647	58,30,386
(f) Other Current Assets	22	18,17,897	25,55,248
<b>TOTAL</b>		<b>68,32,86,899</b>	<b>60,55,18,408</b>

iii. Company Information	1
Summary of Significant Accounting Policies	2
The accompanying notes are an integral part of the financial statements.	3 to 47

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**As per my report of even date.**

**For V N S S & Associates  
Chartered Accountants**

Sd/-  
**VNS Srinivasa Rao**  
**Proprietor**  
Member Ship No.225281  
Firm Regn No. 018367S

Place : Hyderabad  
Date : 30<sup>th</sup> June, 2021

**For and on behalf of the Board of Directors**

Sd/-  
**A. Sarat Chandra Babu**  
**Chairman**  
DIN : 02589830

Sd/-  
**A Sri Nagaveer**  
Chief Executive Officer

Sd/-  
**Adusumilli Vasavi**  
**Managing Director**  
DIN : 02589803

Sd/-  
**Villuri Roselyn**  
Chief Financial Officer

## Standalone Statement of Profit and Loss for the Year ended 31st March, 2021

Particulars	Note No	For the year ended 31st March, 2021 Amount in Rs	For the year ended 31st March, 2020 Amount in Rs
I. Revenue from operations	23	59,77,38,369	81,71,26,362
II. Other income	24	41,66,246	69,53,056
III. <b>TOTAL REVENUE ( I + II )</b>		<b>60,19,04,615</b>	<b>82,40,79,418</b>
IV. <b>Expenses:</b>			
(a) Cost of Materials Consumed	25	58,09,21,757	73,71,15,184
(b) Purchases of Stock-in-Trade	26	97,99,349	1,08,68,047
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	(5,73,25,374)	(2,49,29,326)
(d) Employee benefit expenses	28	1,34,11,895	1,73,90,184
(e) Finance costs	29	2,27,92,169	2,66,77,937
(f) Depreciation and amortization expenses	13	67,90,206	80,05,352
(g) Other Expenses	30	1,38,16,859	2,75,99,496
<b>TOTAL EXPENSES</b>		<b>59,02,06,860</b>	<b>80,27,26,874</b>
V. <b>Profit before exceptional &amp; extraordinary items and tax (III - IV)</b>		<b>1,16,97,755</b>	<b>2,13,52,545</b>
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V-VI)		<b>1,16,97,755</b>	<b>2,13,52,545</b>
VIII. Extraordinary items		-	-
IX. <b>Profit before tax (VII - VIII)</b>		<b>1,16,97,755</b>	<b>2,13,52,545</b>
X. <b>Tax expense:</b>		<b>22,13,400</b>	<b>44,56,310</b>
Current Tax		23,28,830	44,29,690
Previous Year		(1,85,208)	1,746
Deferred Tax	32	69,778	24,874
MAT Credit Entitlement		-	-
XI. <b>Profit for the period from continuing operations (IX - X)</b>		<b>94,84,355</b>	<b>1,68,96,234</b>
<b>Discontinuing Operations</b>			
XII. Profit / (Loss) from discontinuing operations (before tax)		-	-
XIII. Tax expense of discontinuing operations		-	-
XIV. Profit / (Loss) from discontinuing operations (after tax)		-	-
XV. <b>Profit for the Year (XI + XIV)</b>		<b>94,84,355</b>	<b>1,63,02,876</b>
XVI. <b>Earnings per equity share:</b> (Nominal Value Per Share : Rs. 10)			
Basic (Including Extraordinary Items)		1.77	3.15
Diluted (Including Extraordinary Items)		1.77	3.15
Basic (Excluding Extraordinary Items)		1.77	3.15
Diluted (Excluding Extraordinary Items)		1.77	3.15



XVII. Company Information	1
Summary of Significant Accounting Policies	2
The accompanying notes are an integral part of the financial statements.	3 to 47

As per my report of even date.

For and on behalf of the Board of Directors

For V N S S & Associates  
Chartered Accountants

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

Place : Hyderabad

Date : 30th June, 2021

Sd/-  
A. Sarat Chandra Babu  
Chairman  
DIN : 02589830

Sd/-  
A. Sri Nagaveer  
Chief Executive Officer

Sd/-  
Adusumilli Vasavi  
Managing Director  
DIN : 02589803

Sd/-  
Villuri Roselyn  
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

Particulars	As at 31.03.2021 Amount In Rs	As at 31.03.2020 Amount In Rs
<b>A. Cash flow from Operating activities</b>		
Profit before exceptional items and tax	1,16,97,755	2,13,52,545
Adjustments for :		
	67,90,206	
Depreciation and Amortisation Expense		80,05,352
(Profit) / Loss on sale of fixed assets (net)	-	-
(Profit) / Loss on sale of investments (net)	-	-
Miscellaneous Expenditure Written Off	8,68,852	8,68,852
Other Income	(41,66,246)	(69,53,056)
Effect of Exchange Rate change	-	-
Finance Costs	2,27,92,169	2,66,77,937
Cash generated from operations before working capital changes	3,79,82,736	4,99,51,630
Adjustments for working capital changes		(2,50,31,850)
(Increase)/Decrease in Inventories	(5,86,43,345)	
(Increase)/Decrease in Trade Receivables	30,82,321	(96,35,899)
(Increase)/Decrease in Short term Loans & Advances	46,51,239	20,32,805
		2,06,49,378
(Increase)/Decrease in Long term Loans & Advances	(1,21,09,744)	
Increase/(Decrease) in Trade Payables	13,46,752	1,27,73,114
Increase/(Decrease) in Long term/Short term provisions	(36,49,296)	6,11,579
Increase/(Decrease) in Other current liabilities	2,61,29,603	1,11,88,682
		(1,52,747)
(Increase)/Decrease in Other Current Assets	(1,31,501)	
		6,23,86,692
Cash generated from Operations	(13,41,236)	(64,66,849)
Direct Taxes paid	(40,87,500)	
		5,59,19,843
Net Cash from Operating activities	(54,28,736)	
<b>B. Cash flow from Investing Activities</b>		
Purchase of tangible/intangible assets	(5,83,657)	(28,03,380)
Sale proceeds of tangible assets	-	-
Other Adjustments to Fixed Assets (Subsidy)	-	-
Other Income	41,66,246	69,53,056
		(7,56,51,687)
Capital Work-in-progress	(1,87,76,693)	
(Purchase) / Sale of Investments (Net)	-	(1,30,000)
Cash flow before exceptional items	(1,51,94,104)	(7,16,32,012)
Exceptional Items		
Net Cash generated from Investment Activities	(1,51,94,104)	(7,16,32,012)
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from issue of Share Capital/ Share Application Money	-	-
Securities Premium on Equity Share Capital	-	-
Proceeds / (Repayment) from Long Term Borrowings	35,21,283	2,92,77,088
Proceeds / (Repayment) from Short Term Borrowings	3,87,22,394	1,56,41,816
Finance Costs		(2,66,77,937)

	(2,27,92,169)	
Dividends Paid	-	-
Dividend tax paid	-	-
Effect of Exchange Rate change	-	-
Net cash used in financing activities	1,94,51,508	1,82,40,966
<b>Net (Decrease) / Increase in cash and cash equivalents</b>	<b>(11,71,332)</b>	<b>25,28,798</b>
Cash and cash equivalents at the beginning of the year	<b>37,03,777</b>	<b>11,74,979</b>
Cash and Cash equivalents at the end of the year	<b>25,32,445</b>	<b>37,03,777</b>

1. The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard 3 on Cash Flow Statements notified under section 133 of the Companies Act, 2013.

2. Previous Year Figures have been regrouped/ reclassified/ rearranged wherever necessary.

As per my report of even date.

For V N S S & Associates  
Chartered Accountants

Sd/-  
VNS Srinivasa Rao  
Proprietor  
Member Ship No.225281  
Firm Regn No. 018367s  
Place : Hyderabad

Date : 30th June, 2021

For and on behalf of the Board of Directors

Sd/-  
A. Sarat Chandra  
Babu  
Chairman  
DIN : 02589830

Sd/-  
Adusumilli Vasavi  
Managing Director  
DIN : 02589803

Sd/-  
A. Sri Nagaveer  
Chief Executive  
Officer

Sd/-  
Villuri Roselyn  
Chief Financial  
Officer

**Notes to the Standalone Financial Statements for the year ended 31st March, 2021****Note Nos.****1 General Information:**

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

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

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

**2.2 Use of Estimates ;**

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

**2.3 Tangible Assets and Intangible Assets ;**

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

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

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

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

**Notes to the Standalone Financial Statements for the period ended 31<sup>st</sup> March, 2021****2.4 Capital Work-In-Progress**

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

**2.5 Depreciation and Amortisation ;**

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

**2.6 Borrowing Costs ;**

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

**2.7 Impairment of Assets ;**

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

**2.8 Investments ;**

Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments, such reduction being determined and made for each investment individually.

**2.9 Inventories ;**

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

**2.10 Transactions in Foreign Currency ;**

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

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

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

**ii) Other Income:**

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

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

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

**2.12 Retirement and other employee benefits (AS 15);**

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

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

**2.13 Current and Deferred Tax ;**

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

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

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

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

**2.14 Provisions and Contingent Liabilities ;**

**Provisions:** Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.



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

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

**2.15 Leases ;**

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

**2.16 Cash flow Statement ;**

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

**2.17 Earnings per share ;**

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

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

**2.18 Contingencies and events occurring after the balance sheet date ;**

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

**2.19 Government Grants ;**

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

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

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

Notes forming part of financial statements As At 31.03.2021

Note No : 3 Share Capital

S. No.	Particulars	As at 31.03.2021 Amount In Rs.		As at 31.03.2020 Amount In Rs.	
		Number	Amount	Number	Amount
	<b>Authorised</b>				
(i)	Equity Shares of Rs. 10/- each with Voting Rights	65,00,000	6,50,00,000	65,00,000	6,50,00,000
	<b>Issued, Subscribed and Paid up</b>				
(i)	Equity Shares of Rs. 10/- each fully paid up with Voting Rights	53,66,775	5,36,67,750	53,66,775	5,36,67,750
	<b>Total</b>	<b>53,66,775</b>	<b>5,36,67,750</b>	<b>53,66,775</b>	<b>5,36,67,750</b>

**(a) Reconciliation of number of shares:**

S.No.	Particulars	As at 31.03.2021 Amount In Rs.		As at 31.03.2020 Amount In Rs.	
		Number	Amount	Number	Amount
1	Equity Shares outstanding at the beginning of the year	53,66,775	5,36,67,750	53,66,775	5,36,67,750
2	Equity Shares Issued during the year #	-	-	-	-
3	Equity Shares bought back during the year	-	-	-	-
4	Equity Shares outstanding at the end of the year	<b>53,66,775</b>	<b>5,36,67,750</b>	<b>53,66,775</b>	<b>5,36,67,750</b>

# During the year 2018-19, allottees of 5,00,000 Warrants have exercised their right to convert the warrants into Equity shares by paying balance 75% of the Consideration aggregating to Rs. 3 Crores and Consequently 5,00,000 Equity Shares of Face value of Rs. 10/- each were allotted @ Rs. 80 per share consisting of Rs. 70 for Security premium on 28-02-2019.

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

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

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

S.No.	Class of shares / Name of shareholder	As at 31.03.2021		As at 31.03.2020	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	<u>Equity Shares with Voting Rights</u> Adusumilli Sri Nagaveer	24,38,701	45.44%	24,38,701	45.44%
2	Adusumilli Vasavi	3,38,038	6.30%	3,38,038	6.30%

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

S.No.	Particulars	As at 31.03.2021		As at 31.03.2020	
		No. of Shares issued	Amount	No. of Shares issued	Amount
1	Paturi Sarada*	2,20,013	22,00,130	2,20,013	22,00,130
2	Mikkilineni Sravanthi*	2,20,013	22,00,130	2,20,013	22,00,130
3	Adusumilli Sri Nagaveer**	2,52,711	25,27,110	2,52,711	25,27,110
4	Adusumilli Vasavi**	2,038	20,380	2,038	20,380

\* 4,40,026/- Equity Shares issued on account of Acquisition of Polar cube Cold Storage Solutions Pvt. Ltd. In 2015-16

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

Clause (e), (f), and (h) to (i) (B & C) and (k) to (l) of the Note 6(A) to the Schedule III of the Companies Act, 2013 are not applicable.

#### 4 Note: Reserves & Surplus

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
4	<b>Note: Reserves &amp; Surplus</b>		
	<b>Securities Premium Account</b>		
	Opening Balance	12,59,63,440	12,59,63,440
	Add: Premium on shares issued during the year	-	-
	Less : Utilised during the year	-	-
	Closing Balance	12,59,63,440	12,59,63,440
	<b>Surplus in the statement of Profit and Loss</b>		
	Balance as at the beginning of the year	8,58,67,946	6,89,71,712
	(+) Net Profit for the current year	94,84,355	1,68,96,234
	(+) Transfer from Reserves*	-	-
(-) Net Loss for the current year	-	-	
(-) Proposed Dividends	-	-	
(-) Interim Dividends	-	-	
Closing Balance	9,53,52,301	8,58,67,946	
<b>Total</b>	<b>22,13,15,741</b>	<b>21,18,31,386</b>	

#### 5 Note: Share Application money pending allotment

-	-
-	-

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
6	<b>Note: Long Term Borrowings</b>		
	<b>Secured</b>		
	a) Term Loans *		
	i) From Banks	11,58,07,903	10,53,68,582
	The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	97,93,813	10,69,643
		10,60,14,090	10,42,98,939
	b) Vehicle Loans **		
	i) From Banks	31,89,312	34,80,250
	The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	31,89,312	32,60,747
	ii) From NBFC's	-	2,19,503
	The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	14,04,898	14,71,723
		6,48,768	5,26,198
		7,56,130	9,45,525
	<b>Total Secured Loans</b>	<b>10,67,70,220</b>	<b>10,54,63,967</b>
	<b>Unsecured</b>		
Business Loans ***			
i) From Banks	-	-	
The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	-	-	
ii) From NBFC's	1,09,74,007	1,59,56,280	
The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	68,91,081	1,41,48,383	
Loans from Others	40,82,927	18,07,897	
	-	-	
<b>Total Un-Secured Loans</b>	<b>40,82,927</b>	<b>18,07,897</b>	
	<b>11,08,53,147</b>	<b>10,72,71,864</b>	

\*Term Loans are secured against Fixed Assets of the company, both present and future. (For details Refer Note No 39).

\*\* Vehicles loans are secured by hypothecation of vehicles financed by respective banks. (For details Refer Note No. 39)

\*\*\* The Company availed Unsecured Business Loans from Banking & Non-Banking Financial Institutions (for Details Refer Note No. 39)

## 7 Note: Other Long Term Liabilities

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
7	Other Liabilities	-	60,000
		-	60,000

## 8 Note: Long Term Provisions

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
8	Provision for Gratuity	30,38,549	25,19,718
		30,38,549	25,19,718

\*Provision made as per the Actuarial valuation dated 29.06.2021 (For details refer note no.41)

## 9 Note: Short Term Borrowings

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
9	Secured		
	Loans repayable on demand from Banks *	11,89,91,728	11,19,99,017
	Unsecured		
	Loans and Advances from Related Parties **	4,11,22,505	1,20,01,572
	Other Loans and Advances***	2,10,64,820	1,84,56,069
		18,11,79,053	14,24,56,658

\* Working Capital loans are secured by hypothecation of Stocks & Receivables (present & future) of the Company (For details Refer Note No. 39)

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

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

## 10 Note: Trade Payables

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
10	- Total Outstanding dues of Micro Enterprises and Small Enterprises	-	-
	- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	2,80,17,139	2,66,70,387
		<b>2,80,17,139</b>	<b>2,66,70,387</b>

\* The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:

- Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
- Interest due to suppliers registered under the MSMED Act and remaining unpaid as the year end	-	-
- Principal amounts paid to Suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
- Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
- Interest paid under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
- Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
- Further Interest remaining due and payable for earlier years	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

## 11 Note: Other Current Liabilities

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
11	<u>Current Maturities of Long Term Debt (Secured) (Refer Note No.6)</u>		
	a) Term Loans		
	From Banks	97,93,813	10,69,643
	From NBFC's		
	b) Business Loans		
	From Banks	-	-
	From NBFC's	68,91,081	1,41,48,383
	c) Vehicle Loans		
	From Banks	31,89,312	32,60,747
	From NBFC's	6,48,768	5,26,198
	Interest Accrued and Due on Borrowings **	32,37,686	26,05,533
	Interest Accrued But not Due on Borrowings ***	1,91,302	1,46,080
	Advances received from Customers	45,13,792	12,54,493
	Other Payables****	5,12,61,212	3,05,86,287
		<b>7,97,26,967</b>	<b>5,35,97,363</b>

\*\* Interest Accrued and Due on Borrowings

Consists of On Working Capital Loan

32,37,686

26,05,533

\*\*\* Interest Accrued & But not Due on Borrowings consists of:

    On Business Loans

1,85,775

1,30,202

    On Vehicle Loans

5,527

15,877

\*\*\*\* Other Payables include

    Statutory Liabilities

54,05,889

39,47,784

    Rent Creditors

12,98,535

5,22,951

    Expenses Payable

2,66,69,533

1,89,80,154

    Creditors for Capital Works

53,87,396

71,35,398

    Deferred Government Grants#

1,24,99,860

-

# The Company Received Government Grants in the nature of Subsidy (Grant-In-Aid) from Andhra Pradesh Food Processing Society for setting up 'Ready to Cook foods made of corn'. During the Year, The company received first installment of subsidy (Grant-In-Aid) of Rs. 1, 25, 00,000/- under AP Food Processing Policy 2018-19 and same is utilized to purchase Property, Plant & Equipment.

The deferred Government grant will be recognized in statement of Profit & Loss over the period in proportion in which depreciation expense on the assets is recognized.

## 12 Note: Short Term Provisions

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
12	Provisions for Employee Benefits		
	Provision for Gratuity	2,27,774	1,51,419
	Provisions - Others		
	Provisions for Taxes - Current Year	23,28,830	44,29,690
	Provision for Taxes - Previous year	-	-
		<b>25,56,604</b>	<b>45,81,109</b>



## 13 Property, Plant &amp; Equipment

S. No.	Particulars	Gross Block									
		Balance As At 01.04.2020	Additions	Disposals	Acquisitions through business combinations	Reclassified as held for sale	Revaluation increase	Effect of foreign exchange differences	Borrowing cost capitalised	Other Adj.	Balance As At 31.03.2021
		1	2	3	4	5	6	7	8	9	10= 1+2-3+4-5+6-7+8-9
<b>A</b>	<b>Tangible assets :</b>										
(a)	Computers & Software										
	Owned	25,66,933	2,01,169	-	-	-	-	-	-	-	27,68,102
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-
(b)	Furniture and Fixtures										
	Owned	33,69,505	3,82,488	-	-	-	-	-	-	-	37,51,993
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-
(c)	Plant & Machinery										
	Owned	4,42,29,074	-	-	-	-	-	-	-	-	4,42,29,074
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-
(d)	Office Equipment										
	Owned	14,15,499	-	-	-	-	-	-	-	-	14,15,499
	Taken under	-	-	-	-	-	-	-	-	-	-

	finance lease										
	Given under										
	operating lease	-	-	-	-	-	-	-	-	-	-
(e)	Vehicles										
	Owned	2,38,37,633		-	-	-	-	-	-	-	2,38,37,633
	Taken under										
	finance lease	-	-	-	-	-	-	-	-	-	-
	Given under										
	operating lease	1,21,74,524	-	-	-	-	-	-	-	-	1,21,74,524
(f)	Civil Structures										
	Owned	1,03,27,910	-	-	-	-	-	-	-	-	1,03,27,910
	Taken under										
	finance lease	-	-	-	-	-	-	-	-	-	-
	Given under										
	operating lease	-	-	-	-	-	-	-	-	-	-
(g)	Land										
	Owned	93,57,712		-	-	-	-	-	-	-	93,57,712
	Taken under										
	finance lease	-	-	-	-	-	-	-	-	-	-
	Given under										
	operating lease	-	-	-	-	-	-	-	-	-	-
	<b>Total (A)</b>	<b>10,72,78,790</b>	<b>5,83,657</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,78,62,447</b>
	<b>Previous Year</b>	<b>(10,44,75,409)</b>	<b>(28,03,380)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(10,72,78,790)</b>
<b>B</b>	<b>Intangible</b>										
	<b>assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Grand Total (A + B)</b>	<b>10,72,78,790</b>	<b>5,83,657</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,78,62,447</b>

S. No	Particulars	Accumulated depreciation and impairment						Net block			
		Balance As At 01.04.2020	Depreciated on / amortisation expense for the year	Eliminated on disposal of assets	Adj. due to Change of Accounting policy (i.e from WDV to SLM)	Impairment losses recognised in statement of profit and loss	Reversal of impairment losses recognised in Statement of Profit and Loss	Other adjustments	Balance As At 31.03.2021	Balance As At 31.03.2021	Balance As At 31.03.2020
		11	12	13	14	15	16	17	18=sum(11:17)	19= (10-18)	20= (1 - 11)
<b>A</b>	<b>Tangible assets :</b>										
(a)	Computers & Software										
	Owned	22,26,362	1,73,423	-	-	-	-	-	23,99,784	3,68,318	3,40,571
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-
(b)	Furniture and Fixtures										
	Owned	18,09,338	2,24,776	-	-	-	-	-	20,34,113	17,17,880	15,60,168
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-
(c)	Plant & Machinery										
	Owned	1,66,63,399	29,98,861	-	-	-	-	-	1,96,62,260	2,45,66,814	2,75,65,675
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-
(d)	Office Equipment										
	Owned	10,38,919	1,59,044	-	-	-	-	-	11,97,963	2,17,536	3,76,580
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-

(e) Vehicles											
Owned	1,05,69,730	20,11,851	-	-	-	-	-	1,25,81,581	1,12,56,052	1,32,67,903	
Taken under finance lease	-	-	-	-	-	-	-	-	-	-	
Given under operating lease	85,21,628	8,95,381	-	-	-	-	-	94,17,008	27,57,516	36,52,896	
(f) Civil Structures											
Owned	8,77,138	3,26,871	-	-	-	-	-	12,04,009	91,23,901	94,50,772	
Taken under finance lease	-	-	-	-	-	-	-	-	-	-	
Given under operating lease	-	-	-	-	-	-	-	-	-	-	
(g) Land											
Owned	-	-	-	-	-	-	-	-	93,57,712	93,57,712	
Taken under finance lease	-	-	-	-	-	-	-	-	-	-	
Given under operating lease	-	-	-	-	-	-	-	-	-	-	
<b>Total (A)</b>	<b>4,17,06,513</b>	<b>67,90,206</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,84,96,719</b>	<b>5,93,65,728</b>	<b>6,55,72,277</b>	
<b>Previous Year</b>	<b>(3,37,01,160)</b>	<b>(80,05,352)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,17,06,513)</b>	<b>(6,55,72,277)</b>	<b>(7,07,74,248)</b>	
<b>B Intangible assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>C Capital Work in Progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,85,90,768</b>	<b>14,98,14,074</b>	
<b>Total (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,85,90,768</b>	<b>14,98,14,074</b>	
<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(14,98,14,074)</b>	<b>(7,41,62,387)</b>	
<b>Grand Total (A + B + C)</b>	<b>4,17,06,513</b>	<b>67,90,206</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,84,96,719</b>	<b>22,79,56,495</b>	<b>21,53,86,351</b>	

## 14 Note : Non-current investments

Not e No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
14	Long Term Investments - at cost		
	(a) Trade Investments	-	-
	(b) Other Investments		
	Quoted	-	-
	Unquoted		
	Investments in equity instruments of subsidiaries		
	4,45,000 Equity Shares of Polar Cube Cold Storage Solutions (P) Ltd. of Rs.10/- each fully paid up	74,80,450	74,80,450
	2,67,000 Equity Shares of Squarepeg Distribution Services (P) Ltd. of Rs.10/- each fully paid up	43,30,740	43,30,740
	Government and Trust Securities:		
	2.75% Sovereign Gold Bonds Feb 2024 (TR-II)	1,30,000	1,30,000
	(50 Grams at a Face Value of Rs.2,600 per gram)		
		<b>1,19,41,190</b>	<b>1,19,41,190</b>

Aggregate Amount of quoted Investments	1,30,000	1,30,000
Market Value of Quoted Investments	2,25,965	2,00,129
Aggregate Amount of Unquoted Investments	1,18,11,190	1,18,11,190
Aggregate provision for diminution in value of Investments.	-	-

## 15 Note: Long Term Loans &amp; Advances

(a) Capital Advances		
Secured, considered good	-	-
Unsecured, considered good	7,10,78,924	5,89,69,180
Doubtful	-	-
(b) Security Deposits		
Rent Deposit	6,92,100	6,92,100
Other Deposits	2,04,450	2,04,450
(c) Loans & Advances to related parties	-	-
(d) Loans & Advances to Employees	-	-
(e) Prepaid Expenses	-	-
(f) Advance Income Tax (Unsecured, Considered good)	65,75,701	65,75,701
(g) MAT Credit Entitlement	28,83,786	28,83,786
(h) Balances with Government Authorities	-	-
(i) Other Loans & Advances		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
	<b>8,14,34,961</b>	<b>6,93,25,217</b>
Less: Provision for other doubtful loans & advances	-	-
	<b>8,14,34,961</b>	<b>6,93,25,217</b>
<b>Note: Long Term Loans &amp; Advances include amounts due from</b>		
Directors - (Rent Deposit)	30,000	30,000
Other Officers of company	-	-
Firms in which any director is a partner	-	-
Private companies in which any director is a director or member	-	-

**16 Note: Other Non-Current Assets**

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
	(a) Long-term trade receivables	-	-
	(b) Unamortised expenses ( to the extent not written off or not adj.)	-	-
	(c) Accruals	-	-
	(d) Other Non-current Assets	-	-
		-	-

**17 Note : Current investments**

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
	Short Term Investments - at cost		
	(a) Trade Investments	-	-
	(b) Other Investments (Investment in Equity Shares)		
	Quoted	-	-
	Unquoted	-	-
		-	-

**18 Note: Inventories**

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
	(a) Raw materials	79,16,333	65,98,362
	Goods-in-transit	-	-
	(b) Work-in-progress	15,32,068	4,80,893
	Goods-in-transit	-	-
	(c) Finished goods / Stock in Trade	31,79,13,419	26,16,39,220
	Goods-in-transit	-	-
	(d) Stores and spares	-	-
	Goods-in-transit	-	-
	(e) Loose tools	-	-
	Goods-in-transit	-	-
	(f) Others (Specify nature)	-	-
	Goods-in-transit	-	-
		<b>32,73,61,820</b>	<b>26,87,18,475</b>

- Mode of Valuation  
As per Accounting policy Refer No. 2.90

**19 Note: Trade Receivables**

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
19	Secured, considered good		
	- Outstanding for a period exceeding six months from the date they were due for payment	-	-
	- Others	-	-
	Unsecured, considered good		
	- Outstanding for a period exceeding six months from the date they were due for payment	-	-
	- Others	2,49,75,444	2,80,57,765
	Unsecured Considered Doubtful	-	-
	- Outstanding for a period exceeding six months from the date they were due for payment	-	-
	- Others	-	-
		2,49,75,444	2,80,57,765
Less: Provision for doubtful trade receivables	-	-	
	2,49,75,444	2,80,57,765	
Trade receivables include debts due from:			
Directors	-	-	
Firms in which any director is interested (M/s Sri Sai Agencies, Proprietorship)	62,14,350	29,14,691	
Other officers of the Company	-	-	
Private companies in which any director is a director or member (give details per company)	-	-	
Wholly Owned Subsidiaries		18,47,246	

**20 Note: Cash and Bank Balances**

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
20	(a) Cash and Cash Equivalents		
	(i) Balances with banks;		
	- In Current Accounts	53,642	5,58,517
	(ii) Cheques, drafts on hand		-
	(iii) Cash on hand	24,78,803	31,45,261
(b) Other Bank balances			
- In Deposit Accounts	-	-	
	25,32,445	37,03,778	



## 21 Note: Short Term Loans &amp; Advances

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
21	(a) Loans & Advances to related parties	-	-
	(b) Security deposits	-	-
	(c) Loans and advances to employees		
	Secured, considered good	-	-
	Unsecured, considered good	22,95,730	31,69,383
	Doubtful	-	-
	(d) Prepaid expenses - Unsecured, considered good *	10,49,885	10,57,197
	(e) Balances with government authorities		
	Unsecured, considered good		
	Advance Tax and TDS	1,21,259	1,83,246
	(f) Inter-corporate deposits	-	-
	(g) MAT Credit entitlement - Unsecured, considered good	-	-
	(h) Other Loans & Advances **		
	Secured, considered good	-	-
	Unsecured, considered good	17,99,773	14,20,560
	Doubtful	-	-
		52,66,647	58,30,386
	Less: Provision for other doubtful loans and advances		-
		<b>52,66,647</b>	<b>58,30,386</b>
	* "Prepaid Expenses" pertains to Insurance, Annual Maintenance Contracts.		
	<b>** Other Loans &amp; Advances includes</b>		
	Advances to Suppliers	7,63,605	4,76,952
	Advance for Expenses	1,08,350	8,22,882
	Other Advances	27,818	1,20,726
	<b>Note: Short Term Loans &amp; Advances include amounts due from Directors</b>	-	-
	Other Officers of company	-	6,278
	Firms in which any director is a partner	-	-
	Private companies in which any director is a director or member	-	-
	Note: Short Term Loans & Advances include amounts due from Directors	-	-

## 22 Note: Other Current Assets

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
22	(a) Unbilled revenue	-	-
	(b) Unamortized expenses	10,21,743	18,90,595
	(c) Accruals	-	-
	(d) Other Current Assets	7,96,154	6,64,653
		<b>18,17,897</b>	<b>25,55,248</b>
	<b>Note: Other Current Assets include amounts due from Directors</b>	-	-
	Other Officers of company	-	-
	Firms in which any director is a partner	-	-
	Private companies in which any director is a director or member	-	-
	Wholly Owned Subsidiaries	-	-

**23 Note: Revenue from operations**

Note No.	Particulars	For the year ended 31.03.2021 Amount in Rs.	For the year ended 31.03.2020 Amount in Rs.
	Sales - Manufacturing and Processing	58,38,36,459	79,31,91,891
	Sales - Trading	1,39,01,910	2,39,34,472
		<b>59,77,38,369</b>	<b>81,71,26,362</b>
	<b>Sale of Goods under broad heads;</b>		
	- Frozen Products	49,24,40,236	67,55,63,003
	- Dairy and Other Misc.	1,39,01,910	2,39,34,472
	- Corn Samosa	3,88,78,618	4,25,37,198
	- Corn Spring Roll	1,75,54,591	2,89,05,611
	- Corn Kernels and Other Misc.	3,49,63,014	4,61,86,078
		<b>59,77,38,369</b>	<b>81,71,26,362</b>

**24 Note: Other income**

Note No.	Particulars	For the year ended 31.03.2021 Amount in Rs.	For the year ended 31.03.2020 Amount in Rs.
24	Corp. Office Sub-Let Income	90,000	1,20,000
	Income through hiring of Vehicles	-	36,20,910
	Other Income	40,76,246	32,12,146
	Profit on sale of Asset / Investment	-	-
		<b>41,66,246</b>	<b>69,53,056</b>

**25 Note: Cost of Materials consumed**

Note No.	Particulars	For the year ended 31.03.2021 Amount in Rs.	For the year ended 31.03.2020 Amount in Rs.
25	<b>Raw Material Consumed</b>		
	Opening Inventory	65,98,362	64,95,838
	Add: Purchases (Net)	57,86,67,376	72,23,87,491
	Less: Inventory at the end of the year	79,16,333	65,98,362
	Cost of Raw Materials Consumed during the year	<b>57,73,49,405</b>	<b>72,22,84,967</b>
	Add : Direct Expenses	35,72,352	1,48,30,217
	<b>Total</b>	<b>58,09,21,757</b>	<b>73,71,15,184</b>

**26 Note: Purchase of Stock - in -Trade**

Note No.	Particulars	For the year ended 31.03.2021 Amount in Rs.	For the year ended 31.03.2021 Amount in Rs.
	Purchase - Stock In Trade	97,99,349	1,08,68,047
		<b>97,99,349</b>	<b>1,08,68,047</b>
	Purchase of Goods / Raw Materials under broad heads;		
	-Frozen Products & corn Kernals.	57,43,58,340	71,00,53,056
	-Other Traded Products	97,99,349	1,08,68,047
	-Other Misc.	43,09,037	1,23,34,435
		<b>58,84,66,725</b>	<b>73,32,55,538</b>

**27 Note: Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Note No.	Particulars	For the year ended 31.03.2021 Amount in Rs.	For the year ended 31.03.2020 Amount in Rs.
27	<u>Inventories at the end of the year:</u>		
	Finished Goods / Stock In Trade	31,79,13,419	26,16,39,220
	Work In Progress	15,32,068	4,80,893
		<b>31,94,45,587</b>	<b>26,21,20,113</b>
	<u>Inventories at the beginning of the year:</u>		
	Finished Goods / Stock In Trade	26,16,39,220	23,65,63,488
	Work In Progress	4,80,893	6,27,299
		<b>26,21,20,113</b>	<b>23,71,90,787</b>
	Net increase / (decrease)	<b>5,73,25,374</b>	<b>2,49,29,326</b>

**28 Note: Employee benefit expenses**

Note No.	Particulars	For the year ended 31.03.2021 Amount in Rs.	For the year ended 31.03.2020 Amount in Rs.
28	Salaries and Wages	94,96,955	1,20,91,837
	Directors Remuneration	19,35,000	22,40,000
	Contribution / Provision to provident and other funds *	15,15,856	21,86,588
	Staff Welfare Expenses	4,64,084	8,71,759
		<b>1,34,11,895</b>	<b>1,73,90,184</b>

\* Includes contribution to Employee Provident fund, Employee State Insurance Scheme and Gratuity. For details on Gratuity refer Note 41.

## 29 Note: Finance costs

Note No.	Particulars	For the year ended 31.03.2021 Amount in Rs.	For the year ended 31.03.2020 Amount in Rs.
29	Interest Expense		
	Interest	2,15,61,939	2,46,98,424
	Interest on others *	3,94,925	5,68,642
	Other Borrowing Costs:		
	Loan Processing Charges	4,25,710	8,71,047
	Other Finance Expenses:		
	Bank charges	4,09,594	5,39,824
		<b>2,27,92,169</b>	<b>2,66,77,937</b>

\* includes Interest on TDS, Service Tax & VAT.

## 30 Note: Other Expenses

Note No.	Particulars	For the year ended 31.03.2021 Amount in Rs.	For the year ended 31.03.2020 Amount in Rs.
30	<b>Administrative Expenses:</b>		
	Administrative Expenses	5,41,480	20,97,450
	Audit Fee	4,00,000	4,00,000
	Consultancy Fee	53,050	5,44,343
	Donations	14,500	29,150
	Electricity Charges	20,99,498	30,39,940
	Fuel Expenses	28,00,425	43,32,395
	Insurance on Fixed Assets	32,666	70,809
	Miscellaneous Expenses	43,617	2,64,685
	Net, Cable & News Paper Bill	39,367	26,997
	Office Maintenance	1,20,747	6,33,004
	Postage & Telegrams	4,390	11,937
	Printing & Stationery	1,72,863	2,68,929
	Rent Expenses	21,41,038	18,82,747
	Repairs & Maintenance	5,67,720	7,13,869
	Royalty Expenses	2,40,000	2,40,000
	Stock Insurance	2,19,061	1,46,174
	Taxes & Licenses	6,51,661	31,38,495
	Telephone & Internet Charges	1,29,920	1,97,401
	Travelling, Boarding & Conveyance	53,153	1,42,612
	Vehicle Insurance	4,78,198	5,30,409
	Vehicle Maintenance	8,20,396	10,68,067
	Website Design Charges	1,66,188	-
	Miscellaneous Expenses Written off	8,68,852	8,68,852
	<b>Selling &amp; Distribution Expenses</b>		
	Advertising & Marketing Expenses	1,14,587	2,41,890
	Business Promotion	19,605	8,00,449
	Counter Expenses	38,307	5,26,098
	Transportation Charges	9,85,572	53,82,795
		<b>1,38,16,859</b>	<b>2,75,99,496</b>

**31 Note: Auditors Remuneration**

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
<b>31</b>	Payments to Auditors Comprises:		
	As Auditors - Statutory Audit	3,00,000	3,00,000
	For taxation matters	1,00,000	1,00,000
	For company law matters	-	-
	For management services	-	-
	For other services	-	-
	Reimbursement of Expenses	-	-

**32 Note: Deferred Tax Liability / (Deferred Tax Asset) (Net)**

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
<b>32</b>	Deferred Tax Liability on account of		
	i) Depreciation and Amortisation	2,35,226	2,65,167
	ii) Miscellaneous expenditure written off	132	132
	<b>Total</b>	<b>2,35,358</b>	<b>2,65,300</b>
	Deferred Tax Assets on account of		
	i) Gratuity	1,65,581	2,40,425
	ii) Professional Tax	-	-
	<b>Total</b>	<b>1,65,581</b>	<b>2,40,425</b>
	Net Deferred Tax Liability	<b>69,778</b>	<b>24,874</b>

**33 Note: Related Party Disclosures**

S.No.	Name of the Related Party	Nature of Relationship
1	Sri. A. Sri Nagaveer	Key Managerial Personnel
2	Smt. A. Vasavi	Key Managerial Personnel
3	Sri. A. Sarat Chandra Babu	Key Managerial Personnel
4	Smt. A. Sarada	Key Managerial Personnel
5	Mr. Avneet Singh Kohli	Key Managerial Personnel (Resigned as CS w.e.f. 10.11.2020 )
6	Mr. Marredupally Srinivasa Reddy	Key Managerial Personnel (Resigned as CFO w.e.f. 05.04.2021 )
7	Ms. Roselyn Villuri	Key Managerial Personnel (Appointed as CFO w.e.f. 05.04.2021 )
8	M/s Squarepeg Distribution Services Pvt Ltd	Wholly Owned Subsidiary
9	M/s Polar Cube Cold Storage Solutions Pvt Ltd	Wholly Owned Subsidiary
10	M/s Sri Sai Agencies (Prop. A Sri Nagaveer)	Enterprise over which Directors having Significant Influence (EDS)

**Transactions with Related Parties:**

S.No.	Nature of Transaction	FY 2020-21				FY 2019-20			
		KMP	EDS	Subsidiary	Total	KMP	EDS	Subsidiary	Total
1	Remuneration	19,35,000			19,35,000	22,40,000	-	-	22,40,000
2	Salary	49,46,853			49,46,853	56,25,819	-	-	56,25,819
3	Rent (Expenses)	5,48,480			5,48,480	3,24,720	-	-	3,24,720
4	Royalty (Expenses)	-	2,40,000		2,40,000	-	2,40,000	-	2,40,000
5	Freezer Placing Expenses	-	-	6,00,000	6,00,000	-	-	6,00,000	6,00,000
6	Vehicle Hire Charges (Income)	-	-	-	-	-	-	36,20,910	36,20,910
7	Purchases	-	1,80,000	-	1,80,000	-	-	-	-
8	Sales	-	7,29,881	-	7,29,881	-	12,21,473	-	12,21,473
9	Transport Charges	-	-	-	-	-	-	38,81,000	38,81,000
10	Unsecured Loans (Recd. & Repaid)	2,91,20,932	-	-	2,91,20,932	1,11,07,430	-	-	1,11,07,430
11	Sale of Vehicles	-	-	-	-	-	-	-	-

## Balances with Related Parties As At 31.03.2021 :

S.No.	Nature of Transaction	FY 2020-21				FY 2019-20			
		KMP	EDS	Subsidiary	Total	KMP	EDS	Subsidiary	Total
1	Rent Deposit	30,000	-	-	30,000	30,000	-	-	30,000
2	Remuneration / Salary Payable	51,70,580	-	-	51,70,580	15,83,295	-	-	15,38,295
3	Rent Payable	2,66,066	-	-	2,66,066	-	-	-	-
4	Advance to Suppliers	-	-	-	-	6,278	-	-	6,278
5	Trade Receivables	-	62,14,350	-	62,14,350	-	29,14,691	18,47,246	47,61,938
6	Trade Payables	-	-	-	-	-	-	-	-
7	Expenses Payable	-	-	73,95,157	73,95,157	-	-	31,12,630	31,12,630
8	Investments	-	-	1,18,11,190	1,18,11,190	-	-	1,18,11,190	1,18,11,190
9	Loans and Advances	-	-	-	-	-	-	-	-
10	Unsecured Loans	4,11,22,505	-	-	4,11,22,505	1,20,01,572	-	-	1,20,01,572
11	Advance Received From Customers	-	-	-	-	-	-	-	-



Disclosure in respect of material transactions during the year:

S. No.	Particulars	FY 2020-21	FY 2019-20
<b>1</b>	<b><u>Directors Remuneration</u></b>		
	Smt. A. Vasavi	15,75,000	18,00,000
	Sri. A. Sarat Chandra Babu	3,60,000	3,60,000
<b>2</b>	<b><u>Directors Sitting Fee</u></b>		
	Sri. N Naveen	-	40,000
	Sri. R V Radha Krishna	-	40,000
<b>3</b>	<b><u>Salary</u></b>		
	Sri. A. Sri Nagaveer	36,75,000	42,00,000
	Mr. M Srinivasa Reddy	9,55,853	9,72,486
	Mrs. Shilpa Kotagiri	-	-
	Mr. Avneeth Singh Kohli	3,16,000	4,53,333
<b>4</b>	<b><u>Rent (Expenses)</u></b>		
	Smt. A. Vasavi	5,48,480	3,24,720
<b>5</b>	<b><u>Freezer Placing Expenses</u></b>		
	M/s. Polar Cube Cold Storage Solutions Private Limited	6,00,000	6,00,000
<b>6</b>	<b><u>Transport Charges</u></b>		
	M/s. Squarepeg Distribution Services Private Limited	-	38,81,000
<b>7</b>	<b><u>Royalty (Expenses)</u></b>		
	M/s. Sri Sai Agencies (Prop. A. Sri Nagaveer)	2,40,000	2,40,000
<b>8</b>	<b><u>Rent (Income)</u></b>		
	M/s. Squarepeg Distribution Services Private Limited	-	36,20,910
<b>9</b>	<b><u>Sales</u></b>		
	M/s. Sri Sai Agencies (Prop. A Sri Nagaveer)	7,29,881	12,21,473
<b>10</b>	<b><u>Purchases</u></b>		
	M/s, Sri Sai Agencies (Prop. A Sri Nagaveer)	1,80,000	-

## 34 Note: Earnings Per Share

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
	Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (INR)	94,84,355	1,68,96,234
	<b>Profit before Exceptional, Extraordinary Items &amp; Prior-period;</b>	94,84,355	1,63,02,876
	<b>Profit before Exceptional, Extraordinary Items &amp; Prior-period;</b>	94,84,355	1,63,02,876
	No of Equity shares	53,66,775	53,66,775
	Face value per share (INR)	10.00	10.00
	Weighted average No of Equity shares (For Basic Earnings)	53,66,775	49,10,611
	Weighted average No of Equity shares (For Diluted Earnings)	53,66,775	49,10,611
	<b>EPS before Exceptional, Extraordinary Items ;</b>		
	Basic Earnings per share (INR)	1.77	3.15
	Diluted Earnings per share (INR)	1.77	3.15
	<b>EPS after Exceptional, Extraordinary Items ;</b>		
	Basic Earnings per share (INR)	1.77	3.15
	Diluted Earnings per share (INR)	1.77	3.15

The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.

## 35 Note: Earnings in foreign currency

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
	Export of Goods calculated on FOB basis	-	-

## 36 Note: Expenditure in foreign currency

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
	CIF Value of import of Capital Goods	-	1,46,06,168

## 37 Note: Tax Expense

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
	The Tax Expenses for the year comprises of;		
	Income Tax	21,43,622	44,31,436
	Current Year	23,28,830	44,29,690
	Less : MAT Credit	-	-
	Previous Year	(1,85,208)	1,746
	Deferred Tax	69,778	24,874

**38 Note: Obligations towards operating leases**

The Company has Significant Operating lease arrangements for premises. These lease arrangements range for a period between 11 Months and 15 Years which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses. The company has entered into some sub-leases and all such sub-leases are cancellable and are for a period of 11 months, with an option of renewal on mutually agreeable terms..

Note No.	Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
	Lease payments recognized in the Statement of Profit and Loss	21,41,038	18,82,747
	Sublease payments received / receivable recognized in the Statement of Profit and Loss	90,000	1,20,000
	With respect to Non-cancellable operating leases, the future minimum lease payments are as follows.		
	Future minimum lease payments		
	not later than one year	16,30,268	15,32,049
	later than one year and not later than five years	51,48,490	53,03,191
	later than five years	12,51,360	23,01,427
	The future minimum lease rental obligation under non-cancellable operating leases in respect of these assets is on account of lock-in period and notice period in some of the lease agreements entered by the company for operating of offices:		
	On account of Lock-in Period	-	-
	On account of Notice Period	-	-

## Note No. 39

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

Sl No.	Lender	Primary Security	Collateral Security	Terms of Payment	Int. Rate
1	Indian Bank (Term Loan)- 12.75cr  (Sanctioned limit of rs. 14.00cr reduced by first instalment of subsidy of Rs. 1.25 cr received date. 29.06.2020)	1. EM of Ac 3.50 of land in Survey No Sy No. 37-4, 37-5, 41-1, 41-2, Seetaramapuram Village, Nuzvidu Mandal, Krishna District. 2. EM of Factory Buildings to be constructed there on. 3. Hypothecation of Plant and Machinery to be purchased by the company.	1. Equitable mortgage of property belonging to promoter as specified in the below schedule.	Repayable in 30 Quarterly installments Starting from June 2022;	1Y MCLR + 3% (Presently 11.35%)
2	Indian Bank (Term Loan-IDC)-2.00Cr.  The facility got sanctioned dt.01.01.21 but not yet availed by the Company			Repayable in 20 Quarterly installments starting from June 2022.	1Y MCLR + 3% (Presently 10.30%)
3	Union Bank of India (Term Loan) - 1.23 Cr	Hypothecation of all the equipments procured and fixed assets acquired from the Term Loan	EM of Plot No.151 & 152, L.P No.33/2013/VJS, R.S No. 262/1, 263, 273/3B, beside Airport Area, Kesarapalli (V) and GP, Gannavaram(M), Krishna Dist. Admeasuring 721 Sq. Yards	1. Repayable in 24 Quarterly installments of Rs.5,12,500 commencing from September 2014. 2. Rs.6.15 lakhs outstanding as at 31.03.2021 due to Moratorium given by the Bank.	Interest rate - 13.25% p.a (Base rate + 2.50% + 0.50%)

4	Union Bank of India (CELC) - 1.02 Cr (As per sanction letter dt. 31.08.2020)	Hypothecation of Inventory and receivables	Collateral Security given for OCC & Term Loan are given for this CELC Limit also.	Repayable in 18 Equated Monthly installments of Rs. 5,66,667/- (after moratorium period of 6 months from the date of first disbursement) commencing from April 2021.	Interest Rate - 8.00% p.a. (Fixed)
5	a. Union Bank of India (FITL) - 0.63 Cr (As per sanction letter dt. 15.09.2020) b. Overdue of Rs.0.22 Cr outstanding as on 31.03.2021	Hypothecation of Inventory and receivables		Repayable in 6 Equated Monthly installments of Rs. 10,42,819/- commencing from October 2020.	Interest Rate - 10.80% p.a. As applicable to regular CC (HYP) Account

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

Sl.No	Lender	Primary Security	Collateral Security	Terms of Payment	Int. Rate
1	a. Union Bank of India (CC) - 10.20 Cr as per sanction letter Dt. 13.07.2020  b. Loan outstanding of Rs 12.23 Crores as at 31.03.2021 i.e. excess drawn of Rs 2.03 Crores  c. the said CC Limit is due for renewal w.e.f. 24.06.2021	Hypothecation of stock in trade and receivables	1. Equitable Mortgage of properties belonging to Promoters & their friends and family members as specified in the below schedule in the name of the persons as detailed below  2. Hypothecation of plant and machinery and other fixed assets after excluding the value of vehicles from WDV of Fixed Assets since the company has taken vehicle loans from other Banks	On demand  Margins : Stock in trade - 25% Receivables -30% - Receivables not older than 90 days which are not financed by way of purchase / discount of bills	EBLR (6.80) + 4.25% - 0.25% = 10.80% p.a.

**1.3 Schedule of Collateral property**

Sl no	Type	Belonging To	Address	Offered to	Others
1	Residential Flat (UDS 45 Sq.Yds, extent of 1279 Sft. Including common area)	Adusumilli Sri Nagaveer	Flat No. FF2 in First floor, Sai Ganesh Apartment situated at D.No 59A-7-28 & 29, RS No. 134/2, Municipal Ward No. 32/5, State Bank of Hyderabad Staff Colony, Patamata, Vijayawada Municipal Corporation	Indian Bank	
2	Residential Vacant Site (721 Sq.Yds)	Adusumilli Vasavi W/o Nagaveer	Plot No.151 & 152, L.P No.33/2013/VJS, R.S No. 262/1, 263, 273/3B, beside Airport Area, Kesarapalli (V) and GP, Gannavaram(M), Krishna Dist.	Union Bank of India	1. The Property is offered as Prime Security at 125% of Outstanding amount of TL with Union Bank of India. 2. Residual Value available for Collateral Security
3	Vacant House Plot (209 Sq.Yds)	Tammareddy Venkataratnam S/o Seetharamaiah	Plot No.980, Near Door No. 2-94, Tadigadapa Donka Road, LRS No.3571/2008, R.S No.95/1, Poranki Village and GP, Janachaitanya Layout, Penamaluru Mandal, Vijayawada, Krishna Dist.	Union Bank of India	
4	Vacant House Plot (331.89 Sq.Yds)	Adusumilli Vasavi W/o Nagaveer	R.S No. 302 to 310, 320, 321, 322, 324, 361, 363 to 365, 384, 385, 387 to 391, 399, Plot no. 295, LIG, Nallagandla HUDA Residential Complex, Nallagandla (V), Serilingampally, GHMC & Mandal, Hyderabad, Rangareddy Dist.	Union Bank of India	
5	Residential Flat (UDS 61.04 Sq.Yds)	Adusumilli Vasavi W/o Nagaveer	Flat No.PH-5, Fourth floor at D. No. 59-1-15/1, Sai Kakatiya Apartments, Ramanchandra Nagar, Old 5th No. Route, near Stella College, Vijayawada	Union Bank of India	
6	Residential Flat (UDS 61.04 Sq.Yds)	Adusumilli Saratchandra Babu	Flat No. S-4 Second floor, Sai Kakatiya Apartments, R S No 8, D No 59-1-15/1, No 5 Bus route, Ashok Nagar, Ramachandra Nagar, Patamata, Vijayawada	Union Bank of India	

7	Residential House Plot (200 Sq.Yds)	Adusumilli Sri Nagaveer	R.s No. 278/3, plot No.171, RS No. 278/3, Kesarapalli Village, Gannavaram mandal, Krishna Dist.	Union Bank of India	
8	Residential Flat (61.04 Sq.Yds)	Adusumilli Saratchandra Babu	Flat No. F-4 First floor, Sai Kakatiya Apartments, R S No 8, D No 59-1-15/1, No 5 Bus route, Ashok Nagar, Ramachandra Nagar, Patamata, Vijayawada	Union Bank of India	
9	Residential House Plot (365 Sq.Yds)	Adusumilli Vasavi W/o Nagaveer	R.s No. 263, plot No.95, LP No. 33/2012, Saipriya Construction Layout, Backside of Airport Area Kesarapalli Village, Gannavaram mandal, Krishna Dist.	Union Bank of India	
10	Residential Flat (UDS 27.90 Sq.Yds)	Mr. Maddali Vijayewara Prasad S/o Rama Koteswara Rao	Flat No.F-1, First floor, D.No.57-13-158, Anadam Heights, 2nd west veedhi, New Postat Cotony, Patamata, Vijayawada.	Union Bank of India	
11	Hypothecation of Plant & Machinery and other Fixed Assets	Tanvi Foods (India) Limited	Computers and Software, Furniture and Fixtures, Plant and Machinery, Office Equipment	Union Bank of India	



## 1.4 Personal Guarantees of the following persons:

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

## Note 39A

No.

## Vehicle Loans

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

Sl.No	Lender	Category	Terms of Payment	ROI
1	Axis Bank Vehicle Loan - 752057 - Honda Jazz	Bank	1. Repayable in 60 Monthly Installments of Rs. 17128/- each commencing from 15-Mar-2016 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 Months.	9.90%
2	Axis Bank Vehicle Loan - 037079 - Eicher Pro 1	Bank	1. Repayable in 47 Monthly Installments of Rs. 86770/- each commencing from 15-Oct-2016 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 Months.	11.02%
3	Axis Bank Vehicle Loan - 037080 - Eicher Pro 2	Bank	1. Repayable in 47 Monthly Installments of Rs. 86770/- each commencing from 15-Oct-2016 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 Months.	11.02%

4	Axis Bank Vehicle Loan - 037094 - Eicher Pro 3	Bank	1. Repayable in 47 Monthly Installments of Rs. 84140/- each commencing from 15-Oct-2016 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 Month	11.02%
5	Axis Bank Vehicle Loan - 037098 - Eicher Pro 4	Bank	1. Repayable in 47 Monthly Installments of Rs. 84140/- each commencing from 15-Oct-2016 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 Months.	11.02%
6	Toyoto Vehicle Loan - 124839 - Innova Crysta	Financial Institution	1. Repayable in 60 Monthly Installments of Rs. 48870/- each commencing from 20-Jan-2018 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 Month	8.17%
7	Axis Bank Vehicle Loan - 172759 - Mahindra Camper	Bank	1. Repayable in 47 Monthly Installments of Rs. 18039/- each commencing from 20-Jun-2018 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 Months.	11.50%

## Unsecured Business Loans

Sl.No	Lender	Category	Terms of Payment	ROI
1	Capital First Limited - Business Loan	Financial Institution	1. Repayable in 36 Monthly Installments of Rs. 179468/- each commencing from 02-Sep-2018 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. 3. The Company has not paid 5 Installments from Sept'20 to Jan'21. Then the loan has been restructured and sanctioned moratorium for 6 months from Feb'21 to July'21. Remaining 25 Installments commencing from Aug'21.	19.00%
2	Oxyzo Financial Services Private Limited - Business Loan	Financial Institution	Repayable in 12 Quarterly Installments of Rs. 250000/- each commencing from 19-Mar-2019 Balance No. of installments - 4	19.00%
3	Oxyzo Financial Services Private Limited - Business Loan - Puchase Financing	Financial Institution	Repayable in 90days from the date of payment to Suppliers/ Service Providers / Other creditors	19.00%
4	Clix Capital Services Private Limited - Business Loan	Financial Institution	1. This loan has been restructured in Jan'21 with EMI moratorium for Feb'21 to Jul'21. 2. Repayble in 14 installments of Rs.1,39,145/- each commencing from Aug'21 to Sept'22 and balance 6 installements of Rs.2,16,448/- each from Oct'22 to Mar'23.	18.50%
5	Incred Financial Services Limited - Business Loan	Financial Institution	1.Repayable in 18 monthly Installments of Rs. 162921/- each commencing from 07-May-2019 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20.	19.50%
6	Intellectash Microfiance Network Company (Aarohan) - Business Loan	Financial Institution	1. This loan has been settled for Rs.19.00 Lakhs vide settlement letter dt.23.03.2021 with 5 installments as detailed below a. Rs.2.00 lakhs on 23.03.2021 b. Rs.2.00 lakhs on 20.04.2021 c. Rs.5.00 lakhs on 20.05.2021 d. Rs.5.00 lakhs on 20.06.2021 e. Rs.5.00 lakhs on 20.07.2021	29.00%
7	TATA Capital Financial Services Private Limited - Business Loan	Financial Institution	1. This loan has been settled for Rs.15.00 Lakhs vide settlement letter dt.22.03.2021 with 4 installments as detailed below a. Rs.8.50 lakhs on 26.03.2021 b. Rs.2.16 lakhs on 26.04.2021 c. Rs.2.16 lakhs on 27.05.2021 d. Rs.2.18 lakhs on 28.06.2021	18.00%

**40 Note: Contingent Liabilities:**

Following are the claims against the Company that are not acknowledged as debts.

Sl. No.	Name of the Statute	Nature of Dues	Disputed Amount	Period	Forum, where the dispute is pending	Amount deposited towards disputed demand amount	Remarks
1	Income Tax Act, 1961	Income Tax	95,10,208	2012-13	Income Tax Appellate Tribunal (ITAT)	31,45,000	1. Rs.5 lakhs paid on 17.06.2016 2. Rs.5 lakhs paid on 02.08.2016
2	Income Tax Act, 1961	Interest on Income Tax	45,09,652	2012-13			3. Rs.10 lakhs paid on 05.02.2020 4. Rs.3 lakhs paid on 07.02.2020 5. Rs.2 lakhs paid on 10.02.2020 6. Rs.3.50 lakhs paid on 13.02.2020 7. Rs.2.95 lakhs paid on 13.02.2020
3	Income Tax Act, 1961	Income Tax	55,59,345	2013-14	Income Tax Appellate Tribunal (ITAT)	13,73,115	1. Rs.11.78 lakhs paid on 08.03.2017 2. Rs. 0.70 Lakhs paid on 14.02.2020 3. Rs.1.25 lakhs paid on 17.02.2020
4	Income Tax Act, 1961	Interest on Income Tax	22,94,758	2013-14			
5	Income Tax Act, 1961	Income Tax	86,98,400	2014-15	Income Tax Appellate Tribunal (ITAT)	20,47,586	1. Rs.2 lakhs paid on 05.06.2017 2. Rs.5 lakhs paid on 14.06.2017
6	Income Tax Act, 1961	Interest on Income Tax	25,70,160	2014-15			3. Rs.9.88 lakhs paid on 16.06.2017 4. Rs.1.60 lakhs paid on 14.02.2020 5. Rs. 2 lakhs paid on 15.02.2020
7	Income Tax Act, 1961	Income Tax	25,56,094	2015-16	Income Tax Appellate Tribunal (ITAT)	10,000	1. Rs. 0.10 lakhs paid on 22.10.2019
8	Income Tax Act, 1961	Income Tax	-	2016-17	ITO, Ward 2(4), Hyderabad	-	Assessment proceedings are opened under Section 148 of the Income Tax Act and notice is issued to the company to file the return of Income under Section 148
9	Income Tax Act, 1961	Income Tax	3,94,460	2017-18	CPC, Bangalore	-	Notice of Demand issued by CPC
10	Income Tax Act, 1961	Income Tax	1,80,060	2018-19	CPC, Bangalore	-	Notice of Demand issued by CPC

Income Tax Appellate Tribunal (ITAT) pronounced order dt 12th May 2021 for FY 2012-13, FY 2013-14 & FY 2014-15 stating that Tanvi is eligible for deduction under Sec 80IB (11A) on the Income declared in Income Tax Return filed for the respective assessment years. ITAT directed Assessing Officer (AO) to recalculate the eligible profit u/sec 80IB (11A) and pass necessary order accordingly. MAT Credit is eligible for the amount, if any, needs to be paid.

Income Tax Appellate Tribunal (ITAT) pronounced order dt 10th Jun 2021 for FY 2015-16 stating that appeal is partly allowed. M/s Tanvi Foods (India) Limited (Assesse) is not eligible for deduction u/sec 80IB (11A) on some of income / receipts. ITAT directed Assessing Officer (AO) to recalculate the eligible profit u/sec 80IB(11A) and pass necessary order accordingly.

It is not practicable for the Company to estimate the timings & amount of cash outflows, if any, for FY 2012-13, FY 2013-14, FY 2014-15 & FY 2015-16 since the same is pending with Assessing Officer has to recalculate eligible profit u/sec 80IB(11A) as per ITAT Order. But above disputed amounts may be reduced to some extent.

It is not practicable for the Company to estimate the timings of cash outflows, if any, for FY 2016-17, FY 2017-18 & FY 2018-19 in respect of the above pending resolution of the respective proceedings.

**41 Note: Retirement Benefits :**

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

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

Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
<b>Changes in Present value of Obligation :</b>		
Opening defined benefit obligation	26,71,137	18,06,919
Interest cost	1,81,370	1,38,229
Current services cost	6,60,907	6,79,562
Benefits paid	-	-
Actuarial (gains)/losses on obligation	(2,47,091)	46,427
Defined Benefit Obligation at the end	<b>32,66,323</b>	<b>26,71,137</b>
<b>Asset and Liability (Balance Sheet) Position</b>		
Present Value of Defined benefit obligations at the end	32,66,323	26,71,137
Fair Value of Plan assets at the end	-	-
Funded Status - Deficit / (Surplus)	32,66,323	<b>26,71,137</b>
Unrecognised past service cost	-	-
Effects of Asset Ceiling	-	-
Net Liability / (Asset) at the end of the period	<b>32,66,323</b>	<b>26,71,137</b>
<b>Expenses recognised in the statement of Profit and Loss</b>		
Current service cost	6,60,907	6,79,562
Interest cost on Obligation	1,81,317	1,38,229
Past Service cost	-	-
Expected return on Plan Assets	-	-
Amortization of Prior Service costs	-	-
Net Actuarial Gain / (Loss) to be recognised	(2,47,091)	46,427
Transfer In / (Out)	-	-
- Curtailment (Gain) / Loss recognised	-	-
Settlement (Gain) / Loss recognised	-	-
Expense recognised in Statement of Profit and Loss	<b>5,95,186</b>	<b>8,64,218</b>
<b>Assumptions :</b>		
Date of Valuation	<b>31.03.2021</b>	<b>31.03.2020</b>
Retirement age	60 years	60 years
Salary Growth rate (Per Annum)	7.50%	7.50%
Discount Rate (Per Annum)	6.92%	6.79%
Mortality Table	IALM (2012-14)	IALM (2012-14)
Average Future Service	21.47 Years	22.66 Years
<b>GRATUITY LIABILITY</b>		
Short Term Liability	2,27,774	1,51,419
Long Term Liability	30,38,549	25,19,718
<b>TOTAL NET LIABILITY</b>	<b>32,66,323</b>	<b>26,71,137</b>

<b>42 Note: Capital Commitments</b>	<b>As at 31.03.2021 Amount in Rs.</b>	<b>As at 31.03.2020 Amount in Rs.</b>
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	15,47,42,601	26,121,959
(b) Uncalled liability on shares and other investments partly paid	-	-
(c) Other commitments (specify nature)	-	-
<b>43</b>		
a) Sri Nagaveer Adusumilli holds 5 Equity Shares in Polarcube Cold Storage Solutions (P) Ltd., Wholly Owned Subsidiary, in compliance of Sec.3 of Companies Act, 2013 and the beneficial ownership lies with the company.		
b) Sri Nagaveer Adusumilli holds 5 Equity Shares in Squarepeg Distribution Services (P) Ltd., Wholly Owned Subsidiary, in compliance of Sec.3 of Companies Act, 2013 and the beneficial ownership lies with the company.		
<b>44</b>		
In the opinion of the Board, current assets, loans and advances are stated at a value, which could be realized in the ordinary course of business. The provision for all known liabilities made is adequate and not in excess of the amount reasonably necessary.		
<b>45</b>		
Some of the balances in Sundry Debtors, Sundry Creditors, Advances and Deposits are subject to confirmation, reconciliations and adjustments, if any, which in the opinion of the management will not be significant.		
<b>46</b>		
The retail industry as a whole has been adversely impacted by the spread of CoVID-19. The operations of the company have been impacted to some extent owing to the Lock Down imposed from 22-03-2020 to control the spread of Covid - 19. In this crisis, our priorities are to protect the employees, their families and the society associated with it from COVID-19. The company has begun restoration of operations from first week of June as permitted by the Government and Local/Regulatory authorities, with controlled movement, maintaining social distancing, taking appropriate hygiene measures and following the directions of Regulatory Authorities. The Company believes that the pandemic is not likely to impact the recoverability of the carrying value of its assets. The Company is closely monitoring the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. As the situation is continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these Results.		



- 47** The figures of the previous year are re-grouped / re-classified wherever necessary to make them comparable with that of the current year classification.
- 

As per my report of even date.  
For V N S S & Associates  
Chartered Accountants

Sd/-  
VNS Srinivasa Rao  
Proprietor  
Member Ship No.225281  
Firm Regn No. 018367S  
Place : Hyderabad  
Date : 30th June, 2021

For and on behalf of the Board of Directors

Sd/-  
A. Sarat chandra Babu  
Chairman and WTD  
DIN : 02589830

Sd/-  
Adusumilli Vasavi  
Managing Director  
DIN : 02589803

Sd/-  
A. Sri Nagaveer  
Chief Executive Officer

Sd/-  
Villuri Roselyn  
Chief Executive Officer

**Independent Auditor's Report**

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

**Report on the Audit of the Consolidated Financial Statements****Opinion**

We have audited the accompanying Consolidated Financial Statements of **M/s. Tanvi Foods (India) Limited** ("hereinafter referred to as the Holding Company") and its subsidiaries **M/s. Squarepeg Distribution Services Private Limited**, Vijayawada and **M/s. Polarcube Cold Storage Solutions Private Limited**, Hyderabad (Holding Company and its Subsidiaries together referred to as the 'Group') which comprise the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2021, the Consolidated Statement of Profit and Loss, and the Consolidated Statement of Cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated State of affairs of the Group as at 31<sup>st</sup> March, 2021, and its Consolidated Profit and their Consolidated Cash flows for the year ended on that date.

**Basis for Opinion**

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

**Emphasis of Matter**

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

**Key Audit Matters**

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

Key Audit Matter	How the matter was addressed in the Audit
<p>The Holding Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer Note No. 41 to the Consolidated Financial Statements</p>	<p>Obtained details of completed tax assessments and demands upto the Financial year ended 31<sup>st</sup> March, 2021 from management along with the further course of action adopted by the management.</p> <p>We read and analysed various submissions to the Statutory Authorities in respect of the assessments mentioned above and considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions;</p> <p>We advised the management to disclose the comprehensive summary of the cases pending along with the outstanding amount in the Consolidated Financial Statements and accordingly the same was disclosed under "Contingent Liabilities" in Note No 41. ITAT pronounced 2 Orders dt 12<sup>th</sup> May 2021 &amp; dt 10<sup>th</sup> June 2021 stating that the company is eligible for the benefit of deduction u/sec 80IB(11A) for FY 2012-13, FY 2013-14, FY 2014-15 &amp; FY 2015-16 and directed AO to recalculate the deduction u/sec 80IB(11A) and pass necessary order accordingly. For other details Please refer Note No. 41</p>

**Other Information :**

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

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

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

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

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

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Consolidated Financial statements that give a true and fair view of the Consolidated Financial position, Consolidated Financial performance and Consolidated Cash flows of the Group in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of Consolidated financial Statements of the Holding Company, as aforesaid.

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

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

**Auditor's Responsibility for the Audit of the Consolidated Financial Statements;**

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

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

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

**We also;**

6. Identify and assess the risks of material misstatement of the Consolidated Financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
7. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls system in place and the operating effectiveness of such controls.

8. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
9. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
10. Evaluate the overall presentation, structure and content of the Consolidated Financial statements, including the disclosures, and whether the Financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the Financial statements of such entities or business activities included in the Consolidated Financial statements of which we are the Independent auditors. For the other entities or business activities included in the Consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the Consolidated financial statements.

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

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

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

**Other Matters**

We did not audit the Financial Information of the two Subsidiaries whose financial statements reflect total Assets of Rs. 2,82,12,268/- as at 31<sup>st</sup> March, 2021, total revenues of Rs. 1,17,16,696/- and Net Cash flows amounting to Rs. 53,264/- for the year ended on that date, as considered in the Consolidated Financial statements. These Financial information have been audited by N S V R & Associates LLP, Chartered Accountants, Hyderabad, whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respective of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

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

**Report on Other Legal and Regulatory Requirements**

3. As required by Section 143(3) of the Act, we report that:

- i) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- j) In our opinion, proper books of account as required by Law relating to preparation of the Consolidated Financial Statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.
- k) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- l) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- m) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the Statutory Auditors of its Subsidiary Companies, none of the directors of the Group Companies is disqualified as on 31<sup>st</sup> March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- n) With respect to the adequacy of the Internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"

o) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(iv) The Consolidated financial Statements disclose the impact of pending litigations on the consolidated financial positions of the Group – Refer Note 41 to the Consolidated Financial statements;

(v) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(vi) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For V N S S & ASSOCIATES**  
**Chartered Accountants**

Sd/-

**V N S SRINIVASARAO**  
**Proprietor**  
**M. No. 225281**  
**Firm Regn. No. 018367S**  
**UDIN : 21225281AAAABT3674**

**Place: Hyderabad**

**Date : 30.06.2021**



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

We have audited the internal financial controls over financial reporting of **M/s Tanvi Foods (India) Limited** ("the Company") as of 31<sup>st</sup> March, 2021 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For V N S S & ASSOCIATES**  
**Chartered Accountants**

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

**Place: Hyderabad**  
**Date : 30.06.2021**

CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2021

Particulars	Note No	As at 31.03.2021 Amount in Rs	As at 31.03.2020 Amount in Rs
<b>I. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	3	5,36,67,750	5,36,67,750
(b) Reserves and surplus	4	22,28,31,259	21,10,87,232
(c) Money received against share warrants		-	-
Share application money pending allotment	5	-	-
<b>Minority interest</b>			
<b>Non-current liabilities</b>			
(a) Long-term borrowings	6	11,33,44,248	11,02,63,859
(b) Deferred tax liabilities (net)		23,27,032	19,52,211
(c) Other long-term liabilities	7	-	60,000
(d) Long-term provisions	8	30,38,549	25,19,718
<b>Current liabilities</b>			
(a) Short-term borrowings	9	18,20,78,973	14,33,56,749
(b) Trade payables	10		
- Total Outstanding dues of Micro Enterprises and Small Enterprises		-	-
- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises		3,11,55,559	3,15,16,120
(c) Other current liabilities	11	7,84,55,160	5,95,21,245
(d) Short-term provisions	12	38,60,462	55,20,166
<b>TOTAL</b>		<b>69,07,58,991</b>	<b>61,94,65,049</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	13		
(i) Tangible assets		6,09,48,562	7,00,26,581
(ii) Intangible assets (Good Will)		28,31,648	28,31,648
(iii) Capital work-in-progress		16,85,90,768	14,98,14,074
(iv) Intangible assets under development		-	-
(b) Non-current investments	14	1,30,000	1,30,000
(c) Long-term loans and advances	15	8,14,34,961	6,93,25,217
(d) Other Non-Current Assets	16		
<b>Current Assets</b>			
(a) Current investments	17	-	-
(b) Inventories	18	32,73,61,820	26,87,18,475
(c) Trade receivables	19	3,22,87,138	3,69,83,811
(d) Cash and bank balances	20	29,84,996	41,03,063
(e) Short-Term loans and advances	21	1,22,96,392	1,49,02,121
(f) Other Current Assets	22	18,92,707	26,30,058
<b>TOTAL</b>		<b>69,07,58,991</b>	<b>61,94,65,049</b>

III. Company Information	1
Summary of Significant Accounting Policies	2
The accompanying notes are an integral part of the financial statements.	3 to 49

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**As per my report of even date.**

**For V N S S Associates**

Chartered Accountants

Sd/-

**VNS Srinivasa Rao**

Proprietor

Member Ship No.2252281

Firm Regn No. 0183675

Place : Hyderabad

Date : 30th June,2021

**For and on behalf of the Board of Directors**

Sd/-

**A. Sarat Chandra Babu**

Chairman and WTD

DIN : 02589830

Sd/-

**Adusumilli Vasavi**

Managing Director

DIN : 02589803

Sd/-

**A. Sri Nagaveer**

Chief Executive Officer

Sd/-

**Villuri Roselyn**

Chief Financial Officer

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021

Particulars	Note No	For the year ended 31.03.2021 Amount in Rs.	For the year ended 31.03.2020 Amount in Rs.
I. Revenue from operations	23	60,60,53,614	83,99,32,555
II. Other income	24	85,16,016	53,39,393
<b>III. TOTAL REVENUE ( I + II )</b>		<b>61,45,69,630</b>	<b>84,52,71,948</b>
<b>IV. Expenses:</b>			
(a) Cost of Materials Consumed	25	58,03,21,757	73,65,15,184
(a) Purchase of Stock -in- Trade	26	97,99,349	1,08,68,047
(a1) Direct Expenses	26A	16,79,995	1,13,64,514
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	(5,73,25,374)	(2,49,29,326)
(c) Employee benefit expenses	28	1,60,08,345	2,37,37,325
(d) Finance costs	29	2,37,75,510	2,92,41,534
(e) Depreciation and amortization expenses	13	96,77,677	1,25,18,009
(f) Other Expenses	30	1,60,05,100	2,73,66,875
<b>TOTAL EXPENSES</b>		<b>59,99,42,358</b>	<b>82,66,82,161</b>
<b>V. Profit before exceptional &amp; extraordinary items and tax (III - IV)</b>		<b>1,46,27,271</b>	<b>1,85,89,787</b>
VI. Exceptional items			
VII. Profit before extraordinary items and tax (V-VI)		<b>1,46,27,271</b>	<b>1,82,15,544</b>
VIII. Extraordinary items		-	-
<b>IX. Profit before tax (VII - VIII)</b>		<b>1,46,27,271</b>	<b>1,85,89,787</b>
<b>X. Tax expense:</b>		<b>28,83,245</b>	<b>31,22,325</b>
Current Tax		26,93,631	46,45,463
Previous Year		(1,85,208)	1,746
Deferred Tax		3,74,821	(15,24,884)
MAT Credit Entitlement		-	-
<b>XI. Profit for the period from continuing operations (IX - X)</b>		<b>1,17,44,027</b>	<b>1,54,57,462</b>
<b>Discontinuing Operations</b>			
XII. Profit / (Loss) from discontinuing operations (before tax)			-
XIII. Tax expense of discontinuing operations			
XIV. Profit / (Loss) from discontinuing operations (after tax)			-
<b>XV. Profit for the Year (XI + XIV)</b>		<b>1,17,44,027</b>	<b>1,54,57,462</b>
<b>Minority Interest</b>		-	-
		<b>1,17,44,027</b>	<b>1,54,67,462</b>

**XVI. Earnings per equity share:**

(Nominal Value Per Share : Rs. 10)

Basic (Including Extraordinary Items)	2.19	2.88
Diluted (Including Extraordinary Items)	2.19	2.88
Basic (Excluding Extraordinary Items)	2.19	2.88
Diluted (Excluding Extraordinary Items)	2.19	2.88

XVII. Company Information	1
Summary of Significant Accounting Policies	2
The accompanying notes are an integral part of the financial statements.	3 to 49

**As per my report of even date.**
**For and on behalf of the Board of Directors**
**For V N S S Associates**
**Chartered Accountants**

Sd/-

**VNS Srinivas Rao**

Proprietor

Member Ship No.225281

Firm Regn No. 0183675

Place : Hyderabad

Date : 30th June,2021

Sd/-

**A. Sarat Chandra Babu**

Chairman and WTD

DIN : 02589830

Sd/-

**A. Sri Nagaveer**

Chief Executive Officer

Sd/-

**Adusumilli Vasavi**

Managing Director

DIN : 02589803

Sd/-

**Villuri Roselyn**

Chief Financial Officer

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021**

Particulars	As at 31.03.2021 Amount in Rs.	As at 31.03.2020 Amount in Rs.
<b>A. Cash flow from Operating activities</b>		
Profit before exceptional items and tax	1,46,27,271	1,85,89,787
Adjustments for :		
Depreciation and Amortisation Expense	96,77,677	1,25,18,009
(Profit) / Loss on sale of fixed assets (net)	-	-
(Profit) / Loss on sale of investments (net)	-	-
Miscellaneous Expenditure Written Off	8,68,852	8,68,852
Other Income	(85,16,016)	(53,39,393)
Effect of Exchange Rate change	-	-
Finance Costs	2,37,75,510	2,92,41,534
Cash generated from operations before working capital changes	4,04,33,294	5,58,78,789
Adjustments for working capital changes		
(Increase)/Decrease in Inventories	(5,86,43,345)	(2,50,31,850)
(Increase)/Decrease in Trade Receivables	46,96,672	(1,27,37,618)
(Increase)/Decrease in Short term Loans & Advances	70,58,031	78,75,416
(Increase)/Decrease in Long term Loans & Advances	(1,21,09,744)	2,06,49,378
Increase/(Decrease) in Trade Payables	(3,60,561)	1,47,59,005
(Increase)/Decrease in Long term/Short term Provisions	(36,49,296)	6,12,340
(Increase)/Decrease in Other current liabilities	1,81,33,915	1,26,96,371
(Increase)/Decrease in Other Current Assets	(1,31,501)	(1,13,684)
Cash generated from Operations	(37,72,535)	7,45,88,147
Direct Taxes paid	(44,52,301)	(68,98,824)
Net Cash from Operating activities	(82,24,836)	6,76,89,323
<b>B. Cash flow from Investing Activities</b>		
Purchase of Tangible/intangible assets	(5,99,657)	(28,03,308)
Sale proceeds of tangible assets	29,00,000	-
Other Adjustments to Fixed Assets (Subsidy)	-	-
Other Income	56,16,016	53,39,393
Capital Work-in-progress	(1,87,76,693)	(7,56,51,688)
(Purchase) / Sale of Investments (Net)	-	(1,30,000)
Cash flow before exceptional items	(1,08,60,335)	(7,32,45,676)
Exceptional Items	-	-
Net Cash generated from Investment Activities	(1,08,60,335)	(7,32,45,676)
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from issue of Sh Capital/ Sh Appln Money/ Sh Warrants		-
Securities Premium on Equity Share Capital		-
Proceeds / (Repayment) from Long Term Borrowings	30,20,389	2,37,57,880
Proceeds / (Repayment) from Short Term Borrowings	3,87,22,224	1,33,16,433
Finance Costs	(2,37,75,510)	(2,92,41,534)
Dividends Paid	-	-
Dividend tax paid	-	-
Effect of Exchange Rate change	-	-
Net cash used in financing activities	1,79,67,102	78,32,779



<b>Net (Decrease) / Increase in cash and cash equivalents</b>	<b>(11,18,068)</b>	<b>22,76,426</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>41,03,063</b>	<b>18,26,637</b>
<b>Cash and Cash equivalents at the end of the year</b>	<b>29,84,995</b>	<b>41,03,063</b>

1. The above Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard 3 on Cash Flow Statements notified under section 133 of the Companies Act, 2013.

2. Previous Year Figures have been regrouped/ reclassified/ rearranged wherever necessary.

**As per my report of even date.**

**For and on behalf of the Board of Directors**

**For V N S S  
Associates  
Chartered Accountants**

Sd/-  
**VNS Srinivasa Rao**  
Member Ship No.225281  
Firm Regn No. 018367S

Place : Hyderabad  
Date : 30<sup>th</sup> June,2021

Sd/-  
**A. Sarat Chandra  
Babu**  
Chairman and WTD  
DIN : 02589830

Sd/-  
**A. Sri Nagaveer**  
Chief Executive Officer

Sd/-  
**Adusumilli Vasavi**  
Managing Director  
DIN : 02589803

Sd/-  
**Villuri Roselyn**  
Chief Financial Officer

**Notes forming part of Consolidated Financial Statements As At 31.03.2021****A.****A1 Accounting policies adopted in the preparation of Consolidated Financial Statements**

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

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

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

**A2 Details of subsidiary company considered in the consolidated accounts**

Name of the subsidiary	Country of Incorporation	Shareholding as on	Extent of Holding (%) Direct
Squarepeg Distribution Services Pvt. Ltd.	India	31.03.2021	100.00%
Polar Cube Cold Storage Solutions Pvt. Ltd.	India	31.03.2021	100.00%

**Disclosure Relating to Uniform Accounting Policies:**

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

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

That is as follows :

Name of the Company	Impact on Accumulated Depn. Relating to Prev Years	Relating to Current Year	Impact on Deferred Tax Liability
1. Squarepeg Distribution Services Private Limited	-	73,141	(4,16,806)
2. Polar Cube Cold Storage Solutions Private Limited	-	6,36,676	1,76,698

**A3 Other significant accounting policies:**

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

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

Name of the entity in the Group	Net assets, i.e., total assets minus total liabilities		Share in Profit/ (Loss)	
	As a % of consolidated net assets	Amount (INR)	As a % of consolidated profit or (loss)	Amount (INR)
<b>Parent</b>				
M/s Tanvi Foods (India) Limited	99.45 %	27,49,83,493	80.76%	94,84,355
<b>Subsidiaries in India</b>				
Squarepeg Distribution Services Pvt. Ltd.	1.57%	43,34,307	5.54%	6,50,330
Polar Cube Cold Storage Solutions Pvt. Ltd.	2.59%	71,67,276	8.61%	10,10,948
Sub-total	103.61%	28,64,85,076	94.90%	1,11,45,633
Less:				
<b>Minority Interest</b>				
<b>In Indian Subsidiaries</b>				
Squarepeg Distribution Services Pvt. Ltd.	0.00%	-	0.00%	-
Polar Cube Cold Storage Solutions Pvt. Ltd.	0.00%	-	0.00%	-
Sub-total	0.00%	-	0.00%	-
Less:				
Adjustments arising out of Consolidation	-3.61%	(99,86,067)	5.10%	5,98,394
<b>Total</b>	<b>100.00%</b>	<b>27,64,99,009</b>	<b>100.00%</b>	<b>1,17,44,027</b>

**Notes forming part of Consolidated Financial Statements As At 31.03.2021****Note Nos.****1 General Information:**

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

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

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

**2.2 Use of Estimates ;**

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

**2.3 Tangible Assets and Intangible Assets ;**

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

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

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

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

**2.4 Capital Work-In-Progress**

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

**2.5 Depreciation and Amortisation ;**

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

**2.6 Borrowing Costs ;**

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

**2.7 Impairment of Assets ;**

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

**2.8 Investments ;**

Investments that are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments. Current investments are carried at cost or fair value, whichever is lower. Long-term investments are carried at cost. However, provision for diminution is made to recognise a decline, other than temporary, in the value of long-term investments, such reduction being determined and made for each investment individually.

**2.9 Inventories ;**

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

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

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

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

b) Raw material : At Cost

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

**2.10 Transactions in Foreign Currency ;**

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

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

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

**ii) Other Income:**

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

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

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

**2.12 Retirement and other employee benefits (AS 15);**

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

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

**2.13 Current and Deferred Tax ;**

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

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

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

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

**2.14 Provisions and Contingent Liabilities ;**

**Provisions:** Provisions are recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

**Contingent Liabilities:** Contingent liabilities are disclosed when there is a possible obligation

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

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

**2.15 Leases ;**

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

**2.16 Cash flow Statement ;**

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

**2.17 Earnings per share ;**

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

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

**2.18 Contingencies and events occurring after the balance sheet date ;**

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

**2.19 Government Grants ;**

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

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

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

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

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



**Note No: 3 Share Capital**

S. No.	Particulars	As at 31.03.2021 Consolidated		As at 31.03.2020 Consolidated	
		Number	Amount	Number	Amount
(i)	<b>Authorised</b> Equity Shares of Rs. 10/- each with Voting Rights	65,00,000	6,50,00,000	65,00,000	6,50,00,000
(i)	<b>Issued, Subscribed and Paid up</b> Equity Shares of Rs. 10/- each fully paid up with Voting Rights	53,66,775	5,36,67,750	53,66,775	5,36,57,750
	<b>Total</b>	<b>53,66,775</b>	<b>5,36,67,750</b>	<b>53,66,775</b>	<b>5,36,67,750</b>

**(a) Reconciliation of number of shares:**

S.No.	Particulars	As at 31.03.2021 Consolidated		As at 31.03.2020 Consolidated	
		Number	Amount	Number	Amount
1	Equity Shares outstanding at the beginning of the year	53,66,775	5,36,67,750	53,66,775	5,36,67,750
2	Equity Shares Issued during the year	-	-	-	-
3	Equity Shares bought back during the year #	-	-	-	-
4	Equity Shares outstanding at the end of the year	<b>53,66,775</b>	<b>5,36,67,750</b>	<b>53,66,775</b>	<b>5,36,67,750</b>

# During the year 2018-19, allottees of 5,00,000 Warrants have exercised their right to convert the warrants into Equity shares by paying balance 75% of the Consideration aggregating to Rs. 3 Crores and Consequently 5,00,000 Equity Shares of Face value of Rs. 10/- each were allotted @ Rs. 80 per share consisting of Rs. 70 for Security premium on 28-02-2019.

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

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

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

S.No.	Particulars	As at 31.03.2021		As at 31.03.2020	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	<u>Equity Shares with Voting Rights</u> Adusumilli Sri Nagaveer	24,38,701	45.44%	24,38,701	45.44%
2	Adusumilli Vasavi	3,38,038	6.30%	3,38,038	6.30%

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

S.No.	Particulars	As at 31.03.2021		As at 31.03.2021	
		No.of Shares issued	Amount	No.of Shares issued	Amount
1	Paturi Sarada*	2,20,013	22,00,130	2,20,013	22,00,130
2	M Sravanthi*	2,20,013	22,00,130	2,20,013	22,00,130
3	Adusumilli Sri Nagaveer**	2,52,711	25,27,110	2,52,711	25,27,110
4	Adusumilli Vasavi**	2,038	20,380	2,038	20,380

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

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

Clause (e), (f), and (h) to (i) (B & C) and (j) to (l) of the Note 6(A) to the Schedule III of the Companies Act, 2013 are not applicable.

#### 4 Note: Reserves & Surplus

Note No.	Particulars	As at 31.03.2021 Consolidated Amount in Rs.	As at 31.03.2020 Consolidated Amount in Rs.
4	<b>Note: Reserves &amp; Surplus</b>		
	<b>Securities Premium Account</b>		
	Opening Balance	12,59,63,440	12,59,63,440
	Add: Premium on shares issued during the year #	-	-
	Less : Utilised during the year	-	-
	Balance as at the end of the year	<b>12,59,63,440</b>	<b>12,59,63,440</b>
	<b>Profit and Loss Account</b>		
	As per last Balance Sheet	8,51,23,792	6,96,56,330
	(+) Net Profit for the current year	1,17,44,027	1,54,67,462
	(+) Transfer from Reserves*	-	-
(-) Net Loss for the current year	-	-	
(-) Proposed Dividends	-	-	
(-) Interim Dividends	-	-	
Balance as at the end of the year	<b>9,68,67,819</b>	<b>8,51,23,792</b>	
<b>Total</b>	<b>22,28,31,259</b>	<b>21,10,87,232</b>	
5	<b>Note: Share Application money pending allotment</b>	-	-
		-	-

## Notes forming part of Consolidated Financial Statements As At 31.03.2021

Note No.	Particulars	As at 31.03.2021 Consolidated Amount in Rs.	As at 31.03.2020 Consolidated Amount in Rs.
<b>6</b>	<b>Note: Long Term Borrowings</b>		
	<b>Secured</b>		
	a) Term Loans *		
	i) From Banks	11,58,07,903	10,53,68,582
	The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	97,93,813	10,69,643
		10,60,14,090	10,42,98,939
	b) Vehicle Loans **		
	i) From Banks	64,31,854	1,02,96,528
	The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	60,33,999	81,33,107
		3,97,855	21,63,421
	ii) From NBFC's	14,04,898	14,71,723
	The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	6,48,768	5,26,198
		7,56,130	9,45,525
	<b>Total Secured Loans</b>	<b>10,71,68,075</b>	<b>10,74,07,885</b>
	<b>Unsecured</b>		
	Business Loans ***		
	i) From Banks	-	-
	The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	-	-
		-	-
	ii) From NBFC's	1,46,52,200	1,97,02,482
	The amount represents repayment due in next 12 months classified under head "Other Current Liabilities"	84,76,028	1,68,46,508
		61,76,173	28,55,974
	Loans from Related Parties	-	-
	<b>Total Un-Secured Loans</b>	<b>61,76,173</b>	<b>28,55,974</b>
		<b>11,33,44,248</b>	<b>11,02,63,859</b>

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

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

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

**7. Note : Other Long Term Liabilities**

Note No.	Particulars	As at 31.03.2021 Consolidated Amount in Rs.	As at 31.03.2020 Consolidated Amount in Rs.
7	Other Liabilities	-	60,000
		-	<b>60,000</b>

**8 Note: Long Term Provisions**

Note No.	Particulars	As at 31.03.2021 Consolidated Amount in Rs.	As at 31.03.2020 Consolidated Amount in Rs.
8	Provision for Gratuity	30,38,549	25,19,718
		<b>30,38,549</b>	<b>25,19,718</b>

\*Provision made as per the actuarial valuation dt.29.06.2021 (For details Refer Note No.41)

**9 Note: Short Term Borrowings**

Note No.	Particulars	As at 31.03.2021 Consolidated Amount in Rs.	As at 31.03.2020 Consolidated Amount in Rs.
9	Secured		
	Loans repayable on demand from Banks *	11,89,91,648	11,19,99,107
	Unsecured		
	Loans from Related Parties**	4,20,22,505	1,29,01,572
	Other Loans and Advances***	2,10,64,820	1,84,56,069
		<b>18,20,78,973</b>	<b>14,33,56,749</b>

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

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

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

**10 Note: Trade Payables**

Note No.	Particulars	As at 31.03.2021 Consolidated Amount in Rs.	As at 31.03.2020 Consolidated Amount in Rs.
10	- Total Outstanding dues of Micro Enterprises and Small Enterprises	-	-
	- Total Outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	3,40,98,951	3,24,93,450
	Balances between Holding & Subsidiaries	(29,43,392)	(9,77,330)
		<b>3,11,55,559</b>	<b>3,15,16,120</b>

\* The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:

- Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end

- -

- Interest due to suppliers registered under the MSMED Act and remaining unpaid as the year end

- -

- Principal amounts paid to Suppliers registered under the MSMED Act, beyond the appointed day during the year

- -

- Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year

- -

- Interest paid under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year

- -

- Interest due and payable towards suppliers registered under MSMED Act, for payments already made

- -

- Further Interest remaining due and payable for earlier years

- -

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

## 11 Note: Other Current Liabilities

Note No.	Particulars	As at 31.03.2021 Consolidated Amount in Rs.	As at 31.03.2020 Consolidated Amount in Rs.
11	Current Maturities of Long Term Debt (Secured) (Refer Note No.6)		
	a) Term Loans		
	From Banks	97,93,813	10,69,643
	b) Business Loans		
	From Banks	-	-
	From NBFC's	84,76,028	1,68,46,508
	c) Vehicle Loans		
	From Banks	60,33,999	81,33,107
	From NBFC's	6,48,768	5,26,198
	Interest Accrued and Due on Borrowings **	32,37,686	26,05,533
	Interest Accrued But not Due on Borrowings ***	1,91,302	1,46,080
	Advances received from Customers	45,34,792	13,65,493
	Other Payables****	4,55,38,772	2,88,28,684
		<b>7,84,55,160</b>	<b>5,95,21,245</b>
	<b>** Interest Accrued and Due on Borrowings Consists of:</b>		
	On Working Capital Loan	32,37,686	26,05,533
	<b>*** Interest Accrued But not Due on Borrowings consists of:</b>		
	On Term Loans	-	-
	On Business Loans	1,85,775	1,30,202
	On Vehicle Loans	5,527	15,877
	<b>**** Other Payables include</b>		
	Statutory Liabilities	59,04,478	42,59,158
	Rent Creditors	12,98,535	5,47,951
	Expenses Payable	2,78,43,660	1,99,98,808
	Creditors for Capital Works	53,87,396	71,35,398
	Deferred Government Grants #	1,24,99,860	
	Expenses Payable to Subsidies / Holding Comp.	(73,95,157)	(31,12,630)

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

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

**12 Note: Short Term Provisions**

<b>Note No.</b>	<b>Particulars</b>	<b>As at 31.03.2021 Consolidated Amount in Rs.</b>	<b>As at 31.03.2020 Consolidated Amount in Rs.</b>
<b>12</b>	Provisions for Employee Benefits		
	Provision for Gratuity	2,27,774	1,51,419
	Provisions - Others:		
	Provision for Taxes - Current Year	30,35,868	47,71,927
	Provision for Taxes - Previous Year	5,96,820	5,96,820
		<b>38,60,462</b>	<b>55,20,166</b>



13 Property, Plant & Equipment

S. No.	Particulars	Gross Block									
		Balance As At 01.04.2020	Additions	Disposals	Acquisitions through business combinations	Reclassified as held for sale	Revaluation increase	Effect of foreign exchange differences	Borrowing cost capitalised	Other Adj.	Balance As At 31.03.2021
		1	2	3	4	5	6	7	8	9	10= 1+2-3+4-5+6-7+8-9
<b>A</b>	<b>Tangible assets :</b>										
(a)	Computers & Software										
	Owned	25,95,133	2,01,169	-	-	-	-	-	-	-	27,96,302
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-
(b)	Furniture and Fixtures										
	Owned	36,15,959	3,82,488	-	-	-	-	-	-	-	39,98,447
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-
(c)	Plant & Machinery										
	Owned	5,11,42,199	-	-	-	-	-	-	-	-	5,11,42,199
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-
(d)	Office Equipment										
	Owned	14,67,311	16,000	-	-	-	-	-	-	-	14,83,311
	Taken under	-	-	-	-	-	-	-	-	-	-

	finance lease										
	Given under										
	operating lease	-	-	-	-	-	-	-	-	-	-
(e)	Vehicles										
	Owned	2,61,43,341	-	-	-	-	-	-	-	-	2,61,43,341
	Taken under										
	finance lease	-	-	-	-	-	-	-	-	-	-
	Given under										
	operating lease	3,25,51,896	-	1,13,41,540	-	-	-	-	-	-	2,12,10,356
(f)	Civil Structures										
	Owned	1,03,27,910	-	-	-	-	-	-	-	-	1,03,27,910
	Taken under										
	finance lease	-	-	-	-	-	-	-	-	-	-
	Given under										
	operating lease	-	-	-	-	-	-	-	-	-	-
(g)	Land										
	Owned	93,57,712	-	-	-	-	-	-	-	-	93,57,712
	Taken under										
	finance lease	-	-	-	-	-	-	-	-	-	-
	Given under										
	operating lease	-	-	-	-	-	-	-	-	-	-
	<b>Total (A)</b>	<b>13,72,01,461</b>	<b>5,99,657</b>	<b>1,13,41,540</b>	-	-	-	-	-	-	<b>12,64,59,578</b>
	<b>Previous Year</b>	<b>(13,43,98,080)</b>	<b>(28,03,380)</b>	-	-	-	-	-	-	<b>(57,40,000)</b>	<b>(13,43,98,080)</b>
<b>B</b>	<b>Intangible assets</b>	<b>28,31,648</b>	-	-	-	-	-	-	-	-	<b>28,31,648</b>
	<b>Total (B)</b>	<b>28,31,648</b>	-	-	-	-	-	-	-	-	<b>28,31,648</b>
	<b>Previous Year</b>	<b>(28,31,648)</b>	-	-	-	-	-	-	-	-	<b>(28,31,648)</b>
	<b>Grand Total (A + B)</b>	<b>14,00,33,108</b>	<b>5,99,657</b>	<b>1,13,41,540</b>	-	-	-	-	-	-	<b>12,92,91,225</b>

S. No	Particulars	Accumulated depreciation and impairment							Net block		
		Balance As At 01.04.2019	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Adj. due to Change of Accounting policy (i.e from WDV to SLM)	Impairment losses recognised in statement of profit and loss	Adjustment Due to Difference in method of Deprn. of Subsidiary Companies (i.e WDV) & Holding Companies Method of Deprn. (i.e SLM)	Other adjustments	Balance As At 31.03.2021	Balance As At 31.03.2021	Balance As At 31.03.2020
		11	12	13	14	15	16	17	18=sum(11:17)	19= (10-18)	20= (1 - 11)
<b>A</b>	<b>Tangible assets :</b>										
(a)	Computers & Software										
	Owned	22,53,151	1,73,423	-	-	-	-	-	24,26,574	3,69,729	3,41,982
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-
(b)	Furniture and Fixtures										
	Owned	19,02,147	2,44,981	-	-	-	1,578	-	21,48,706	18,49,741	17,13,812
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-
(c)	Plant & Machinery										
	Owned	2,21,32,628	33,18,185	-	-	-	6,36,742	-	2,60,87,555	2,50,54,643	2,90,09,570
	Taken under finance lease	-	-	-	-	-	-	-	-	-	-
	Given under operating lease	-	-	-	-	-	-	-	-	-	-

(d)	Office Equipment										
	Owned	10,78,746	1,63,751	-	-	-	3,685	-	12,46,182	2,37,129	3,88,564
	Taken under										
	finance lease	-	-	-	-	-	-	-	-	-	-
	Given under										
	operating lease	-	-	-	-	-	-	-	-	-	-
(e)	Vehicles										
	Owned	1,74,83,928	38,45,370	-	-	-	67,811	-	2,13,97,010	47,46,331	86,59,413
	Taken under										
	finance lease	-	-	-	-	-	-	-	-	-	-
	Given under										
	operating lease	2,14,47,140	8,95,381	1,13,41,540	-	-	-	-	1,10,00,981	1,02,09,375	1,11,04,756
(f)	Civil Structures										
	Owned	8,77,138	3,26,871	-	-	-	-	-	12,04,009	91,23,901	94,50,772
	Taken under										
	finance lease	-	-	-	-	-	-	-	-	-	-
	Given under										
	operating lease	-	-	-	-	-	-	-	-	-	-
(f)	Land										
	Owned	-	-	-	-	-	-	-	-	93,57,712	93,57,712
	Taken under										
	finance lease	-	-	-	-	-	-	-	-	-	-
	Given under										
	operating lease	-	-	-	-	-	-	-	-	-	-
	<b>Total (A)</b>	<b>6,71,74,879</b>	<b>89,67,860</b>	<b>1,13,41,540</b>	<b>-</b>	<b>-</b>	<b>7,09,816</b>	<b>-</b>	<b>6,55,11,016</b>	<b>6,09,48,562</b>	<b>7,00,26,581</b>
	<b>Previous Year</b>	<b>(4,22,01,611)</b>	<b>(1,15,77,052)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,417</b>	<b>-</b>	<b>(5,46,56,870)</b>	<b>(7,97,41,210)</b>	<b>(9,52,68,146)</b>
<b>B</b>	<b>Intangible assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,31,648</b>	<b>28,31,648</b>
	<b>Total (B)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,31,648</b>	<b>28,31,648</b>
	<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(28,31,648)</b>	<b>(28,31,648)</b>
<b>C</b>	<b>Capital Work in Progress</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,85,90,768</b>	<b>7,41,62,387</b>
	<b>Total (C)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,85,90,768</b>	<b>7,41,62,387</b>
	<b>Previous Year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Grand Total (A + B + C)</b>	<b>6,71,74,879</b>	<b>89,67,860</b>	<b>1,13,41,540</b>	<b>-</b>	<b>-</b>	<b>7,09,816</b>	<b>-</b>	<b>6,55,11,016</b>	<b>23,23,70,977</b>	<b>14,70,20,616</b>

**14 Note : Non-current investments**

Note No.	Particulars	As at 31.03.2021 Consolidated Amount in Rs.	As at 31.03.2021 Consolidated Amount in Rs.
<b>14</b>	Long Term Investments - at cost		
	(a) Trade Investments	-	-
	(b) Other Investments		
	Quoted	-	-
	Unquoted		
	Government and Trust Securities:		
	2.75% Sovereign Gold Bonds Feb 2024 (TR-II)(50 Grams at a Face Value of Rs.2,600 per gram)	1,30,000	1,30,000
		<b>1,30,000</b>	<b>1,30,000</b>
	Aggregate Amount of quoted Investments	1,30,000	1,30,000
	Market Value of Quoted Investments	2,25,965	2,00,129
	Aggregate Amount of Unquoted Investments	-	-
	Aggregate provision for diminution in value of Investments	-	-

**15 Note: Long Term Loans & Advances**

Note No.	Particulars	As at 31.03.2021 Consolidated Amount in Rs.	As at 31.03.2020 Consolidated Amount in Rs.
<b>15</b>	(a) Capital Advances		
	Secured, considered good	-	-
	Unsecured, considered good	7,10,78,924	5,89,69,180
	Doubtful	-	-
	(b) Security Deposits		
	Rent Deposit	6,92,100	6,92,100
	Other Deposits	2,04,450	2,04,450
	(c) Loans & Advances to related parties	-	-
	(d) Loans & Advances to Employees	-	-
	(e) Prepaid Expenses	-	-
	(f) Advance Income Tax (Unsecured, Considered good)	-	65,75,701
	(g) MAT Credit Entitlement	-	28,83,786
	(h) Balances with Government Authorities	-	-
	(i) Other Loans & Advances	65,75,701	-
	Secured, considered good	28,83,786	-
	Unsecured, considered good	-	-
	(j) Doubtful	-	-
		<b>8,14,34,961</b>	<b>6,93,25,217</b>
	Less: Provision for other doubtful loans & advances		-
		<b>8,14,34,961</b>	<b>6,93,25,217</b>
	<b>Note: Long Term Loans &amp; Advances include amounts due from</b>		
	Directors - (Rent Deposit)	30,000	30,000
	Other Officers of company	-	-
	Firms in which any director is a partner	-	-
	Private companies in which any director is a director or member	-	-

**16 Note: Other Non-Current Assets**

Note No.	Particulars	As at 31.03.2021 Consolidated Amount in Rs.	As at 31.03.2020 Consolidated Amount in Rs.
	(a) Long-term trade receivables	-	-
	(b) Unamortised expenses ( to the extent not written off or not adj.)	-	-
	(c) Accruals	-	-
	(d) Other Non-current Assets	-	-
		-	-

**17 Note : Current investments**

Note No.	Particulars	As at 31.03.2021 Consolidated Amount in Rs.	As at 31.03.2020 Consolidated Amount in Rs.
	Short Term Investments - at cost		
	(a) Trade Investments	-	-
	(b) Other Investments (Investment in Shares)		
		-	-

**18 Note: Inventories**

Note No.	Particulars	As at 31.03.2021 Consolidated Amount in Rs.	As at 31.03.2020 Consolidated Amount in Rs.
	(a) Raw materials	79,16,333	65,98,362
	Goods-in-transit	-	-
	(b) Work-in-progress	15,52,068	4,80,893
	Goods-in-transit	-	-
	(c) Finished goods / Stock in Trade	31,79,13,419	26,16,39,220
	Goods-in-transit	-	-
	(d) Stores and spares	-	-
	Goods-in-transit	-	-
	(e) Loose tools	-	-
	Goods-in-transit	-	-
	(f) Others (Specify nature)	-	-
	Goods-in-transit	-	-
		<b>32,73,61,820</b>	<b>26,87,18,475</b>

- Mode of Valuation  
As per Accounting policy Refer No. 2.90

**19 Note: Trade Receivables**

Note No.	Particulars	As at 31.03.2021 Consolidated Amount in Rs.	As at 31.03.2020 Consolidated Amount Rs.
19	Secured, considered good		
	- Outstanding for a period exceeding six months from the date they were due for payment	-	-
	- Others	-	-
	Unsecured, considered good		
	- Outstanding for a period exceeding six months from the date they were due for payment	-	-
	- Others	3,93,96,686	4,10,73,771
	Unsecured Considered Doubtful	-	-
	- Outstanding for a period exceeding six months from the date they were due for payment	-	-
	- Others	-	-
	Balances between Holding & subsidiaries	<b>(71,09,548)</b>	<b>(40,89,960)</b>
		<b>3,22,87,138</b>	<b>3,69,83,811</b>
	Less: Provision for doubtful trade receivables	-	-
		<b>3,22,87,138</b>	<b>3,69,83,811</b>
Trade receivables include debts due from:			
Directors	-	-	
Firms in which any director is interested (M/s Sri Sai Agencies, Proprietorship)	62,14,350	29,14,691	
Other officers of the Company	-	-	
Private companies in which any director is a director or member (give details per company)	-	-	

**20 Note: Cash and Bank Balances**

Note No.	Particulars	As at 31.03.2021 Consolidated Amount in Rs.	As at 31.03.2020 Consolidated Amount in Rs.
20	(a) Cash and Cash Equivalents		
	(i) Balances with banks;		
	- In Current Accounts	3,58,988	7,04,902
	(ii) Cheques, drafts on hand	-	-
	(iii) Cash on hand	26,26,007	33,98,160
	(b) Other Bank balances		
- In Deposit Accounts	-	-	
	<b>29,84,995</b>	<b>41,03,062</b>	



**21 Note: Short Term Loans & Advances**

Note No.	Particulars	As at 31.03.2021 Consolidated Amount in Rs.	As at 31.03.2020 Consolidated Amount in Rs.
<b>21</b>	(a) Loans & Advances to related parties	-	-
	(b) Security deposits	-	-
	(c) Loans and advances to employees		
	Secured, considered good	-	-
	Unsecured, considered good	22,95,730	31,69,383
	Doubtful		-
	(d) Prepaid expenses - Unsecured, considered good *	10,58,512	10,57,197
	(e) Balances with government authorities	-	-
	Unsecured, considered good	-	-
	Advance Tax and TDS **	12,89,149	16,92,410
	VAT / EPF	-	-
	IT Refund Due	-	-
	Others	-	-
	(f) Inter-corporate deposits	-	-
	(g) MAT Credit entitlement - Unsecured, considered good ***	-	-
	(h) Other Loans & Advances ****	-	-
	Secured, considered good	-	-
	Unsecured, considered good	76,53,001	89,83,131
	Doubtful	-	-
		<b>1,22,96,392</b>	<b>1,49,02,121</b>
	Less: Provision for other doubtful loans and advances	-	-
		<b>1,22,96,392</b>	<b>1,49,02,121</b>
	* "Prepaid Expenses" pertains to Insurance, Annual Maintenance Contracts.		
	** includes Refunds pertaining to earlier years.		
	*** MAT Credit entitlement has been brought in to books and it represents current year.		
	<b>**** Other Loans &amp; Advances includes</b>		
	Advances to Suppliers	7,63,605	4,76,952
	Advance for Expenses	10,08,350	8,22,882
	Other Advances	91,10,046	76,83,297
	Balances between Holding subsidiaries	(32,29,000)	-
			-
	<b>Note: Short Term Loans &amp; Advances include amounts due from Directors</b>		
	<b>Directors</b>	-	6.278
	Other Officers of company	-	-
	Firms in which any director is a partner	-	-
	Private companies in which any director is a director or member	-	-

**22 Note: Other Current Assets**

Note No.	Particulars	As at 31.03.2021 Consolidated Amount in Rs.	As at 31.03.2020 Consolidated Amount in Rs.
22	(a) Unbilled revenue	10,21,743	-
	(b) Unamortized expenses	-	18,90,595
	(c) Accruals	7,96,154	-
	(d) Other Current Assets	74,810	7,39,463
		<b>18,92,707</b>	<b>26,30,058</b>
	<b>Note: Other Current Assets include amounts due from</b>		
	Directors	-	-
	Other Officers of company	-	-
	Firms in which any director is a partner	-	-
	Private companies in which any director is a director or member	-	-

**23 Note: Revenue from operations**

Note No.	Particulars	For the year ended 31.03.2021 Consolidated Amount in Rs.	For the year ended 31.03.2020 Consolidated Amount in Rs.
23	Sales – Manufacturing and Processing	58,38,36,459	79,31,91,891
	Sales – Trading	1,39,01,910	2,39,34,472
		<b>59,77,38,368</b>	<b>81,71,26,362</b>
	<b>Operating Revenues of Subsidiaries :</b>		
	Squarepeg Distribution Services Pvt. Ltd.	27,80,940	1,92,20,169
	Polar Cube Cold Storage Solutions Pvt. Ltd.	61,34,305	80,37,024
	Revenues generated between Holding & Subsidiaries	(6,00,000)	(44,51,000)
		<b>60,60,53,614</b>	<b>83,99,32,555</b>
	<b>Sale of Goods under broad heads;</b>		
	- Frozen Products	49,24,40,236	67,55,63,003
	- Dairy and Other Misc.	1,39,01,910	2,39,34,472
	- Corn Samosa	3,88,78,618	4,25,37,198
	- Corn Spring Roll	1,75,54,591	2,89,05,611
	- Corn Kernels and Other Misc.	3,49,63,014	4,61,86,078
		<b>59,77,38,369</b>	<b>81,71,26,362</b>

**24 Note: Other income**

Note No.	Particulars	For the year ended 31.03.2021 Consolidated Amount in Rs.	For the year ended 31.03.2022 Consolidated Amount in Rs.
24	Sub-Let Income	9,50,300	14,28,600
	Income through hiring of Vehicles	-	36,20,910
	Profit on Sale of Asset / Investment	29,00,000	-
	Other Income	46,65,716	39,10,793
	Revenues generated from among Holding & Subsidiaries	-	(36,20,910)
		<b>85,16,016</b>	<b>53,39,393</b>

**25 Note: Cost of Materials consumed**

Note No.	Particulars	For the year ended 31.03.2021 Consolidated Amount in Rs.	For the year ended 31.03.2022 Consolidated Amount in Rs.
25	<b>Raw Material Consumed</b>		
	Opening Inventory	65,98,362	64,95,838
	Add: Purchases (Net)	57,86,67,376	72,23,87,491
	Less: Inventory at the end of the year	79,16,333	65,98,362
	Cost of Raw Materials Consumed during the year	<b>57,73,49,405</b>	<b>72,22,84,967</b>
	Add : Direct Expenses	35,72,352	1,48,30,217
	Freezer placing expenses paid to subsidiaries	(6,00,000)	(6,00,000)
	<b>Total</b>	<b>58,03,21,757</b>	<b>73,65,15,184</b>

**26 Note: Purchase of Stock – in -Trade**

Note No.	Particulars	For the year ended 31.03.2021 Consolidated Amount in Rs.	For the year ended 31.03.2022 Consolidated Amount in Rs.
26	Purchase – Stock In Trade	97,99,349	1,08,68,047
		<b>97,99,349</b>	<b>1,08,68,047</b>

**26A Note: Direct Expenses of subsidiaries (Squarepeg & Polar Cube) :**

Note No.	Particulars	For the year ended 31.03.2021 Consolidated Amount in Rs.	For the year ended 31.03.2020 Consolidated Amount in Rs.
26A	Petrol & Diesel	67,774	60,50,497
	Repairs & Maintenance	2,09,315	12,18,360
	Toll Fees	1,05,962	12,46,596
	Transport Expenses	-	9,27,328
	Vehicle Hire Expenses	-	36,20,910
	Electricity Expenditure	11,83,379	16,24,208
	Loading & Unloading Charges & Maintenance Charges	1,13,565	2,67,526
	Less: Expenditure incurred in Intercompany Transactions	-	(35,90,910)
		<b>16,79,995</b>	<b>1,13,64,514</b>

**27 Note: Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Note No.	Particulars	For the year ended 31.03.2021 Consolidated Amount in Rs.	For the year ended 31.03.2020 Consolidated Amount in Rs.
27	<u>Inventories at the end of the year:</u>		
	Finished Goods / Stock In Trade	31,79,13,419	26,16,39,220
	Work In Progress	15,32,068	4,80,893
		<b>31,94,45,487</b>	<b>26,21,20,113</b>
	<u>Inventories at the beginning of the year:</u>		
	Finished Goods / Stock In Trade	26,16,39,220	23,65,63,488
	Work In Progress	4,80,893	6,27,299
		<b>26,21,20,113</b>	<b>23,71,90,787</b>
	Net increase / (decrease)	<b>5,73,25,374</b>	<b>2,49,29,326</b>

**28 Note: Employee benefit expenses**

Note No.	Particulars	For the year ended 31.03.2021 Consolidated Amount in Rs.	For the year ended 31.03.2020 Consolidated Amount in Rs.
28	Salaries and Wages	1,20,53,070	1,82,01,467
	Directors Remuneration	19,35,000	22,40,000
	Contribution / Provision to provident and other funds *	15,50,866	24,15,480
	Staff Welfare Expenses	4,69,409	8,80,378
		<b>1,60,08,345</b>	<b>2,37,37,325</b>

\* Includes contribution to Employee Provident fund, Employee State Insurance Scheme and Gratuity. For Details on Gratuity refer Note 41.

**29 Note: Finance costs**

<b>Note No.</b>	<b>Particulars</b>	<b>For the year ended 31.03.2021 Consolidated Amount in Rs.</b>	<b>For the year ended 31.03.2020 Consolidated Amount in Rs.</b>
<b>29</b>	Interest Expense		
	Interest	2,24,73,096	2,69,58,424
	Interest on others *	3,94,925	5,68,642
	Other Borrowing Costs:		
	Loan Processing Charges	4,25,710	8,91,817
	Other Finance Expenses:		
	Bank charges	4,81,779	8,22,651
		<b>2,37,75,510</b>	<b>2,92,41,534</b>

\* includes Interest on TDS, Service Tax & VAT.

**30 Note: Other Expenses**

Note No.	Particulars	For the year ended 31.03.2021 Consolidated Amount in Rs.	For the year ended 31.03.2020 Consolidated Amount in Rs.
<b>30</b>	<b>Administrative Expenses:</b>		
	Administrative Expenses	5,41,480	20,97,450
	Audit Fee	4,70,000	5,10,000
	Consultancy Fee	57,050	5,60,614
	Donations	14,500	29,150
	Electricity Charges	21,27,911	30,69,615
	Fuel Expenses	28,12,185	43,57,671
	Insurance Expenses	43,589	3,97,275
	Miscellaneous Expenses	1,96,580	3,65,811
	Net, Cable & News Paper Bill	39,367	26,997
	Office Maintenance	1,25,383	8,23,283
	Postage & Telegrams	5,142	19,651
	Printing & Stationery	1,78,288	2,69,884
	Rent Expenses	38,62,013	44,04,642
	Repairs & Maintenance	5,67,720	7,13,869
	Royalty Expenses	2,40,000	2,40,000
	Stock Insurance	2,19,061	1,46,174
	Taxes & Licenses	7,83,017	33,86,338
	Telephone & Internet Charges	1,76,959	2,37,699
	Travelling, Boarding & Conveyance	53,153	1,73,192
	Vehicle Insurance	4,78,198	5,30,409
	Vehicle Maintenance	8,20,396	10,68,067
	Website Design Charges	1,66,188	-
	Miscellaneous Expenses Written off	8,68,852	8,68,852
	<b>Selling &amp; Distribution Expenses</b>		
	Advertising & Marketing Expenses	1,14,587	2,41,890
	Business Promotion	19,605	8,00,449
	Counter Expenses	38,307	5,26,098
	Discount Allowed	-	-
	Transportation Charges	9,85,572	53,82,795
	Transportation charges paid to Subsidiaries	-	(38,81,000)
		<b>1,60,05,100</b>	<b>2,73,66,875</b>

**31 Note: Auditors Remuneration**

Note No.	Particulars	For the year ended 31.03.2021 Consolidated Amount in Rs.	For the year ended 31.03.2020 Consolidated Amount in Rs.
<b>31</b>	Payments to Auditors Comprises:		
	As Auditors - Statutory Audit	3,90,000	3,90,000
	For taxation matters	1,20,000	1,20,000
	For company law matters	-	-
	For management services	-	-
	For other services	-	-
	Reimbursement of Expenses	-	-

**32 Note: Deferred Tax Liability / (Deferred Tax Asset) (Net)**

Note No.	Particulars	As at 31.03.2021 Consolidated Amount In Rs.	As at 31.03.2020 Consolidated Amount In Rs.
<b>32</b>	Deferred Tax Liability on account of		
	i) Depreciation and Amortisation	3,00,162	2,26,834
	ii) Adjustment due to difference in method of depreciation of subsidiary companies (i.e.WDV) & Holding companies Method of depreciation (i.e.SLM)	2,40,108	(15,11,425)
	ii) Miscellaneous expenditure written off	132	132
	<b>Total</b>	<b>5,40,402</b>	<b>(8,92,207)</b>
	Deferred Tax Assets on account of		
	i) Gratuity	1,65,581	2,40,425
	ii) Professional Tax	-	-
	<b>Total</b>	<b>1,65,581</b>	<b>2,40,425</b>
	<b>Net Deferred Tax Liability</b>	<b>3,74,821</b>	<b>(15,24,884)</b>

**33** The retail industry as a whole has been adversely impacted by the spread of CoVID-19. The operations of the Group Companies have been impacted to some extent owing to the Lock Down imposed from 22-03-2020 to control the spread of Covid - 19. In this crisis, our priorities are to protect the employees, their families and the society associated with it from COVID-19. The Group Companies have begun restoration of operations from first week of June as permitted by the Government and Local/Regulatory authorities, with controlled movement, maintaining social distancing, taking appropriate hygiene measures and following the directions of Regulatory Authorities. The Management believes that the pandemic is not likely to impact the recoverability of the carrying value of its assets. The Management is closely monitoring the developments and possible effects that may result from the current pandemic on its financial condition, liquidity and operations and is actively working to minimize the impact of this unprecedented situation. As the situation is continuously evolving, the eventual impact may be different from the estimates made as of the date of approval of these Results.

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**34 Note: Related Party Disclosures**

S.No.	Name of the Related Party	Nature of Relationship
1	Sri. A. Sri Nagaveer	Key Managerial Personnel
2	Smt. A. Vasavi	Key Managerial Personnel
3	Sri. A. Sarat Chandra Babu	Key Managerial Personnel
4	Smt. A. Sarada	Key Managerial Personnel
5	Mr.Avneet Singh Kohli	Key Managerial Personnel (Resigned as CS with w.e.f 10.11.2020)
6	Mr.Marredupalli Srinivasa Reddy	Key Managerial Personnel (Resigned as CFO w.e.f 05.04.2021)
7	Miss Roselyn Villuri	Key Managerial Personnel (Appointed as CFO w.e.f 05.04.2021)
8	M/s. Sri Sai Agencies (Prop. A Sri Nagaveer)	Enterprise over which Directors having Significant Influence (EDS)
9	M/s Novica Foods Pvt Ltd	Enterprise over which Directors having Significant Influence (EDS)

S.No.	Nature of Transaction	FY 2020-21				FY 2019-20			
		KMP	EDS	Associates / Subsidiary	Total	KMP	EDS	Associates / Subsidiary y	Total
1	Remuneration	19,35,000			19,35,000	22,40,000	-	-	22,40,000
2	Salary	49,46,853			49,46,853	56,25,819	-	-	56,25,819
3	Rent (Expenses)	5,48,480			5,48,480	3,24,720	-	-	3,24,720
4	Royalty (Expenses)		2,40,000		2,40,000	-	2,40,000	-	2,40,000
5	Sales		7,36,481		7,36,481	-	12,21,473	-	12,21,473
6	Purchases		1,80,000		1,80,000	-	-	-	-
7	Unsecured Loans (Recd)	2,91,20,932			2,91,20,932	1,11,07,430	-	-	1,11,07,430

**Balances with Related Parties As At 31.03.2021 :**

S.No.	Nature of Transaction	FY 2020-21				FY 2019-20			
		KMP	EDS	Subsidiary	Total	KMP	EDS	Subsidiary	Total
1	Rent Deposit	30,000	-	-	30,000	30,000	-	-	30,000
2	Remuneration / Salary Payable	51,70,580	-	-	51,70,580	15,83,295	-	-	15,83,295
3	Rent Payable	2,66,066	-	-	2,66,066	-	-	-	-
4	Unsecured Loans	4,11,22,505	-	-	4,11,22,505	1,20,01,572	-	-	1,20,01,572
5	Advance to suppliers	-	-	-	-	6,278	-	-	6,278
6	Trade Receivables	-	62,14,350	-	62,14,350	-	29,14,691	-	29,14,691
7	Trade Payables	-	-	-	-	-	-	-	-
8	Other Current Liabilities	-	-	-	-	-	-	-	-
9	Investments	-	-	-	-	-	-	-	-
10	Advance and Received from customers	-	1,18,320	-	1,18,320	-	-	-	-

## Disclosure in respect of material transactions during the year:

S. No.	Particulars	FY 2020-21	FY 2019-20
<b>1</b>	<b><u>Directors Remuneration</u></b>		
	Smt. A. Vasavi	15,75,000	18,00,000
	Sri. A. Sarat Chandra Babu	3,60,000	3,60,000
<b>2</b>	<b><u>Directors Sitting Fee</u></b>		
	Sri. N Naveen	-	40,000
	Sri. R V Radhakrishna	-	40,000
<b>3</b>	<b><u>Salary</u></b>		
	Sri. A. Sri Nagaveer	36,75,000	42,00,000
	Mr. M Srinivasa Reddy	9,55,853	9,72,486
	Mrs. Shilpa Kotagiri	-	-
	Mr. Avneeth Singh Kohli	3,16,000	4,53,333
<b>4</b>	<b><u>Rent (Expenses)</u></b>		
	Smt. A. Vasavi	5,48,480	3,24,720
<b>5</b>	<b><u>Royalty (Expenses)</u></b>		
	M/s. Sri Sai Agencies (Prop. A Sri Nagaveer)	2,40,000	2,40,000
	<b><u>Sales</u></b>		
<b>6</b>	M/s. Sri Sai Agencies (Prop. A Sri Nagaveer)	7,29,881	12,21,473
	M/s. Novica Foods Private Limited	6,600	-
<b>7</b>	<b><u>Purchases</u></b>		
	M/S Sri Sai Agencies (Prop. A Sri Nagaveer)	1,80,000	-

**35 Note: Earnings Per Share**

Note No.	Particulars	For the year ended 31.03.2021 Consolidated Amount in Rs.	For the year ended 31.03.2020 Consolidated Amount in Rs.
	Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (INR)	1,17,44,027	1,54,67,462
	<b>Profit before Exceptional, Extraordinary Items &amp; Prior-period;</b>	1,17,44,027	1,54,67,462
	<b>Profit after Exceptional, Extraordinary Items &amp; Prior-period;</b>	1,17,44,027	1,54,67,462
	No of Equity shares	53,66,750	53,66,775
	Face value per share (INR)	10.00	10.00
	Weighted average No of Equity shares (For Basic Earnings)	53,66,775	53,66,775
	Weighted average No of Equity shares (For Diluted Earnings)	53,66,775	53,66,775
	<b>EPS before Exceptional, Extraordinary Items &amp; Prior-period;</b>		
	Basic Earnings per share (INR)	2.19	2.88
	Diluted Earnings per share (INR)	2.19	2.88
	<b>EPS after Exceptional, Extraordinary Items &amp; Prior-period;</b>		
	Basic Earnings per share (INR)	2.19	2.88
	Diluted Earnings per share (INR)	2.19	2.88

The Calculation of Earnings Per Share (EPS) as disclosed in the Profit and Loss Account has been made in accordance with Accounting Standard (AS - 20) on Earnings Per Share issued by the Institute of Chartered Accountants of India.

**35 Note: Earnings in foreign currency**

Note No.	Particulars	For the year ended 31.03.2021 Consolidated Amount in Rs.	For the year ended 31.03.2020 Consolidated Amount in Rs.
	Export of Goods calculated on FOB basis	-	-

**36 Note: Expenditure in foreign currency**

Note No.	Particulars	For the year ended 31.03.2021 Consolidated Amount in Rs.	For the year ended 31.03.2020 Consolidated Amount in Rs.
	CIF Value of Import of Capital goods	-	1,46,06,168

**37 Note: Tax Expense**

Note No.	Particulars	For the year ended 31.03.2021 Consolidated Amount in Rs.	For the year ended 31.03.2020 Consolidated Amount in Rs.
	The Tax Expenses for the year comprises of;		
	Income Tax	28,83,245	31,22,325
	Current Year	26,93,631	46,45,463
	Less : MAT Credit	-	-
	Previous Year	(1,85,208)	1,746
	Deferred Tax	3,74,821	(15,24,884)

**38 Note: Obligations towards operating leases**

The Company has Significant Operating lease arrangements for premises. These lease arrangements range for a period between 11 Months and 15 Years which include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms and also include escalation clauses. The company has entered into some sub-leases and all such sub-leases are cancellable and are for a period of 11 months, with an option of renewal on mutually agreeable terms.

Note No.	Particulars	For the year ended 31.03.2021 Consolidated Amount in Rs.	For the year ended 31.03.2020 Consolidated Amount in Rs.
	Lease payments recognized in the Statement of Profit and Loss	38,62,013	44,04,642
	Sublease payments received / receivable recognized in the Statement of Profit and Loss	9,50,300	14,28,600
	With respect to Non-cancellable operating leases, the future minimum lease payments are as follows.		
	Future minimum lease payments		
	not later than one year	27,30,212	26,51,140
	later than one year and not later than five years	56,15,138	53,03,191
	later than five years	12,51,360	23,01,427
	The future minimum lease rental obligation under non-cancellable operating leases in respect of these assets is on account of lock-in period and notice period in some of the lease agreements entered by the company for operating of offices:		
	On account of Lock-in Period	-	-
	On account of Notice Period	-	-

Notes forming part of consolidated Financial Statements as At 31.03.2021

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

SI No.	Lender	Primary Security	Collateral Security	Terms of Payment	Int. Rate
1	Indian Bank (Term Loan) - 12.75 Cr (Sanctioned limit of Rs. 14.00 Cr reduced by first installment of subsidy of Rs.1.25 Cr received dt. 29.06.2020)	1. EM of Ac 3.50 of land in Survey No Sy No. 37-4, 37-5, 41-1, 41-2, Seetaramapuram Village, Nuzvid mandal, Krishna District. 2. EM of Factory Buildings & Other Civil works to be constructed there on 3. Hypothecation of Plant and Machinery to be purchased by the company.	1. Equitable Mortgage of property belonging to Promoter as specified in the below schedule.	Repayable in 30 Quarterly installments Starting from June 2022.	1Y MCLR + 3% (Presently 11.35%)
2	Indian Bank (Term Loan - IDC) - 2.00 Cr  The facility got sanctioned dt.01.01.2021 but not yet availed by the company.			Repayable in 20 Quarterly installments Starting from June 2022.	1Y MCLR + 3% (Presently 10.30%)
3	Union Bank of India (Term Loan) - 1.23 Cr	Hypothecation of all the equipments procured and fixed assets acquired from the Term Loan	EM of Plot No.151 & 152, L.P No.33/2013/VJS, R.S No. 262/1, 263, 273/3B, beside Airport Area, Kesarapalli (V) and GP, Gannavaram(M), Krishna Dist. Admeasuring 721 Sq. Yards	1. Repayable in 24 Quarterly installments of Rs.5,12,500 commencing from September 2014. 2. Rs.6.15 lakhs outstanding as at 31.03.2021 due to Moratorium given by the Bank.	Interest rate - 13.25% p.a  (Base rate + 2.50% + 0.50%)

4	Union Bank of India (CELC) - 1.02 Cr  (As per sanction letter dt. 31.08.2020)	Hypothecation of Inventory and receivables	Collateral Security given for OCC & Term Loan are given for this CELC Limit also.	Repayable in 18 Equated Monthly installments of Rs. 5,66,667/- (after moratorium period of 6 months from the date of first disbursement) commencing from April 2021.	Interest Rate - 8.00% p.a. (Fixed)
5	a. Union Bank of India (FITL) - 0.63 Cr  (As per sanction letter dt. 15.09.2020)  b. Overdue of Rs.0.22 Cr outstanding as on 31.03.2021	Hypothecation of Inventory and receivables		Repayable in 6 Equated Monthly installments of Rs. 10,42,819/- commencing from October 2020.	Interest Rate - 10.80% p.a.  As applicable to regular CC (HYP) Account

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

Sl.No	Lender	Primary Security	Collateral Security	Terms of Payment	Int. Rate
1	<p>a. Union Bank of India (CC) - 10.20 Cr as per sanction letter Dt. 13.07.2020</p> <p>b. Loan outstanding of Rs 12.23 Crores as at 31.03.2021 i.e. excess drawn of Rs 2.03 Crores</p> <p>c. the said CC Limit is due for renewal w.e.f. 24.06.2021</p>	Hypothecation of Inventory and receivables	<p>1. Equitable Mortgage of properties belonging to Promoters &amp; their friends and family members as specified in the below schedule in the name of the persons as detailed below</p> <p>2. Hypothecation of plant and machinery and other fixed assets after excluding the value of vehicles from WDV of Fixed Assets since the company has taken vehicle loans from other Banks</p>	<p>On demand</p> <p>Margins :</p> <p>Stock in trade - 25%</p> <p>Receivables -30% -</p> <p>Receivables not older than 90 days which are not financed by way of purchase / discount of bills</p>	EBLR (6.80) + 4.25% - 0.25% = 10.80% p.a.



**1.3 Schedule of Collateral property**

Sl no	Type	Belonging To	Address	Offered to	Others
1	Residential Flat (UDS 45 Sq.Yds)	Adusumilli Sri Nagaveer	Flat No. FF2 in First floor, Sai Ganesh Apartment situated at D.No 59A-7-28 & 29, RS No. 134/2, Municipal Ward No. 32/5, State Bank of Hyderabad Staff Colony, Patamata, Vijayawada Municipal Corporation	Indian Bank	
2	Residential Vacant Site (721 Sq.Yds)	Adusumilli Vasavi W/o Nagaveer	Plot No.151 & 152, L.P No.33/2013/VJS, R.S No. 262/1, 263, 273/3B, beside Airport Area, Kesarapalli (V) and GP, Gannavaram(M), Krishna Dist.	Union Bank of India	1. The Property is offered as Prime Security at 125% of Outstanding amount of TL with Union Bank of India. 2. Residual Value available for Collateral Security
3	Vacant House Plot (209 Sq.Yds)	Tammareddy Venkataratnam S/o Seetharamaiah	Plot No.980, Near Door No. 2-94, Tadigadapa Donka Road, LRS No.3571/2008, R.S No.95/1, Poranki Village and GP, Janachaitanya Layout, Penamaluru Mandal, Vijayawada, Krishna Dist.	Union Bank of India	
4	Vacant House Plot (331.89 Sq.Yds)	Adusumilli Vasavi W/o Nagaveer	R.S No. 302 to 310, 320, 321, 322, 324, 361, 363 to 365, 384, 385, 387 to 391, 399, Plot no. 295, LIG, Nallagandla HUDA Residential Complex, Nallagandla (V), Serilingampally, GHMC & Mandal, Hyderabad, Rangareddy Dist.	Union Bank of India	
5	Residential Flat (UDS 61.04 Sq.Yds)	Adusumilli Vasavi W/o Nagaveer	Flat No.PH-5, Fourth floor at D. No. 59-1-15/1, Sai Kakatiya Apartments, Ramanchandra Nagar, Old 5th No. Route, near Stella College, Vijayawada	Union Bank of India	
6	Residential Flat (UDS 61.04 Sq.Yds)	Adusumilli Saratchandra Babu	Flat No. S-4 Second floor, Sai Kakatiya Apartments, R S No 8, D No 59-1-15/1, No 5 Bus route, Ashok Nagar, Ramachandra Nagar, Patamata, Vijayawada	Union Bank of India	

7	Residential House Plot (200 Sq.Yds)	Adusumilli Sri Nagaveer	R.s No. 278/3, plot No.171, RS No. 278/3, Kesarapalli Village, Gannavaram mandal, Krishna Dist.	Union Bank of India	
8	Residential Flat (61.04 Sq.Yds)	Adusumilli Saratchandra Babu	Flat No. F-4 First floor, Sai Kakatiya Apartments, R S No 8, D No 59-1-15/1, No 5 Bus route, Ashok Nagar, Ramachandra Nagar, Patamata, Vijayawada	Union Bank of India	
9	Residential House Plot (365 Sq.Yds)	Adusumilli Vasavi W/o Nagaveer	R.s No. 263, plot No.95, LP No. 33/2012, Saipriya Construction Layout, Backside of Airport Area Kesarapalli Village, Gannavaram mandal, Krishna Dist.	Union Bank of India	
10	Residential Flat (UDS 27.90 Sq.Yds)	Mr. Maddali Vijayewara Prasad S/o Rama Koteswara Rao	Ftat No.F-1, First floor, D.No.57-13-158, Anadam Heights, 2nd west veedhi, New Postat Cotony, Patamata, Vijayawada.	Union Bank of India	
11	Hypothecation of Plant & Machinery and other Fixed Assets	Tanvi Foods (India) Limited	Computers and Software, Furniture and Fixtures, Plant and Machinery, Office Equipment	Union Bank of India	

## 1.4 Personal Guarantees of the following persons:

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

## Note

No. 40

## Vehicle Loans

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

Sl.No	Lender	Category	Terms of Payment	ROI
1	Axis Bank Vehicle Loan - 752057 - Honda Jazz	Bank	1. Repayable in 60 Monthly Installments of Rs. 17128/- each commencing from 15-Mar-2016 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 Months	9.90%
2	Axis Bank Vehicle Loan - 037079 - Eicher Pro 1	Bank	1. Repayable in 47 Monthly Installments of Rs. 86770/- each commencing from 15-Oct-2016 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 Months	11.02%
3	Axis Bank Vehicle Loan - 037080 - Eicher Pro 2	Bank	1. Repayable in 47 Monthly Installments of Rs. 86770/- each commencing from 15-Oct-2016 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 months	11.02%
4	Axis Bank Vehicle Loan - 037094 - Eicher Pro 3	Bank	1. Repayable in 47 Monthly Installments of Rs. 84140/- each commencing from 15-Oct-2016 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 months	11.02%
5	Axis Bank Vehicle Loan - 037098 - Eicher Pro 4	Bank	1. Repayable in 47 Monthly Installments of Rs. 84140/- each commencing from 15-Oct-2016 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 months	11.02%
6	Toyoto Vehicle Loan - 124839 - Innova Crysta	Financial Institution	1. Repayable in 60 Monthly Installments of Rs. 48870/- each commencing from 20-Jan-2018 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 months	8.17%
7	Axis Bank Vehicle Loan - 172759 - Mahindra Camper	Bank	1. Repayable in 47 Monthly Installments of Rs. 18039/- each commencing from 20-Jun-2018 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. Accordingly loan repayment period is extended for another 6 months	11.50%

## Unsecured Business Loans

Sl.No	Lender	Category	Terms of Payment	ROI
1	Capital First Limited - Business Loan	Financial Institution	1. Repayable in 36 Monthly Installments of Rs. 179468/- each commencing from 02-Sep-2018 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20. 3. The Company has not paid 5 Installments from Sept'20 to Jan'21. Then the loan has been restructured and sanctioned moratorium for 6 months from Feb'21 to July'21. Remaining 25 Installments commencing from Aug'21.	19.00%
2	Oxyzo Financial Services Private Limited - Business Loan - Dropline OD	Financial Institution	Repayable in 12 Quarterly Installments of Rs. 250000/- each commencing from 19-Mar-2019 Balance No. of installments - 4	19.00%
3	Oxyzo Financial Services Private Limited - Business Loan - Purchase Financing	Financial Institution	Repayable in 90days from the date of payment to Suppliers/ Service Providers / Other creditors	19.00%
4	Clix Capital Services Private Limited - Business Loan	Financial Institution	1. This loan has been restructured in Jan'21 with EMI moratorium for Feb'21 to Jul'21. 2. Repayable in 14 installments of Rs.1,39,145/- each commencing from Aug'21 to Sept'22 and balance 6 installements of Rs.2,16,448/- each from Oct'22 to Mar'23.	18.50%
5	Incred Financial Services Limited - Business Loan	Financial Institution	1.Repayable in 18 monthly Installments of Rs. 162921/- each commencing from 07-May-2019 2. The company has availed moratorium of 6 months from Mar'20 to Aug'20.	19.50%
6	Intellectash Microfiance Network Company (Aarohan) - Business Loan	Financial Institution	1. This loan has been settled for Rs.19.00 Lakhs vide settlement letter dt.23.03.2021 with 5 installments as detailed below a. Rs.2.00 lakhs on 23.03.2021 b. Rs.2.00 lakhs on 20.04.2021 c. Rs.5.00 lakhs on 20.05.2021 d. Rs.5.00 lakhs on 20.06.2021 e. Rs.5.00 lakhs on 20.07.2021	29.00%
7	TATA Capital Financial Services Private Limited - Business Loan	Financial Institution	1. This loan has been settled for Rs.15.00 Lakhs vide settlement letter dt.22.03.2021 with 4 installments as detailed below a. Rs.8.50 lakhs on 26.03.2021 b. Rs.2.16 lakhs on 26.04.2021 c. Rs.2.16 lakhs on 27.05.2021 d. Rs.2.18 lakhs on 28.06.2021	18.00%

## Disclosures relating to Borrowings of Subsidiary companies

## Vehicle Loans

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

Sl.No	Lender	Category	Terms of Payment	ROI (p.a)
1	Axis Bank Vehicle Loan-TATA 2518_1	Bank	1.Repayable in 35 Monthly Installments of Rs. 60362/- each commencing from Sep-2018 2.The Company has availed moratorium of six months from mar' 20 to Aug'20. Accordingly loan repayment period is extended per another 6 months	11.00%
2	Axis Bank Vehicle Loan-TATA 2518_2	Bank	Repayable in 35 Monthly Installments of Rs. 60362/- each commencing from Sep-2018 2.The Company has availed moratorium of six months from mar' 20 to Aug'20. Accordingly loan repayment period is extended per another 6 months	11.00%
3	Axis Bank Vehicle Loan-TATA 2518_3	Bank	Repayable in 35 Monthly Installments of Rs. 60362/- each commencing from Sep-2018 2.The Company has availed moratorium of six months from mar' 20 to Aug'20. Accordingly loan repayment period is extended per another 6 months	11.00%

## Unsecured Business Loans

Sl.No	Lender	Category	Terms of Payment	ROI (p.a)
1	Shriram City Union Finance Limited	Financial Institution	Repayable in 36 Monthly Installments of Rs. 109969/- each commencing from Sep-2018 2.The Company has availed moratorium of six months from mar' 20 to Aug'20. 3.The Company has defaulted in 6 Instalments from Sep'20 to Mar'21. Then the loan has been restructured in Mar'21. 4. Repayable in 12 installments of Rs 40,000/- each commencing from Apr'21 to Mar'22 and balance 27 installments of Rs 1,00,442/- each from Apr'22 to jun'24	19.10%
2	Dewan Housing Finance Limited	Financial Institution	Repayable in 36 Monthly Installments of Rs. 51417/- each commencing from Oct-2018 2.The Company has availed moratorium of six months from mar' 20 to Aug'20. Accordingly loan repayment period is extended for another 6 months.	18.00%

**41 Note: Contingent Liabilities:**

Following are the claims against the Company that are not acknowledged as debts.

Sl. No.	Name of the Statue	Nature of Dues	Disputed Amount	Period	Forum, where the dispute is pending	Amount deposited towards disputed demand amount	Remarks
1	Income Tax Act, 1961	Income Tax	95,10,208	2012-13	Income Tax Appellate Tribunal (ITAT)	31,45,000	1. Rs.5 lakhs paid on 17.06.2016 2. Rs.5 lakhs paid on 02.08.2016
2	Income Tax Act, 1961	Interest on Income Tax	45,09,652	2012-13			3. Rs.10 lakhs paid on 05.02.2020 4. Rs.3 lakhs paid on 07.02.2020 5. Rs.2 lakhs paid on 10.02.2020 6. Rs.3.50 lakhs paid on 13.02.2020 7. Rs.2.95 lakhs paid on 13.02.2020
3	Income Tax Act, 1961	Income Tax	55,59,345	2013-14	Income Tax Appellate Tribunal (ITAT)	13,73,115	1. Rs.11.78 lakhs paid on 08.03.2017 2. Rs. 0.70 Lakhs paid on 14.02.2020 3. Rs.1.25 lakhs paid on 17.02.2020
4	Income Tax Act, 1961	Interest on Income Tax	22,94,758	2013-14			
5	Income Tax Act, 1961	Income Tax	86,98,400	2014-15	Income Tax Appellate Tribunal (ITAT)	20,47,586	1. Rs.2 lakhs paid on 05.06.2017 2. Rs.5 lakhs paid on 14.06.2017
6	Income Tax Act, 1961	Interest on Income Tax	25,70,160	2014-15			3. Rs.9.88 lakhs paid on 16.06.2017 4. Rs.1.60 lakhs paid on 14.02.2020 5. Rs. 2 lakhs paid on 15.02.2020
7	Income Tax Act, 1961	Income Tax	25,56,094	2015-16	Income Tax Appellate Tribunal (ITAT)	10,000	1. Rs. 0.10 lakhs paid on 22.10.2019
8	Income Tax Act, 1961	Income Tax	-	2016-17	ITO, Ward 2(4), Hyderabad	-	Assessment proceedings are opened under Section 148 of the Income Tax Act and notice is issued to the company to file the return of Income under Section 148
9	Income Tax Act, 1961	Income Tax	3,94,460	2017-18	CPC, Bangalore	-	Notice of Demand issued by CPC
10	Income Tax Act, 1961	Income Tax	1,80,060	2018-19	CPC, Bangalore	-	Notice of Demand issued by CPC

Income Tax Appellate Tribunal (ITAT) pronounced order dt 12th May 2021 for FY 2012-13, FY 2013-14 & FY 2014-15 stating that Tanvi is eligible for deduction under Sec 80IB (11A) on the Income declared in Income Tax Return filed for the respective assessment years. ITAT directed Assessing Officer (AO) to recalculate the eligible profit u/sec 80IB(11A) and pass necessary order accordingly. MAT Credit is eligible for the amount, if any, needs to be paid

Income Tax Appellate Tribunal (ITAT) pronounced order dt 10th Jun 2021 for FY 2015-16 stating that appeal is partly allowed. M/s Tanvi Foods (India) Limited (Assessee) is not eligible for deduction u/sec 80IB (11A) on some of income / receipts. ITAT directed Assessing Officer (AO) to recalculate the eligible profit u/sec 80IB(11A) and pass necessary order accordingly.

It is not practicable for the Company to estimate the timings & amount of cash outflows, if any, for FY 2012-13, FY 2013-14, FY 2014-15 & FY 2015-16 since the same is pending with Assessing Officer has to recalculate eligible profit u/sec 80IB(11A) as per ITAT Order. But above disputed amounts may be reduced to some extent

It is not practicable for the Company to estimate the timings of cash outflows, if any, for FY 2016-17, FY 2017-18 & FY 2018-19 in respect of the above pending resolution of the respective proceedings.

**42 Note: Retirement Benefits :**

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

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

Particulars	As at 31.03.2021 Amount In Rs.	As at 31.03.2020 Amount In Rs.
<b>Changes in Present value of Obligation :</b>		
Opening defined benefit obligation	26,71,137	18,06,919
Interest cost	1,81,370	1,38,229
Current services cost	6,60,907	6,79,562
Benefits paid	-	-
Actuarial (gains)/losses on obligation	(2,47,091)	46,427
Defined Benefit Obligation at the end	<b>32,66,323</b>	<b>26,71,137</b>
<b>Asset and Liability (Balance Sheet) Position</b>		
Present Value of Defined benefit obligations at the end	32,66,323	26,71,137
Fair Value of Plan assets at the end	-	-
Funded Status - Deficit / (Surplus)	<b>32,66,323</b>	<b>26,71,137</b>
Unrecognised past service cost	-	-
Effects of Asset Ceiling	-	-
Net Liability / (Asset) at the end of the period	<b>32,66,323</b>	<b>26,71,137</b>
<b>Expenses recognised in the statement of Profit and Loss</b>		
Current service cost	6,60,907	6,79,562
Interest cost on Obligation	1,81,370	1,38,229
Past Service cost	-	-
Expected return on Plan Assets	-	-
Amortization of Prior Service costs	-	-
Net Actuarial Gain / (Loss) to be recognised	(2,47,091)	46,427
Transfer In / (Out)	-	-
Curtailment (Gain) / Loss recognised	-	-
Settlement (Gain) / Loss recognised	-	-
Expense recognised in Statement of Profit and Loss	<b>5,95,186</b>	<b>8,64,218</b>
<b>Assumptions :</b>		
Date of Valuation	<b>31.03.2021</b>	<b>31.03.2020</b>
Retirement age	60 years	60 years
Salary Growth rate (Per Annum)	7.50%	7.50%
Discount Rate (Per Annum)	6.92%	6.79%
Mortality Table	IALM (2012-14)	IALM (2012-14)
Average Future Service	21.47 Years	22.66 Years
<b>GRATUITY LIABILITY</b>		
Short Term Liability	2,27,774	1,51,419
Long Term Liability	30,38,549	25,19,718
<b>TOTAL NET LIABILITY</b>	<b>32,66,323</b>	<b>26,71,137</b>



<b>43 Note: Capital Commitments</b>	<b>As at 31.03.2021 Amount in Rs.</b>	<b>As at 31.03.2020 Amount in Rs.</b>
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of Advances)	15,47,42,601	2,61,21,959
(b) Uncalled liability on shares and other investments partly paid	-	-
(c) Other commitments (specify nature)	-	-
<b>44</b> a) Sri Nagaveer Adusumilli, holds 5 Equity Shares in Polar cube Cold Storage Solutions (P) Ltd., Wholly Owned Subsidiary, in compliance of Sec.3 of Companies Act, 2013 and the beneficial ownership lies with the company. b) Sri Nagaveer Adusumilli, holds 5 Equity Shares in Squarepeg Distribution Services (P) Ltd., Wholly Owned Subsidiary, in compliance of Sec.3 of Companies Act, 2013 and the beneficial ownership lies with the company.		
<b>45</b> In the opinion of the Board, current assets, loans and advances are stated at a value, which could be realized in the ordinary course of business. The provision for all known liabilities made is adequate and not in excess of the amount reasonably necessary.		
<b>46</b> Some of the balances in Sundry Debtors, Sundry Creditors, Advances and Deposits are subject to confirmation, reconciliations and adjustments, if any, which in the opinion of the management will not be significant.		
<b>47</b> These financial statements have been prepared in the format prescribed by the Schedule III to the Companies Act, 2013.		
<b>48</b> The figures of the previous year are re-grouped / re-classified wherever necessary to make them comparable with that of the current year.		
<b>49</b> The figures pertaining to Subsidiary company have been re-grouped / re-classified in consolidated financial statements wherever necessary to make them in line with the holding company's financial statements.		

As per my report of even date.

**For V N S S & Associates  
Chartered Accountants**

Sd/-  
**V N S Srinivasa Rao**  
Proprietor  
Member Ship No.225281  
Firm Regn No. 018367S

For and on behalf of the Board of Directors

Sd/-  
**A. Sarat Chandra Babu**  
Chairman and WTD  
DIN : 02589830

Sd/-  
**Adusumilli Vasavi**  
Managing Director  
DIN : 02589803

Place : Hyderabad  
Date : 30th June, 2021

Sd/-  
A.Sri Nagaveer  
Chief Executive Officer

Sd/-  
**Villuri Roselyn**  
Chief Financial Officer

**TANVI FOODS (INDIA) LIMITED**

(CIN: L15433TG2007PLC053406)

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

(to be surrendered at the venue of the meeting)

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

I hereby record my presence at the Fourteenth Annual General Meeting of the shareholders of Tanvi Foods (INDIA) Limited held on Tuesday, 30th November 2021 at 11.00 A.M. at the Registered Office of the Company at Flat No. 101, Alekhya Homes Temple Tree, Raghavendra Colony, Kondapur, Hyderabad - 500084.

Reg. Folio No. / Client ID	
DP ID	
No. of Shares	

Name &amp; Address of Member

\_\_\_\_\_  
Signature of Shareholder/Proxy/Representative  
(Please Specify)

**TANVI FOODS (INDIA) LIMITED**  
 (CIN: L15433TG2007PLC053406)  
 Registered Office: Flat No. 101, Alekhya Homes Temple Tree,  
 Raghavendra Colony Kondapur HYDERABAD- 500084

**Form No. MGT-11  
 PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	L15433TG2007PLC053406
Name of the company	<b>TANVI FOODS (INDIA) LIMITED</b>
Registered office	Flat No. 101, Alekhya Homes Temple Tree, Raghavendra Colony, Kondapur, Hyderabad-500084
Name of the member(s)	
Registered Address	
Email Id	
Folio No / Client ID	DP ID :

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

1.	Name		Signature	
	Address			
	E-mail Id			
	or failing him			
2.	Name		Signature	
	Address			
	E-mail Id			
	or failing him			

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 14<sup>th</sup> Annual General Meeting of the Company to be held on Tuesday, 30th November 2021 at 11.00 A.M. at the Registered Office of the Company at Flat No. 101, Alekhya Homes Temple Tree, Raghavendra Colony,

Kondapur, Hyderabad - 500084 and at any adjournment thereof in respect of such resolutions as are indicated below:

	For	Against
<b>Ordinary Business</b>		
1. To receive, consider and adopt the audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2021 and the Reports of the Board of Directors and Auditors thereon.		
2. To receive, consider and adopt the audited Consolidated Financial Statement of the Company for the Financial Year ended March 31, 2021 and the Report of Auditors thereon.		
3. To appoint a Director in place of Mr. A. Sarat Chandra Babu (DIN: 02589830) who retires by rotation and being eligible offers himself for re-appointment.		
<b>Special Business</b>		
4. Re-appointment of Ms. Adusumilli Vasavi, (DIN: 02589803), to the office of Managing Director		
5. Re-appointment of Mr. A Sarat Chandra Babu, (DIN: 02589830), to the office of Whole Time Director (Chairman).		
6. Appointment of Ms. Jonnada Vaghira Kumari (DIN: 06962857) as an Independent Director.		

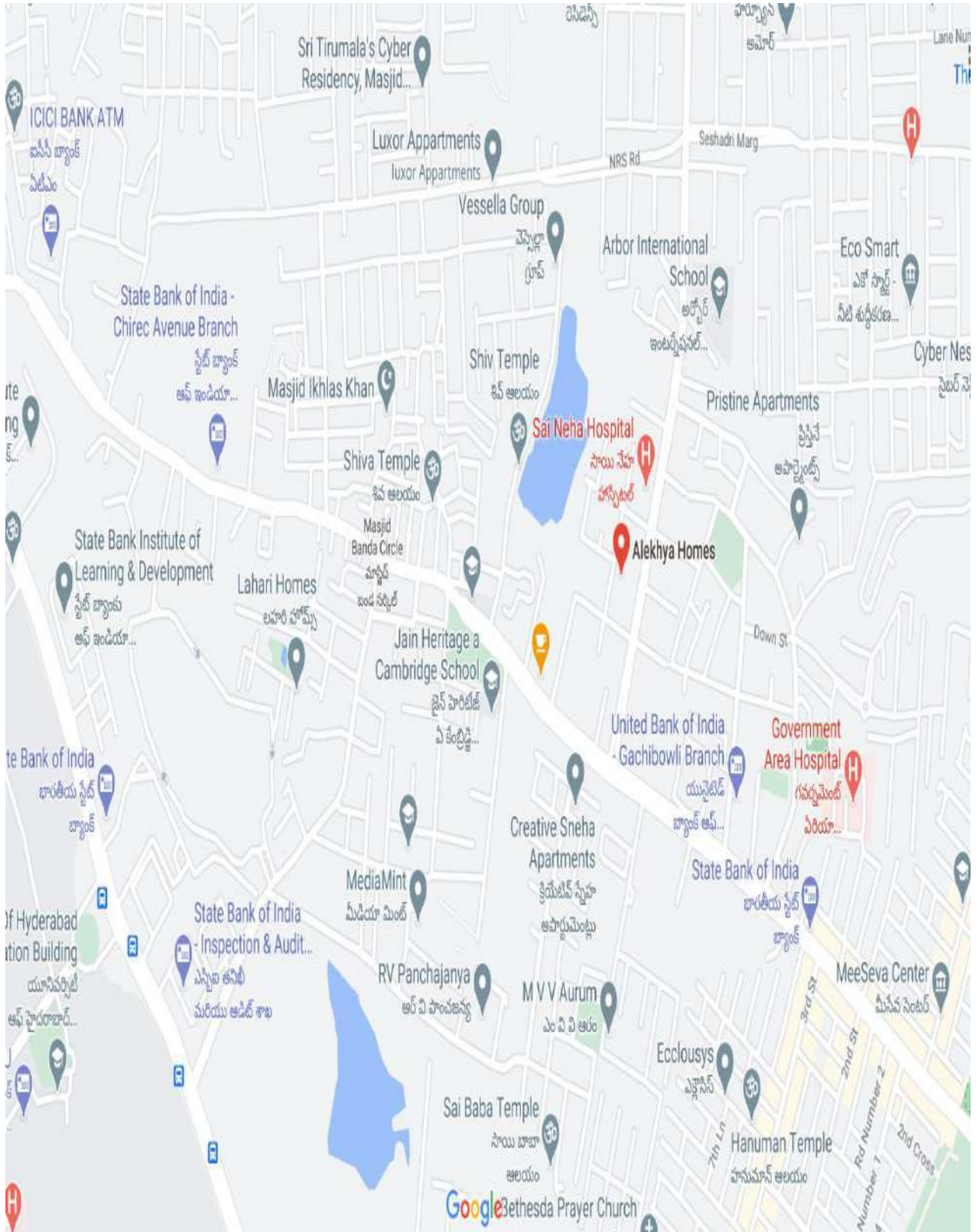
Signed this ..... day of ..... 2021.

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

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

**ROUTEMAP**





*Frozen for Life*



**TANVI FOODS (INDIA) LTD.**

[www.tanvifoods.com](http://www.tanvifoods.com)

[info@tanvifoods.com](mailto:info@tanvifoods.com)

