

**FORM – A**  
**(Pursuant to Clause 31(a) of the Listing Agreement)**

1	Name of the Company	AVANTI FEEDS LIMITED
2	Annual financial statements for the year ended	31 <sup>st</sup> March, 2015
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Not Applicable
5.	<p>Signed by :</p> <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;"> <p><b>For Avanti Feeds Limited</b></p>  <p>A. Indra Kumar Chairman &amp; Managing Director</p> </div> <div style="text-align: center;">  </div> <div style="text-align: center;"> <p><b>For Avanti Feeds Limited</b></p>  <p>C. Ramachandra Rao Joint Managing Director, Company Secretary &amp; CFO</p> </div> </div> <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;"> <p><b>For Avanti Feeds Limited</b></p>  <p>A.V. Achar Chairman Audit Committee</p> </div> <div style="text-align: center;">  </div> <div style="text-align: center;"> <p><b>For KARVY &amp; CO.,</b> Chartered Accountants FRN :01757S</p>  <p>V. Kutumba Rao Partner (M.No.018796)</p> </div> </div>	



*Aiding Sustainability  
&  
Reliability to Aquaculture*

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AVANTI FEEDS LIMITED

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**22<sup>nd</sup> Annual Report  
2014-2015**



Mr. Kraisorn Chansiri, Chairman, Mr. Thiraphong Chansiri, President & CEO and Mr. Disaphol Chansiri of Thai Union Frozen Products PCL with feed plant team on their visit to plant at Kowvur



Mr. Kraisorn Chansiri, Chairman, Mr. Thiraphong Chansiri, President & CEO and Mr. Disaphol Chansiri of Thai Union Frozen Products PCL with processing plant team on their visit to plant at Gopalapuram.

## BOARD OF DIRECTORS

**A. Indra Kumar**

Chairman & Managing Director

**C. Ramachandra Rao**

Joint Managing Director, Company Secretary & CFO

**A.V. Achar**

**N. Ram Prasad**

**K. Ramamohana Rao**

**B.V. Kumar**

**J.S.V. Prasad, IAS, Nominee-APIDC**

**M.S.P. Rao**

**N.V.D.S. Raju**

**Smt. K. Kiranmayee**

**Bunluesak Sorajjakit**

**Wai Yat Paco Lee**

### AUDITORS

**Karvy & Co**

Chartered Accountants

Bhooma Plaza, Street No.4, Avenue 7,  
Banjara Hills, HYDERABAD - 500 034.

### BANKERS

State Bank of India

Rabo Bank International

### REGISTRARS & SHARE TRANSFER AGENTS

**Karvy Computershare Private Limited**

Karvy Selenium Tower B, Plot No. 31-32, Gachibowli,  
Financial District, Nanakramguda, Hyderabad - 500 032

#### REGISTERED OFFICE

Plot No.3, H. No.3, Baymount,  
Rushikonda, Visakhapatnam-530 045.  
Andhra Pradesh. India

#### CORPORATE OFFICE

G-2, Concorde Apartments  
# 6-3-658, Somajiguda  
Hyderabad - 500 082.



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## NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the members of Avanti Feeds Limited (CIN: L16001AP1993PLC095778) will be held on Saturday, the 8<sup>th</sup> August, 2015 at 11.00 A.M. at Vedika Hall, Hotel Daspalla, Jagadamba Junction, Visakhapatnam-530020 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2015 including Balance Sheet as on 31<sup>st</sup> March, 2015 and the Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2015 along with the Report of Board of Directors and Auditors thereon.
2. To declare dividend of Rs.27.50 ps. per equity share of Rs. 10/- each fully paid-up for the year 2014-15.
3. To appoint a Director in place of Mr. Bunluesak Sorajjakit, (DIN: 02822828), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Wai Yat Paco Lee (DIN:02931372), who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and if thought fit, to pass with or without modification(s) the following Resolution as Ordinary Resolution:

RESOLVED that in terms of the provisions of Sections 139 to 142 and other applicable provisions if any, of the Companies Act 2013 read with the underlying rules viz., Companies (Audit and Auditors) Rules, 2014 as may be applicable and pursuant to the resolution of the members at the Twenty-first (21<sup>st</sup>) Annual General Meeting (AGM) held on 2<sup>nd</sup> August, 2014, the appointment of M/s Karvy & Company, Chartered Accountants, Hyderabad (ICAI Registration No.01757S), as independent auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of Twenty-third (23<sup>rd</sup>) AGM of the Company, be ratified by the Members on a remuneration inclusive of service tax and such other taxes (as may be applicable) and reimbursement of out-of pocket expenses in connection with the audit of the accounts of the Company (including terms of payment) to be fixed by the Board of Directors of the Company, based on the recommendation of Audit Committee.

### SPECIAL BUSINESS:

#### 6. Appointment of Sri N.V.D.S. Raju, as Independent Director:

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

RESOLVED THAT pursuant to Sec.161,149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri N.V.D.S. Raju (DIN: 05183133), be and is hereby appointed as Independent Director, not liable to retire by rotation with effect from 11<sup>th</sup> March, 2015 in respect of whom the Company has received a Notice in writing under Sec.160 of the Companies Act, 2013 from a member proposing his candidature to be appointed as Independent Director to hold office for a term up to the conclusion of 26<sup>th</sup> Annual General Meeting of the Company in the Calendar year 2019.

**7. Appointment of Smt. K. Kiranmayee, as Independent Director:**

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

RESOLVED THAT pursuant to Sec. 161, 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Smt. K. Kiranmayee (DIN: 07117423), be and is hereby appointed as Independent Director, not liable to retire by rotation with effect from 11<sup>th</sup> March, 2015 in respect of whom the Company has received a Notice in writing under Sec. 160 of the Companies Act, 2013 from a member proposing her candidature to be appointed as Independent Director to hold office for a term up to the conclusion of 26<sup>th</sup> Annual General Meeting of the Company in the Calendar year 2019.

By Order of the Board  
for Avanti Feeds Limited

Place: Hyderabad  
Date: 09.05.2015

A. Indra Kumar  
DIN: 00190168  
Chairman & Managing Director

**NOTES:**

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a Proxy to attend and vote instead of himself and such Proxy need not be a member of the Company.
2. The instrument of Proxy in order to be effective must be deposited at the Registered Office of the Company, duly completed and signed not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution / authority, as applicable.
3. A person can act as a Proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% of the total share capital of the Company, carrying voting rights. A member holding more than 10% (ten percent) of the share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as Proxy for any other person or share holder.
4. The business set out in the Notice will be transacted through electronic voting system and the company is providing facility for voting by electronic means. Instructions and other information relating to e-voting forms part of this notice.
5. The Explanatory Statement pursuant to Sec.102 of the Companies Act, 2013 which sets out details relating to Special Business to be transacted at the meeting is annexed hereto.
6. Register of Members and Share Transfer Books of the Company shall remain closed from 03.08.2015 to 08.08.2015 (both days inclusive) for annual closing and determining the entitlement of the shareholders for the dividend for the year 2014-15, if declared, at the Annual General Meeting.
7. The dividend on equity shares, if declared at the Annual General Meeting, will be credited / dispatched before 23<sup>rd</sup> August, 2015 as under:
  - a) To all those beneficial owners holding shares in electronic form, as per the beneficial ownership data as may be made available to the Company by National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL) as of the close of the business hours on 2<sup>nd</sup> August, 2015 and
  - b) To all those members holding shares in physical form, after giving effect to all the valid share transfers lodged with the Company/share transfer agent (i.e. Karvy Computershare Pvt., Ltd.) on or before the close of business hours on 2<sup>nd</sup> August, 2015.
8. To ensure timely delivery of shareholders' communications and also credit of dividend through NECS or dividend warrants/payment instruments, members are requested to notify change of address, or particulars of their bank account, if changed, along with the 9 digit MICR/NECS details, (i) in case of shares held in demat, to the respective depository participant and (ii) in case of shares held in physical form to transfer agent of the Company i.e. Karvy Computershare Private Limited, Hyderabad, on or before 2<sup>nd</sup> August, 2015.
9. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company (i.e. Karvy Computershare Pvt. Ltd.). Members are requested to keep the same updated.
10. The notice of Annual General Meeting will be sent to the members, whose name appears in the Register of members / depositories as at closing hours of business on 26<sup>th</sup> June, 2015.
11. Members desiring to seek any information on the annual accounts are requested to write to the Company at an early date to enable compilation of information.

12. All communications relating to shares are to be addressed to the Company's Registrars and Transfer Agents i.e. i.e. M/s.Karvy Computershare Private Limited, Karvy Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serilingampally, Hyderabad 500 008. India, Phone No.: +91 040 67161524 Fax:040-23001153,e-Mail id: einward.ris@karvy.com, website: www.karvycomputershare.com
13. As per the provisions of the Sec.205 C of the Companies Act, 1956, Unclaimed Dividend amount in respect of 2006-07 has been transferred to Investor Education and Protection Fund. For the financial year ended 31.03.2008, unclaimed dividend will be transferred to the Investor Education and Protection Fund, upon expiry of 7 years period. As such, members who have not en-cashed their dividend warrant(s) for the financial year ended 31.03.2008 and / or subsequent years are requested to submit their claims to the Registrars and Transfer Agents of the Company without any delay.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in Electronic Form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrars and Transfer Agents of the Company.
15. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of Directors seeking appointment / re-appointment at the Annual General Meeting forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment / re-appointment.
16. Pursuant to Section 108 of the Companies Act, 2013 read with relevant Rules under the Act, the Company is pleased to provide the facility to the Members to exercise their right to vote through electronic voting . The members who have not cast their vote by remote e-voting shall be able to vote at the meeting.
17. The members whose names appear on the Register of Members/list of beneficial owners as on 1<sup>st</sup> August, 2015 are eligible to participate in e-voting on the resolutions set forth in this notice.
18. The Companies (Management and Administration) Rules, 2015 provide that the electronic voting period shall close at 5 PM, on the date preceding the AGM. Accordingly, the remote e-voting period will commence at 9 A.M. (IST) on 4<sup>th</sup> August, 2015 and will end at 5 P.M. (IST) on 7<sup>th</sup> August, 2015.
19. The remote e-voting will not be allowed beyond the aforesaid period and time, and the remote e-voting module shall be disabled by Karvy Computershare Private Limited, the agency engaged by the company to provide e-voting facility.
20. The member(s) who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast their vote again.
21. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
22. In order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set forth in their Notice, the Company is enclosing a Ballot form with the Notice. Resolution (s) passed by the members through ballot forms, remote e-voting and voting at the AGM are deemed to have passed as if they have been passed at the AGM.
23. The Company has appointed Sri V. Bhaskara Rao, practising Company Secretary, Hyderabad to act as Scrutinizer to scrutinize the poll at the Annual General Meeting, remote e-voting process and through ballot form in a fair and transparent manner. The members desiring to vote through remote e-voting are requested to refer to the detailed procedure given hereinafter.
24. The Scrutinizer after scrutinizing the votes cast at the meeting and through remote e-voting, will not later than three days of conclusion of the meeting, make a consolidated Scrutinizer's Report and submit the same to Chairman. The results declared along with Scrutinizer's Report shall be placed on the website of the Company. The results shall simultaneously be communicated to stock exchanges where the shares of the Company are listed i.e. Bombay Stock Exchange and National Stock Exchange.



25. Subject to approval of the requisite number of votes, the resolutions set forth in the Notice for the AGM shall be deemed to be passed on the date of the meeting i.e. 8<sup>th</sup> August, 2015.

**Procedure for remote e-voting :**

I. The Company has engaged the services of Karvy Computershare Private Limited (Karvy) as agency to provide e-voting facility for AGM. The instructions for remote e-voting are as under:

**(a) In case of Members receiving an e-mail from Karvy :**

- (i) Launch an internet browser and open <https://evoting.karvy.com>
- (ii) Enter the login credentials (i.e. User ID and password). The Event No.+Folio No. or DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- (iii) After entering the above details Click on - Login.
- (iv) Password change menu will appear. Change the Password with a new Password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential. You need to login again with the new credentials.
- (v) On successful login, the system will prompt you to select the E-Voting Event
- (vi) Select the EVENT of Avanti Feeds Limited and click on - Submit .
- (vii) Now you are ready for e-voting as 'Cast Vote' page opens.
- (viii) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.
- (ix) Upon confirmation, the message 'Vote cast successfully' will be displayed.
- (x) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xi) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at [bhaskararaoandco@gmail.com](mailto:bhaskararaoandco@gmail.com) they may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name\_EVENT NO."

**(b) In case of Shareholders receiving physical copy of the Notice of AGM and Attendance Slip**

(I) INITIAL PASSWORD IS PROVIDED, AS FOLLOWS, AT THE BOTTOM OF THE ATTENDANCE SLIP.

EVEN (E-Voting Event Number)	USER ID	PASSWORD
-	-	-

(ii) Please follow all steps from Sr. No. (i) to Sr. No. (xi) above, to cast vote.

II. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of Karvy's e-voting website <https://evoting.karvy.com>.

- III. If you are already registered with Karvy for e-voting then you can use your existing User ID and Password for casting vote.
- IV. Members who have acquired shares after the despatch of the Annual Report and before the books closed may approach Karvy for issuance of the User ID and Password for exercising their right to vote by electronic means.
- a. If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may send SMS : MYEPWD <space> Event number+Folio No. or DP ID Client ID to 9212993399
- Example for NSDL : MYEPWD <SPACE> In12345612345678  
Example for CDSL : MYEPWD <SPACE> 1402345612345678  
Example for Physical : MYEPWD <SPACE> XXX1234567
- a. If e-mail or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "forgot password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c. Member may call Karvy's toll free number 1-800-3454-001
- d. Member may send an e-mail request to [evoting@karvy.com](mailto:evoting@karvy.com)

By Order of the Board  
for Avanti Feeds Limited

Place: Hyderabad  
Date : 09.05.2015

A. Indra Kumar  
DIN: 00190168  
Chairman & Managing Director

#### **IMPORTANT COMMUNICATION TO MEMBERS**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paper less compliances by the Companies and has issued circulars stating that the services of notice / documents including Annual Report can be sent by email to its members. To support this Green Initiative in full measure, members who have not registered their email addresses so far, are requested to register their email address in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with Karvy Computershare Pvt Ltd., Hyderabad.

**EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS:**

(Pursuant to Sec.102 of the Companies Act, 2013)

**Item Nos. 6 and 7 :****Appointment of Sri N.V. D.S. Raju and Smt. K. Kiranmayee as Independent Directors:**

As per the provisions of the Companies Act and relevant schedule appointment of Independent Directors require approval of the members.

The Board of Directors of the Company appointed Sri N.V.D.S. Raju and Smt K. Kiranmayee as additional directors who would also be Independent Directors of the company with effect from 11.3.2015, for a term upto the conclusion of 26<sup>th</sup> Annual General Meeting of the Company in the calendar year 2019 subject to approval of members.

The above additional directors will hold office pursuant to Section 161(1) of Companies Act, 2013 up to the date of this Annual General Meeting and are eligible for appointment as directors.

Sri N.V. D.S. Raju and Smt. K. Kiranmayee are not disqualified from being appointed as independent Directors in terms of Section 164 of the Act and Clause 49 of the Listing Agreement and have given their consent to act as Directors.

The Company has received notices in writing from members along with the deposit of requisite amount under Section 160 of the Act, proposing the candidatures of each of Sri N.V.D.S. Raju and Smt. K. Kiranmayee for the office of Directors of the Company.

The Company has also received declarations from Sri N.V. D.S. Raja und Smt K Kiranmayee that they meet with the criteria of independence as prescribed under Section 149(6) of the Act.

In the opinion of the Board, Sri N.V. D.S. Raju and Smt. K. Kiranmayee fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Sri N.V.D.S. Raju and Smt. K. Kiranmayee are independent of the management. Brief resume and personal details of Sri N.V. D.S. Raju and Smt. K. Kiranmayee are as under:

1. Name	Sri N.V.D.S.Raju	Smt. K. Kiranmayee
2. Director Identification Number	05183133	07117423
3. Date of Birth	10.03.1948	30.01.1968
4. Date of Appointment	11.03.2015	11.03.2015
5. Qualifications	B.Com., M.A., CAIIB, MBA, M.Phil P.G. Dip in International Trade FRM (Financial Risk Management), New York University	B.Sc., B.Ed.
6. Occupation	Faculty & Head, Distance Learning, Institute of Insurance and Risk Management-an initiative of IRDA.	Head of Indus International Junior School, Hyderabad

1. Name	Sri N.V.D.S.Raju	Smt. K. Kiranmayee
7. Expertise	Experience for more than 35 years as a professional banker in India and 5 years at New York (USA) with State Bank of India. Experience as faculty at ICAI school of Financial studies, Visiting faculty at NALSAR and Faculty and Head Distance Learning, IIRM	Experience in various capacities in the field of education for more than 19 years.
8. Directorships in other Companies	(i)Sivananda Supatha Foundation (Section 8 Company) - Director	NIL
9. Committee Positions held in other Companies	NIL	NIL
10. Shareholding in Avanti Feeds Limited	NIL	NIL
11. Relationship between directors inter-se	NIL	NIL

This statement may also be recorded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Copy of the draft letters for respective appointment of Sri N.V.D.S. Raju and Smt. K. Kiranmayee as Independent Directors setting out the terms and conditions are available for inspection of the members at the Registered Office of the Company.

Sri N.V.D.S. Raju and Smt. K. Kiranmayee are interested in the Resolutions set out respectively at Item Nos.6 and 7 of the Notice with regard to their respective appointment.

Save and except above, none of the other Directors/Key Managerial Personnel of the Company/their Relatives are, in any way, concerned or interested, financially or otherwise in these Resolutions.

The Board commends the Resolutions set out at Item Nos. 6 and 7 of the Notice for approval of the members as Special Resolutions.

By Order of the Board  
for Avanti Feeds Limited

A. INDRA KUMAR  
DIN: 00190168  
Chairman & Managing Director

Place: Hyderabad  
Date : 09.05.2015

## BOARDS' REPORT

**Dear Members,**

Your Directors have pleasure in presenting their 22<sup>nd</sup> Annual Report together with the Audited Financial Statements of your Company and its subsidiary for the year ended 31<sup>st</sup> March, 2015.

### 1. Financial summary or highlights:

The summarized standalone and consolidated results of your Company and its subsidiary are given in the table below:

(Rs. in Lacs)

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014
Total Income	1,78,527.80	1,13,528.81	1,78,527.80	1,13,528.81
Profit/(loss) before Interest, Depreciation & Tax (PBITDA)	19,039.35	11,421.59	18,973.70	11,488.06
Finance Charges	175.00	349.96	175.00	349.96
Depreciation	879.67	553.74	879.67	553.74
Provision for Income Tax (including for earlier years)	6,326.82	3,542.89	6,326.82	3,542.89
Net Profit/(Loss) After Tax	11,657.86	6,975.00	11,592.21	7,041.47
Profit/(Loss) brought forward from previous year	10,395.51	5,728.35	10,720.81	5,987.19
Profit/(Loss) carried to Balance Sheet	17,847.03	10,409.34	18,106.68	10,734.65

### 2. Summary of Operations & State of Company's affairs:

The Profit for the year under consideration i.e. 2014-15, before depreciation, finance charges and tax is Rs.19,039.35 lacs as compared to a profit of Rs. 11,421.59 lacs in the previous financial year. The Profit for the year after tax is Rs. 11,657.86 lacs as against a Profit of Rs. 6,975.00 lacs during the previous financial year.

For the fifth consecutive year there was overall increase in the shrimp culture both in terms of water spread area and stocking density, mainly because of success of Vannamei shrimp culture. Your directors are glad to inform that your Company's Shrimp Feed sales grew by 56% in quantitative terms. Your Company's high quality of shrimp feed and technical support to the farmers by educating them with best culture practices has made our feed one of the most preferred feed by the farmers. The year 2014-15 ended with shrimp feed sales at 2,33,489 MT, an increase of 83,598 MT as compared to previous financial year.

The shrimp processing and export division sales recorded export of 3,409 MT as against 3,289 MT in the previous year. During the year US authorities started checking each container exported to their country for presence of antibiotic residues. Because of stringent checking there were inordinate delays in clearing of the goods with additional expenditure to the exporters. Due to this, your Company could not show improvement in its operations in this division.



The four wind mills of your Company located in Karnataka State with a total capacity of 3.2 MW have generated 55.41 lakh units as against 62.39 lakh units in the previous year. The fall in generation is due to reduced wind velocity during the year. The power generated during the year was sold to Karnataka Power Transmission Corporation Limited under PPA.

No material changes and commitments have occurred after the close of the financial year till the date of this report which effect the financial position of the Company.

During the year under review, there is no change in nature of the business of the Company. The affairs of the Company are conducted in accordance with the accepted business practices and within the purview of the applicable legislations.

### 3. Share Capital:

As on 31<sup>st</sup> March, 2015, the issued, subscribed and paid up share capital of your Company stood at Rs.9,08,30,420./-, comprising 90,83,042 equity shares of Rs.10/- each.

### 4. Dividend:

Your Directors have recommended a dividend of Rs.27.50 ps per equity share of Rs.10/- each fully paid up, for the Financial Year 2014-15. The dividend if declared by the Members at the 22<sup>nd</sup> Annual General Meeting to be held on 8<sup>th</sup> August, 2015, will be paid on or before 23<sup>rd</sup> August, 2015.

### 5. Reserves:

The Company proposes to transfer Rs.1200 lakhs to the General Reserve out of the Profits available for appropriation.

### 6. Composition of the Board and details of Board meetings:

Sl No	Name	Designation
1	Sri A. Indra Kumar	Chairman & Managing Director
2	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & Chief Financial Officer
3	Sri N. Ram Prasad	Director
4	Sri A.V. Achar	Independent Director
5	Sri B.V. Kumar	Independent Director
6	Sri M.S.P. Rao	Independent Director
7	Sri K. Ramamohana Rao	Independent Director
8	Sri N.V. D.S. Raju (from 11.3.2015)	Independent Director
9	Smt. K. Kiranmayee (from 11.3.2015)	Independent Director
10	Sri Bunluesak Sorajjakit	Director
11	Sri Wai Yat Paco Lee	Director
12	Sri J.S.V. Prasad, IAS [from 15.12.2014]	Nominee Director (Nominee of Andhra Pradesh Industrial Development Corporation Ltd)
13	Smt. Anita Rajendra, IAS (upto 15.10.2014)	Nominee Director (Nominee of Andhra Pradesh Industrial Corporation Limited)

### 6.1 Number of Board Meetings:

During the year 2014-15, Four Board meetings were held. The details are as under:

Sl No	Date of the meeting	No. of Directors attended the meeting
1	30.05.2014	6
2	02.08.2014	9
3	08.11.2014	7
4	31.01.2015	8

### 6.2 Committees of the Board:

The details of the Committees of the Board viz., Audit Committee, Nomination and Remuneration Committee Stakeholders Relationship Committee and Share Transfer Committee are reported in the Report on Corporate Governance which forms part of the Board's Report.

### 6.3 Meeting of Independent Directors:

The details on the separate meeting of the Independent Directors is reported in the Report on Corporate Governance which forms part of the Board's Report.

### 6.4 Familiarization Programme for Independent Directors:

The details of the familiarization programme for the Independent Directors is reported in the Report on Corporate Governance which is attached to the Board's Report.

## 7. Changes in Directors and Key Managerial Personnel:

During the year under review, Andhra Pradesh Industrial Development Corporation Limited has withdrawn the nomination of Smt. Anita Rajendra IAS on 15.10.2014 and appointed Sri J.S. V. Prasad, IAS on 15.12.2014. The Board placed on record its appreciation for the contribution and guidance provided by Smt. Anita Rajendra, IAS during her tenure as director.

The Board appointed Sri N.V.D.S. Raju and Smt. K. Kiranmayee as additional directors who would also be Independent Directors with effect from 11.3.2015, subject to approval of members.

The above additional Directors will hold office pursuant to Section 161 (1) of the Companies Act, 2013 upto the date of ensuing Annual General Meeting. The Company has received notices in writing from members along with deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidatures of Sri. N.V.D.S. Raju and Smt. K. Kiranmayee for the office of Directors.

In the opinion of the Board Sri. N.V.D.S.Raju and Smt. K.Kiranmayee fulfil the conditions for appointments as Independent Directors as specified under the Companies Act, 2013 and Listing Agreement. Sri. N.V.D.S.Raju and Smt. K. Kiranmayee are independent of management. The resolutions for the appointment of above individuals as Independent Directors w.e.f. 11<sup>th</sup> March, 2015 are proposed for consideration and approval by the members at the ensuing AGM.

In terms of Article 105 and 106 of the Articles of Association of the Company Mr.Bunluesak Sorajjakit and Mr.Wai Yat Paco Lee retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment . The resolution to that effect are prepared for consideration and approval by the members at the ensuing AGM.

Mr. C. Ramachandra Rao, Joint Managing Director and Company Secretary is the Chief Financial Officer with effect from 01.10.2014.

## **8. Change of Registered Office:**

The members of the Company approved the Shifting of Registered Office from Hyderabad, Telangana State to Visakhapatnam, Andhra Pradesh, by alteration of the situation clause of the Memorandum of Association of the Company, by way Special Resolution through Postal Ballot on 31.07.2014. The Company submitted Petition to Regional Director, South East Region (SER), Ministry of Corporate Affairs (MCA), Hyderabad for confirmation of alteration of Memorandum of Association. The Regional Director, SER, MCA, Hyderabad vide his order dated 30.10.2014 confirmed the alteration of situation clause of the Memorandum of Association as approved by the Members. The order of the Regional Director was filed with the Registrar of Companies and the order was registered by Registrar of Companies, Hyderabad on 05.12.2014.

The Registered Office of the Company is situated at Plot No.3, House No.3, Baymount, Rushikonda, Visakhapatnam-530045, Andhra Pradesh. The Corporate Office of the Company is situated at No.G-2, Concorde Apartments, 6.3.658, Somajiguda, Hyderabad.500 082, Telangana State.

## **9. Listing at National Stock Exchange:**

The Company's shares were listed at Bombay Stock Exchange and Madras Stock Exchange. By virtue of listing at Madras Stock Exchange the shares of the Company are traded under "permitted to trade category" at National Stock Exchange(NSE). NSE vide their circular dated 06.01.2015 had withdrawn the permission to trade the shares due to de-recognition of Madras Stock Exchange by Securities and Exchange Board of India. The Company applied for Listing of equity shares with NSE, Mumbai and the NSE approved the listing and admitted dealings in equity shares w.e.f. 15.4.2015. Consequently, the equity shares of the Company are listed and traded presently at Bombay Stock Exchange and National Stock Exchange.

## **10. Change of address of Registrars and Transfer Agents to the new premises:**

The Registrars and Transfer Agents i.e. Karvy Computershare Private Limited shifted their office to the new premises at Hyderabad with effect from 01.04.2015. The new address of the Registrars and Transfer agents is as under:

### **Karvy Computershare Private Limited**

Karvy Selenium Tower-B, Plot No. 31 & 32,  
Financial District, Gachibowli, Nanakramguda, Serilingampally  
Hyderabad 500 008, India  
Phone No.: +040-67162222 Fax: 040-23001153  
Email id: einward@ris@karvy.com  
Website: www.karvycomputershare.com

## **11. Extract of Annual Return:**

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return enclosed at Annexure-1.

## **12. Directors' Responsibility Statement:**

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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 Profit and Loss of the Company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **13. Internal financial controls:**

The internal financial controls with reference to the Financial Statements for the year ended 31<sup>st</sup> March, 2015 commensurate with the size and nature of business of the Company.

The measures implemented for internal financial controls include Multiple authority levels for approval of expenditures, budgetary controls, concurrent internal audit etc.

### **14. Declaration by Independent Directors:**

Sri A.V. Achar, Sri B.V. Kumar, Sri M.S.P. Rao, Sri K. Ramamohana Rao, Sri N.V.D.S. Raju and Smt. K. Kiranmayee are Independent Directors on the Board of your Company. In the opinion of the Board and as confirmed by these Directors, they fulfil the conditions specified in section 149(6) of the Act and the Rules made thereunder about their status as Independent Directors of the Company.

### **15. Policy on directors' appointments and Remuneration including Criteria for determining qualifications, positive attributes etc. :**

The details of Policy on directors appointment and Remuneration (i.e. Nomination and Remuneration Policy), criteria for determining qualifications, positive attributes, independence of directors are included in Report on Corporate Governance forming part of the Board's Report.

Further, the information about the elements of remuneration package of individual directors is provided in the extract of the Annual Return in Form MGT-9 enclosed at Annexed-1 of Board's Report.

### **16. Statutory Auditors, their Report and Notes to Financial Statements:**

At the 21<sup>st</sup> Annual General Meeting of the Company held on 2<sup>nd</sup> August, 2014, M/s. Karvy & Company, Chartered Accountants Hyderabad have been appointed as Statutory Auditors of the Company for a period of three years i.e. (2014-15, 2015-16 and 2016-17). The ratification of appointment M/s Karvy & Company, Chartered Accountants as Statutory Auditors for the year 2015-16 is proposed at the ensuing AGM.

Further, the report of the Statutory Auditors along with notes to Schedules are annexed to this report.

### **17. Secretarial audit:**

In terms of Section 204 of the Companies Act 2013 and the Rules made thereunder, M/s.V. Bhaskara Rao & Co., Hyderabad Practising Company Secretary has been appointed as Secretarial Auditor of the Company for the year 2014-15, on a remuneration of Rs. 1,00,000/- plus service tax as applicable and reimbursement of actual travel and out of pocket expenses. The report of the Secretarial Auditors is annexed to this Report.

### **18. Internal audit:**

In terms of Sec.138 of the Companies Act, 2013 and the relevant Rules, the Company appointed Smt. Santhilatha, Chartered Accountant, an employee of the Company as Internal Auditor. The Internal Auditor directly reports to the Audit Committee.

### **19. Explanations on qualifications made by the Auditors:**

There were no qualifications, reservations or adverse remarks or disclaimers made by (i) Statutory Auditors i.e. Karvy & Co., Chartered Accountants, Hyderabad, in their report and (ii) V Bhaskara Rao & Co., Practising Company Secretaries, Hyderabad in their Secretarial Audit Report.

## 20. Particulars of Loans, Guarantees or Investments:

The details of the Loans, Guarantees and Investments as on 31.03.2015 are as under :

- a) Loans : NIL
- b) Guarantees : NIL
- c) Investments : The details of the investments as on 31.03.2015 are given at Note No.12 & 15 of Notes to financial statements.

## 21. Particulars of contracts or arrangements with Related Parties:

The Company formulated the Policy on dealing with Related Party Transactions. The details of the policy are reported in the Report on Corporate Governance which forms part of this Report.

The details of contacts or arrangements with related parties made by the Company during the year 2014-15 is enclosed at Annexure-2 in form AOC-2.

## 22. Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo:

### (a) Conservation of Energy:

(i)	the steps taken or impact on conservation of energy	Implemented programme for recording power consumption of individual machines and corrective action is taken wherever excess consumption is noticed. VFD are installed at pallet mills in all the units of the Company. Potential changing of power connectivity at Unit –II from 11 kv to 33 kv completed. CFL lights are replaced with LED lights.
(ii)	the steps taken by the Company for utilizing alternate sources of energy	Solar lights are installed on trail basis in Gujarat plant.
(iii)	the capital investment on energy conservation equipments	Rs. 79.70 lacs

(b) Technology absorption : Not Applicable

(c) Foreign Exchange Earnings and Outgo:

During the year under review, the total Foreign Exchange outgo was Rs.5,632.59 lacs and the total Foreign Exchange earned was Rs. 24,433.44 lacs.

## 23. Risk Management Policy:

In terms of the requirement of Section 134(3)(n) of the Companies Act 2013, the Company has developed and implemented the Risk Management Policy. Audit Committee and the Board reviews the same periodically. The details of the Policy are reported in the Report on Corporate Governance which forms part of the Board's Report.



## 24. Corporate Social Responsibility Committee:

The Corporate Social Responsibility (CSR) Committee constituted by the Board comprises following Members. Composition:

Sl. No.	Name	Designation	Chairman/ Members
1	Sri A. Indra Kumar	Chairman & Managing Director	Chairman
2	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & CFO	Member & Compliance Officer
3	Sri N. Ram Prasad	Non-Executive Non-Independent Director	Member
4	Sri A.V. Achar	Independent Director	Member
5	Sri B.V. Kumar	Independent Director	Member

### 24.1 Terms of Reference:

The Committee is primarily responsible for formulating and recommending to the Board of Directors a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR activities.

### 24.2 CSR Policy:

The CSR Committee has formulated and recommended to the Board, a CSR Policy indicating the activities to be undertaken by the Company, which has been approved by the Board. During the year 2014-15, a meeting of the Corporate Social Responsibility Committee was held on 31.1.2015.

As per the Sec.135(5), an amount of 2 percent of the average net Profits of the Company made during the three immediately preceding financial years which works out to Rs.135.86 lacs is to be spent towards Corporate Social Responsibility Activities. The Company has spent Rs.72.18 lacs towards the CSR activities in the financial year 2014-15. The details on CSR Policy developed and implemented by the Company is enclosed at Annexure-3 of Board's Report.

The Company is in the process of identifying suitable project(s) under CSR activity, as such the required amount could not be spent.

## 25. Manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and Individual Directors:

Pursuant to the provisions of the Companies Act 2013 and Clause 49 of the Listing Agreement, the Board has carried out evaluation of (i) its own performance, (ii) the directors individually and (iii) working of its Committees. The manner in which the evaluation was carried out is reported in the Report on Corporate Governance forming part of this Report.

## 26. Statement containing salient features of financial statements of subsidiaries:

Pursuant to sub-section (3) of section 129 of the Act, the statement containing the salient features of the financial statements of Company's subsidiary and associate companies is enclosed at Annexure-4 of Board's Report.

The policy for determining material subsidiaries as approved, may be accessed at the Company's website: <http://www.avantifeeds.com/Policies/Policy%20on%20Material%20subsidiaries.pdf>.

### 26.1 Report on the performance of Subsidiaries, Joint Ventures and associates:

The report on the business of the Subsidiary, Joint Venture and Associate companies as on 31.03.2015 is as follows:

### 26.2 Subsidiary:

Svimsan Imports and Exports Private Limited : No business activity.

### **26.3 Joint Ventures :**

During the year under review there were no Joint Ventures.

### **26.4 Associate Companies:**

1. Srivathsa Power Projects Private Limited:

The Company has a 17.2 MW gas based independent power project located at Razole, East Godavari District of Andhra Pradesh. Avanti Feeds Limited holds 49.99% of equity shares of the Company. The unit is not in operation since July, 2014, as gas supplies are stopped by Gas Authority of India Limited (GAIL) due to blast in their gas supply pipeline. The GAIL informed that they will be completing the laying of new pipeline by June, 2015 and gas supplies may resume from September, 2015. During the year 2014-15, the Company reported a turnover of Rs.436.53 lacs and a loss of Rs.164.53 lacs after charging interest and depreciation.

2. Patikari Power Private Limited:

The Company has a 16 MW Hydel Power Project in Himachal Pradesh. Avanti Feeds Limited holds 25.88% of equity shares of the Company. During the year 2014-15, the Company generated 62.85 lacs saleable energy units, yielding a gross sales income of Rs.1414.22 lacs and a net profit of Rs.86.61 lacs after charging interest, depreciation and tax.

### **26.5 Names of companies which have become or ceased to be subsidiaries, joint ventures or associate companies:**

During the year under review, there were no companies which have become or ceased to be Subsidiaries, Joint Ventures or associate companies.

### **27. Deposits:**

- (a) Accepted during the year - NIL
- (b) Remained unpaid or unclaimed as at the end of the year- NIL
- (c) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and total amount involved
  - (i) At the beginning of the year - NIL
  - (ii) Maximum during the year- NIL
  - (iii) At the end of the year- NIL

### **27.1 Details of Deposits which are not in compliance with the requirements of Chapter V of Companies Act, 2013:**

The Company has not accepted any deposits from the public and as such there were no deposits which are not in compliance with the requirements of Chapter V of the Companies Act 2013.

### **28. Significant and material orders passed by the regulators:**

None of the orders passed by Court or Tribunal has impact on the going concern status of the Company or significant impact on Company's operations.

### **29. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The following is a summary of sexual harassment complaints received and disposed off during the year 2014-15:

No of complaints received: Nil.

No of complaints disposed off: Nil.

**30. Corporate Governance:**

As a listed Company, necessary measures are taken to comply with the Listing Agreement with the Stock Exchanges. Report on the Corporate Governance together with a certificate on compliance of Corporate Governance by Independent Auditors forms part of this Report.

**31. Management Discussion & Analysis:**

Management Discussion and Analysis Report is annexed which forms part of this Report.

**32. Whistle Blower Policy:**

The Company established Whistle Blower Policy for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The details are reported in the Report on Corporate Governance which forms part of this Report.

**33. Remuneration of Directors:**

The details of the remuneration paid to Sri A. Indra Kumar, Chairman and Managing Director and Sri C. Ramachandra Rao, Joint Managing Director are as under: (Rs. in Lacs)

	<b>A. Indra Kumar</b>	<b>C. Ramachandra Rao</b>
Pay	137.09	96.00
Exgratia	17.14	12.00
Perks	2.21	-
P.F. Contribution	10.28	7.20
Super Annuation	11.04	9.25
Commission on Profits	786.16	589.62
<b>Total :</b>	<b>963.92</b>	<b>714.07</b>

**34. Human Resources :**

Your Company treats its human resources as one of its most important assets. Your Company continuously invests in attracting, retaining and development of talent on an ongoing basis. Your Company's thrust is on the promotion of talent internally through job rotation and job enlargement.

**35. Particulars of Employees :**

The statement containing particulars of employees as required under section 197(12) of Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 indicating (i) the ratio of remuneration of each director to the median employees remuneration and other details and (ii) statement showing the details of employees who are in receipt of remuneration of Rs.5,00,000 or more are given in the Annexure-5 forming part of this report.

**Acknowledgments :**

Your Directors take this opportunity to express their deep and sincere gratitude and appreciation for co-operation extended by the Governmental Agencies, Shareholders and Banks from time to time. Your Directors also place on record their appreciation for the contributions made by the employees through their dedication, hard work and commitment. Your Directors also convey thanks and appreciation to the valued customers and dealers for their continued patronage.

For and on behalf of the Board  
**Avanti Feeds Limited**

**A. Indra Kumar**

DIN - 00190168

Chairman & Managing Director

Date : 09.05.2015

Place : Hyderabad

**Annexure - 1**

**Form No. MGT - 9**

**(Extract of Annual Return as on the Financial year ended on 31st March, 2015)**

(Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

**I. REGISTRATION AND OTHER DETAILS :**

i) CIN	: L16001AP1993PLC095778
ii) Registration Date	: 06.01.1993
iii) Name of the Company	: Avanti Feeds Limited
iv) Category/Sub-Category of the Company	: Public Limited Company
v) Address and contact details	
a. Registered Office	: H.No.3, Plot No.3, Baymount, Rushikonda, Visakhapatnam-530 045, Andhra Pradesh
b. Corporate Office	: G-2, Concorde Apartments, Somajiguda, Hyderabad.500 082, Telangana State
Phone Nos	: 040-23310260/61 Fax: 040-23311604
Email id	: avantiho@avantifeeds.com
Website	: www.avantifeeds.com
vi) Whether listed Company	: Yes
vii) Name, Address and contact details of Registrar & Transfer Agents	: Karvy Computershare Private Limited Karvy Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serilingampally, Hyderabad 500 008 Telangana State, India Phone No.:040-67162222 Fax:040-23001153 E-mail id: einward.ris@karvy.com

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

S.No.	Name and Description of main Products/Services	NIC Code of the Product/Service	% of total turnover of the Company
1.	Shrimp Feed	15339	84.83
2.	Processed Shrimp	15129	15.03

**III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

S.No.	Name of the Company and Address	CIN	Holding/ Subsidiary/ associate	% of shares held	Applicable Section under Companies Act, 2013
1.	Svimsan Exports & Imports Private Ltd*	U24239TG1998PTC030063	Subsidiary	100%	Sec.2(87)(ii)
2.	Srivathsa Power Projects Ltd*	U40109TG1995PLC020411	Associate	49.99%	Sec.2(6)
3.	Patikari Power Private Limited**	U40103HP2000PTC024074	Associate	25.89%	Sec.2(6)

\*G-2, Concorde Apartments # 6-3-658, Somajiguda, Hyderabad - 500 082. Telangana.

\*\* 1st House, Bhumion Estate, Navbahar, Bhumion Road, Chota Simla, Simla - 171002. Himachal Pradesh

**IV. SHARE HOLDING PATTERN BETWEEN 31/03/2014 AND 31/03/2015 (Contd...)**

'(i) Category-wise Shareholding

Category Code	Category of Shareholder	No. of Shares Held at the beginning of the Year 31/03/2014		No. of Shares Held at the end of the Year 31/03/2015		% Change during the year				
		Demat	Physical	Demat	Physical					
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)	(X)	(XI)
<b>(A) PROMOTER AND PROMOTER GROUP</b>										
(1)	INDIAN	1304690	18250	1322940	14.56	1304804	7800	1312604	14.45	-0.11
(a)	Individual /HUF	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government/State Government(s)	2540277	0	2540277	27.97	2698985	0	2698985	29.71	1.74
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(1) :</b>	<b>3844967</b>	<b>18250</b>	<b>3863217</b>	<b>42.53</b>	<b>4003789</b>	<b>7800</b>	<b>4011589</b>	<b>44.17</b>	<b>1.63</b>
(2)	FOREIGN	0	0	0	0.00	0	0	0	0.00	0.00
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total A=A(1)+A(2)</b>	<b>3844967</b>	<b>18250</b>	<b>3863217</b>	<b>42.53</b>	<b>4003789</b>	<b>7800</b>	<b>4011589</b>	<b>44.17</b>	<b>1.63</b>
<b>(B) PUBLIC SHAREHOLDING</b>										
(1)	INSTITUTIONS	27000	4200	31200	0.34	0	4100	4100	0.05	-0.29
(a)	Mutual Funds /UTI	0	900	900	0.01	0	900	900	0.01	0.01
(b)	Financial Institutions /Banks	446197	0	446197	4.91	250000	0	250000	2.75	-2.16
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	9730	100	9830	0.11	289807	100	289907	3.19	3.08
(f)	Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(1) :</b>	<b>482927</b>	<b>5200</b>	<b>488127</b>	<b>5.37</b>	<b>539807</b>	<b>5100</b>	<b>544907</b>	<b>6.00</b>	<b>0.62</b>

**IV. SHARE HOLDING PATTERN BETWEEN 31/03/2014 AND 31/03/2015**

(i) Category-wise Shareholding

Category Code	Category of Shareholder	No. of Shares Held at the beginning of the Year 31/03/2014		% of Total Shares		No. of Shares Held at the end of the Year 31/03/2015		% of Total Shares		% Change during the year
		Demat (III)	Physical (IV)	Total (V)	(VI)	Demat (VII)	Physical (VIII)	Total (IX)	(X)	
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	219979	16900	236879	2.61	241178	16900	258078	2.84	0.23
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.1 lakh	958357	272965	1231322	13.56	1119193	233840	1353033	14.90	1.34
	(ii) Individuals holding nominal share capital in excess of Rs.1 lac	890782	0	890782	9.81	552770	0	552770	6.09	-3.72
(c)	Others									
	CLEARING MEMBERS	16032	0	16032	0.18	8539	0	8539	0.09	-0.09
	FOREIGN BODIES	2282042	0	2282042	25.12	2282042	0	2282042	25.12	0.00
	NON RESIDENT INDIANS	48741	25900	74641	0.82	49000	23000	72000	0.79	-0.03
	TRUSTS	0	0	0	0.00	84	0	84	0.00	0.00
	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Sub-Total B(2) :	4415933	315765	4731698	52.09	4252806	273740	4526546	49.83	-2.25
	Total B=B(1)+B(2) :	4898860	320965	5219825	57.47	4792613	278840	5071453	55.83	-1.63
	Total (A+B) :	8743827	339215	9083042	100.00	8796402	286640	9083042	100.00	0.00
(C)	Shares held by custodians, against which Depository Receipts have been issued									
(1)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(2)	Public									
	<b>GRAND TOTAL (A+B+C) :</b>	<b>8743827</b>	<b>339215</b>	<b>9083042</b>	<b>100.00</b>	<b>8796402</b>	<b>286640</b>	<b>9083042</b>	<b>100.00</b>	



**(ii) Shareholding of Promoters**

Category of Shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year		% Change in shareholding during the year
	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
1 Sri Indra Kumar Alluri	543,380	5.98%	553,380	6.09%	0.11%
2 Alluri Indra Kumar - HUF	545,950	6.01%	545,950	6.01%	0.00%
3 Srinivasa Cystine Private Limited	2,278,577	25.09%	2,417,785	26.62%	1.53%
4 Sanjeeva Agro-vet Pvt. Ltd	261,700	2.88%	281,200	3.10%	0.22%
5 N. Ram Prasad	20,600	0.23%	20,600	0.23%	0.00%
6 VENKATA SANJEEV ALLURI	47,380	0.52%	47,380	0.52%	0.00%
7 ALLURI NIKHILESH CHOWDARY	44,110	0.49%	46,110	0.51%	0.02%
8 N NAGA RATNA	49,180	0.54%	45,294	0.50%	-0.04%
9 SURESH KUMAR GEDA	29,480	0.32%	29,480	0.32%	0.00%
10 ANNAPURNA SURAPANENI	7,950	0.09%	-	0.00%	-0.09%
11 MADDIPATLA KALPANA PRASAD	5,000	0.06%	-	0.00%	-0.06%
12 G VENKATESH	5,000	0.06%	5,000	0.06%	0.00%
13 BOMMIDALA SRIMANNARAYANA	3,000	0.03%	1,000	0.01%	-0.02%
14 GEDA SAI PADMINI	2,910	0.03%	2,910	0.03%	0.00%
15 RATNA MANIKYAMBA KATNENI	2,500	0.03%	2,500	0.03%	0.00%
16 KATNENI JAGAN MOHAN RAO	2,500	0.03%	2,500	0.03%	0.00%
17 SUDHA VADLAMUDI	2,500	0.03%	2,500	0.03%	0.00%
18 RAVEENA CHITTURI	2,500	0.03%	2,500	0.03%	0.00%
19 AMAR KUMAR CHUKKAPALLI	2,500	0.03%	2,500	0.03%	0.00%
20 PITCHAIAH CHUKKAPALLI	2,500	0.03%	2,500	0.03%	0.00%
21 PUNNAIAH PANDA	2,500	0.03%	-	0.00%	-0.03%
22 CHIRUMAMILLA SUJATA	1,000	0.01%	-	0.00%	-0.01%
23 ALEVOOR VEDAVYAS ACHAR	200	0.00%	200	0.00%	0.00%
24 C RAMACHANDRA RAO	200	0.00%	200	0.00%	0.00%
25 GAYATHRI PUTCHALA	100	0.00%	100	0.00%	0.00%
Total:	3,863,217	42.53%	4,011,589	44.17%	1.63%

**(iii) Change in Promoters' Shareholding: (Contd....)**

Change in Promoters Shareholding	Shareholding		Date	Reason	Increase/Decrease in Shareholding % of total		Cumulative shareholding during the year	
	No. of Shares at the beginning (01.04.14)	% of total Shares of the company			% of total Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1 Indra Kumar Alluri	543380	5.98	4.6.2014 31.03.2015	Transfer At the end of the year	10000	0.11	543380 553380 553380	5.98 6.09 6.09
2 Alluri Indra Kumar HUF	545950	6.01	No changes during the year 31.03.2015	At the end of the year				
3 Srinivasa Cystine Pvt. Ltd	2278577	25.09	11.04.2014 24.04.2014 13.06.2014 30.06.2014 31.03.2015	Transfer Transfer Transfer Transfer At the end of the year	3859 7060 28289 100000	0.04 0.08 0.31 1.10	2278577 2282436 2289496 2317785 2417785 2417785	6.01 25.09 25.13 25.21 25.52 26.62 26.62
4 Sanjeeva Agrovet Pvt Ltd	261700	2.88	6.13.2014 6.20.2014 2.20.2015 31.03.2015	Transfer Transfer Transfer At the end of the year	12005 4995 2500	0.13 0.06 0.03	261700 273705 278700 281200 281200	2.88 3.01 3.07 3.10 3.10
5 Sri N. Ram Prasad	20600	0.23	No changes during the year 31.03.2015	At the end of the year				
6 N NAGA RATNA	49180	0.54	11.11.2014 13.11.2014 20.11.2014 21.11.2014 24.11.2014 31.03.2015	Transfer Transfer Transfer Transfer Transfer At the end of the year	-724 -1500 -100 -319 -1243	-0.01 -0.02 -0.00 -0.00 -0.01	20600 49180 48456 46956 46856 46537 45294 45294	0.23 0.54 0.53 0.51 0.51 0.51 0.50 0.50
7 Venkata Sanjeev Alluri	47380	0.52	No changes during the year 31.03.2015	At the end of the year				
8 Alluri Nikhilesh Chowdary	44110	0.49	13.06.2014 31.03.2015	Transfer At the end of the year	2000	0.02	47380 44110 46110 46110	0.52 0.49 0.51 0.51
9 Suresh Kumar Geda	29480	0.32	No changes during the year 31.03.2015	At the end of the year				

**(iii) Change in Promoters' Shareholding:**

10 Annapurma Surapaneni	7950	0.09	05.12.2014	Transfer	-1253	-0.01	7950	0.09
			13.02.2015	Transfer	-6697	-0.08	6697	0.08
			31.03.2015	At the end of the year			0	0.00
11 Maddipatla Kaipana Prasad	5000	0.06	19.09.2014	Transfer	-5000	-0.06	5000	0.06
			31.03.2015	At the end of the year			0	0.00
			No changes during the year				0	0.00
12 G Venkatesh	5000	0.06	31.03.2015	At the end of the year			5000	0.06
13 Bommidaia Srimannarayana	3000	0.03	12.12.2014	Transfer	-2000	-0.02	3000	0.03
			31.03.2015	At the end of the year			1000	0.01
			No changes during the year				1000	0.01
14 Geda Sai Padmini	2910	0.03	31.03.2015	At the end of the year			2910	0.03
15 Ratna Manikyamba Katneni	2500	0.03	No changes during the year				2500	0.03
			31.03.2015	At the end of the year			2500	0.03
16 Katneni Jagan Mohan Rao	2500	0.03	No changes during the year				2500	0.03
			31.03.2015	At the end of the year			2500	0.03
17 Sudha Vadlamudi	2500	0.03	No changes during the year				2500	0.03
18 Punnaiah Panda	2500	0.03	30.06.2014	Transfer	-2500	-0.03	2500	0.03
			31.03.2015	At the end of the year			0	0.00
			No changes during the year				0	0.00
19 Raveena Chitturi	2500	0.03	31.03.2015	At the end of the year			2500	0.03
20 Amar Kumar Chukkapalli	2500	0.03	No changes during the year				2500	0.03
			31.03.2015	At the end of the year			2500	0.03
21 Pitchaiah Chukkapalli	2500	0.03	No changes during the year				2500	0.03
			31.03.2015	At the end of the year			2500	0.03
22 Chirumamilla Sujata	1000	0.01	20.02.2015	Transfer	-1000	-0.01	2500	0.03
			31.03.2015	At the end of the year			1000	0.01
23 Alevoor Vedavyas Achar	200	0.00	31.03.2015	At the end of the year			0	0.00
			No changes during the year				0	0.00
24 C Ramachandra Rao	200	0.00	31.03.2015	At the end of the year			200	0.00
			No changes during the year				200	0.00
25 Gayathri Putchala	100	0.00	31.03.2015	At the end of the year			200	0.00
			No changes during the year				100	0.00
	3863217	42.51%					100	0.00

**iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

For each of the Top 10 shareholders	Shareholding at the beginning of the year (i.e.1.4.2014)		Date	Reason	Increase/Decrease in shareholding % of total		Cumulative shareholding during the year	
	No. of Shares	% of total Shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1 Thai Union Frozen Products plc.	2282042	25.12	No changes during the year 31.03.2015	At the end of the year			2282042	25.12
2 Andhra Pradesh Industrial Development Corpn. Ltd	446197	4.91	04.04.2014	Transfer	-980	-0.01	446197	4.91
			11.04.2014	Transfer	-3700	-0.04	445217	4.90
			30.06.2014	Transfer	-100000	-1.10	441517	4.86
			30.06.2014	Transfer	-10164	-0.11	341517	3.76
			10.10.2014	Transfer	-1777	-0.02	331353	3.65
			10.17.2014	Transfer	-1233	-0.01	329576	3.63
			31.10.2014	Transfer	-8994	-0.10	328343	3.62
			07.11.2014	Transfer	-9634	-0.11	319349	3.52
			14.11.2014	Transfer	-7637	-0.08	309715	3.41
			21.11.2014	Transfer	-5839	-0.06	302078	3.33
			28.11.2014	Transfer	-2589	-0.03	296239	3.27
			05.12.2014	Transfer	-4654	-0.05	293650	3.24
			12.12.2014	Transfer	-519	-0.01	288996	3.19
			19.12.2014	Transfer	-6439	-0.07	288477	3.18
			31.12.2014	Transfer	-2827	-0.03	282038	3.11
			02.01.2015	Transfer	-2225	-0.03	279211	3.08
			09.01.2015	Transfer	-1021	-0.01	276986	3.05
		16.01.2015	Transfer	-1518	-0.02	275965	3.04	
		23.01.2015	Transfer	-945	-0.01	274447	3.02	
		30.01.2015	Transfer	-5191	-0.06	273502	3.01	
		06.02.2015	Transfer	-2455	-0.03	268311	2.95	
		13.02.2015	Transfer	-3942	-0.04	265856	2.92	
		20.02.2015	Transfer	-5282	-0.06	261914	2.88	
		27.02.2015	Transfer	-1267	-0.01	256632	2.82	
		06.03.2015	Transfer	-3911	-0.04	255365	2.81	
		13.03.2015	Transfer	-1454	-0.02	251454	2.77	
3 Girish Gulati- HUF	91425	1.01	No changes during the year 31.03.2015	At the end of the year			250000	2.75
							91425	1.01

**iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): (Contd...)**

4 Ranga Prasad N	83982	0.92	4/4/2014	Transfer	-600	-0.01	83982	0.92
			4/11/2014	Transfer	-562	0.00	83382	0.91
			4/18/2014	Transfer	22	-	82820	0.91
			4/25/2014	Transfer	-425	-	82842	0.91
			5/16/2014	Transfer	50	0.00	82417	0.91
			5/30/2014	Transfer	550	-0.00	82467	0.91
			6/6/2014	Transfer	-6132	-0.06	83017	0.91
			6/13/2014	Transfer	3228	0.04	76885	0.85
			6/20/2014	Transfer	808	0.01	80113	0.89
			6/30/2014	Transfer	100	0.00	80921	0.90
			7/25/2014	Transfer	-962	-0.01	81021	0.90
			8/1/2014	Transfer	-1219	-0.01	80059	0.89
			8/8/2014	Transfer	-32	-	78840	0.88
			8/15/2014	Transfer	100	0.00	78808	0.88
			8/29/2014	Transfer	-359	-0.00	78908	0.88
			9/19/2014	Transfer	-50	-0.00	78549	0.88
			9/30/2014	Transfer	-890	-0.01	78499	0.88
			10/10/2014	Transfer	-116	-0.00	77609	0.87
			10/17/2014	Transfer	-1052	-0.01	77493	0.87
			10/31/2014	Transfer	-613	-0.01	76441	0.86
11/7/2014	Transfer	-800	-0.01	75828	0.85			
11/14/2014	Transfer	-1419	-0.02	75028	0.84			
11/21/2014	Transfer	-2437	-0.03	73609	0.82			
11/28/2014	Transfer	-1117	-0.01	71172	0.79			
12/5/2014	Transfer	-214	-0.00	70055	0.78			
12/12/2014	Transfer	-1931	-0.02	69841	0.78			
12/19/2014	Transfer	-638	-0.01	67910	0.76			
12/31/2014	Transfer	-1453	-0.02	67272	0.75			
1/9/2015	Transfer	-2078	-0.02	65819	0.73			
1/16/2015	Transfer	-147	-0.00	63741	0.71			
1/23/2015	Transfer	-907	-0.01	63594	0.70			
1/30/2015	Transfer	-1225	-0.01	62687	0.69			
2/13/2015	Transfer	-199	-0.00	61462	0.68			
2/20/2015	Transfer	-500	-0.01	61263	0.68			
2/27/2015	Transfer	-1470	-0.02	60763	0.67			
3/6/2015	Transfer	-720	-0.01	59293	0.65			
3/20/2015	Transfer	-5943	-0.06	58573	0.64			
3/27/2015	Transfer	-6771	-0.07	52630	0.58			
3/31/2015	Transfer	-1810	-0.02	45859	0.51			
3/31/2015	At the end of the year			44049	0.49			



**iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): (Contd...)**

6	Sri Krishnadevaaya Hatheries Pvt Ltd	80724	0.89	6/6/2014	Transfer	-50000	-0.55	80724	0.89
				10/24/2014	Transfer	-1024	-0.01	30724	0.34
				10/31/2014	Transfer	-350	-0.01	29700	0.33
				11/7/2014	Transfer	-1098	-0.01	29350	0.32
				11/14/2014	Transfer	-2753	-0.03	28252	0.31
				11/21/2014	Transfer	-422	-0.01	25499	0.28
				12/5/2014	Transfer	-220	-0.00	25077	0.27
				12/31/2014	Transfer	-168	-0.00	24857	0.27
				1/2/2015	Transfer	-77	-0.00	24689	0.27
				1/30/2015	Transfer	-3543	-0.04	24612	0.27
				3/20/2015	Transfer	-1100	-0.01	21069	0.23
				3/31/2015	At the end of the year			19969	0.22
				7	Dolly Khanna	80178	0.88	4/4/2014	Transfer
5/23/2014	Transfer	6329	0.07					81078	0.89
5/30/2014	Transfer	1900	0.02					87407	0.96
6/6/2014	Transfer	1993	0.03					89307	0.98
6/20/2014	Transfer	200	0.00					91300	1.01
11/14/2014	Transfer	-200	-0.00					91500	1.01
11/28/2014	Transfer	-456	-0.01					91300	1.01
12/5/2014	Transfer	-229	-0.00					90844	1.00
12/12/2014	Transfer	-780	-0.01					90615	1.00
12/19/2014	Transfer	-834	-0.01					89835	0.99
12/31/2014	Transfer	-1382	-0.02					89001	0.98
1/2/2015	Transfer	-125	-0.00					87619	0.96
1/9/2015	Transfer	-256	-0.00					87494	0.96
1/16/2015	Transfer	-445	-0.01	87238	0.96				
1/23/2015	Transfer	-839	-0.01	86793	0.95				
1/30/2015	Transfer	-551	-0.01	85954	0.94				
2/6/2015	Transfer	-756	-0.01	85403	0.93				
2/13/2015	Transfer	-194	-0.00	84647	0.92				
2/20/2015	Transfer	-1329	-0.01	84453	0.92				
2/27/2015	Transfer	-474	-0.01	83124	0.91				
3/6/2015	Transfer	-886	-0.01	82650	0.90				
3/13/2015	Transfer	-772	-0.01	81764	0.89				
3/20/2015	Transfer	-190	-0.01	80992	0.88				
3/13/2015	At the end of the year			80802	0.88				





**iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

9 Mohit Ramgopal Agrawal	78140	0.86	4/11/2014	Transfer	-7500	-0.08	78140	0.86	
			8/08/2014	Transfer	-10000	-0.11	70640	0.78	
			8/22/2014	Transfer	-5000	-0.05	60640	0.67	
			9/12/2014	Transfer	-5645	-0.07	55640	0.62	
			9/19/2014	Transfer	-175	-0.00	49995	0.55	
			10/3/2014	Transfer	-3105	-0.02	49820	0.55	
			10/10/2014	Transfer	-1110	-0.01	46715	0.53	
			11/7/2014	Transfer	-5000	-0.07	45605	0.52	
			3/31/2015	At the end of the year			40605	0.45	
		45000	0.50	11/04/2014		-3240	-0.04	45000	0.50
10 Suresh Kumar Jajoo			18/04/2014		-3159	-0.04	41760	0.46	
			25/04/2014		-8947	-0.09	38601	0.42	
			02/05/2014		-5909	-0.07	29654	0.33	
			09/05/2014		-2734	-0.03	23745	0.26	
			23/03/2015		-21011	-0.23	21011	0.23	
			03/31/2015	At the end of the year			0	0.00	
		0	0.00	25/07/2014	Transfer	1852	0.02	0	0.00
				01/08/2014	Transfer	18969	0.21	1852	0.02
				08/08/2014	Transfer	23951	0.26	20821	0.23
				15/08/2014	Transfer	5228	0.06	44772	0.49
			22/08/2014	Transfer	14785	0.16	50000	0.55	
11 Malbar India Fund Limited			29/08/2014	Transfer	13720	0.15	64785	0.71	
			05/09/2014	Transfer	500	0.00	78505	0.86	
			12/09/2014	Transfer	16046	0.17	79005	0.86	
			19/09/2014	Transfer	27949	0.31	95051	1.03	
			17/10/2014	Transfer	13200	0.15	123000	1.34	
			24/10/2014	Transfer	6800	0.08	136200	1.49	
			14/11/2014	Transfer	10187	0.11	143000	1.57	
			21/11/2014	Transfer	13813	0.15	153187	1.68	
			28/11/2014	Transfer	7236	0.08	167000	1.83	
			05/12/2014	Transfer	6531	0.07	174236	1.91	
		12/12/2014	Transfer	24033	0.27	180767	1.98		
		19/12/2014	Transfer	7700	0.08	204800	2.25		
		31/12/2014	Transfer	5200	0.06	212500	2.33		
		02/01/2015	Transfer	6030	0.07	217700	2.39		
		09/01/2015	Transfer	4747	0.05	223730	2.46		
		16/01/2015	Transfer	7023	0.08	228477	2.51		
		23/01/2015	Transfer	6000	0.07	235500	2.59		
		30/01/2015	Transfer	3300	0.04	241500	2.66		
		06/02/2015	Transfer	4800	0.05	244800	2.70		
		13/02/2015	Transfer	5000	0.06	249600	2.75		
		20/02/2015	Transfer	2400	0.06	254600	2.81		
		03/31/2015	At the end of the year			257000	2.83		

**v) Shareholding of Directors and Key Managerial Personnel:**

For Each of the Director and Key Managerial Personnel	Shareholding at the beginning of the year (i.e.1.4.2014)		Date	Reason	Increase/Decrease in shareholding % of total		Cumulative shareholding during the year	
	No. of Shares	% of total Shares of the company			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1 Sri Alluri Indra Kumar Chairman & Managing Director	543380	5.98	4.6.2014 31.03.2015	Transfer At the end of the year	10000	0.11	553380 553380	6.09 6.09
2 Sri C. Ramachandra Rao Joint Managing Director, Company Secretary and Chief Financial Officer	200	0.00	No changes 31.03.2015	during the year At the end of the year			200 0	0.00 0.00
3 Sri N. Ram Prasad Director	20,600	0.23	No changes 31.03.2015	during the year At the end of the year			20600 0	0.23 0.00
4 Sri A. V. Achar Director	200	0.00	No changes 31.03.2015	during the year At the end of the year			200 0	0.00 0.00
5 K. Ramamohana Rao Director	0	0.00	No changes 31.03.2015	during the year At the end of the year			0 0	0.00 0.00
6 Sri B.V. Kumar Director	0	0.00	31.3.2015	At the end of the year			0	0.00
7 Sri M.S.P. Rao Director	0	0.00	31.3.2015	At the end of the year			0	0.00
8 Sri N.V. D.S. Raju Director	0	0.00	31.3.2015	At the end of the year			0	0.00
9 Smt K. Kiranmayee Director	0	0.00	31.3.2015	At the end of the year			0	0.00
10 Mr Bunlesak Sorajjakit Director	0	0.00	31.3.2015	At the end of the year			0	0.00
11 Mr Wai Yat Paco Lee Director	0	0.00	31.3.2015	At the end of the year			0	0.00
12 Sri J.S.V. Prasad Director	0	0.00	31.3.2015	At the end of the year			0	0.00

**(vi) INDEBTEDNESS:**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs.in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	5,031.62	579.56	–	5,611.18
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
<b>Total (i+ii+iii)</b>	<b>5,031.62</b>	<b>579.56</b>	<b>–</b>	<b>5,611.18</b>
<b>Change in Indebtedness during the financial year</b>				
- Addition	921.33	–	–	921.33
- Reduction	(583.25)	(109.66)	–	(692.91)
<b>Net Increase/(Decrease)</b>	<b>338.08</b>	<b>(109.66)</b>	<b>--</b>	<b>228.42</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	5,369.70	469.90	–	5,839.60
ii) Interest due but not paid	–	–	–	--
iii) Interest accrued but not due	–	–	–	--
<b>Total (i+ii+iii)</b>	<b>5,369.70</b>	<b>469.90</b>	<b>--</b>	<b>5,839.60</b>

## VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Joint Managing Director

(Rs.in Lacs)

Sl. No.	Particulars of Remuneration	Name of MD/JMD		Total Amount
		A.Indra Kumar	C.R. Rao	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under	164.26	116.25	280.51
		2.21	--	2.21
		--	--	--
2.	Stock Option	--	--	--
3.	Sweat Equity	--	--	--
4.	Commission - as % of Profit - others, specify...	786.16 -	589.62 --	1375.78 -
5.	Others, please specify Total (A) Ceiling as per the Act	-- 952.64 982.70	-- 705.87 982.70	-- 1658.51 1965.40

### B. Remuneration to other directors:

(Rs.in Lacs)

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		A V Achar	B V Kumar	MSP Rao	K R Rao	
1.	Independent Directors					
	- Fee for attending Board/ Committee meetings	0.85	0.60	0.60	1.05	3.10
	- Commission	-	-	-	-	-
	- Others, please specify	-	-	-	-	-
	Total (1)	0.85	0.60	0.60	1.05	3.10
2.	Other Non-Executive Directors					
	- Fee for attending Board/ Committee meetings	0.50	0.50	0.30	NIL	-
	- Commission	-	-	-	-	-
	- Others, please specify	-	-	-	-	-
	Total (2)	0.50	0.50	0.30	-	1.30
	Total (B)=(1+2)	-	-	-	-	4.40
Overall Ceiling as per the Act: Sitting fees payable to a director for attending Board/Committee Meeting shall not exceed Rs.1,00,000/- per meeting.						

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary	NIL			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of Profit - others, specify...				
5.	Others, please specify				
	Total				

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty Punishment Compounding		NIL			
<b>B. DIRECTORS</b>					
Penalty Punishment Compounding		NIL			
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty Punishment Compounding		NIL			

**Annexure -2**  
**Form AOC - 2**

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. During the year 2014-15 there are no arrangements or transactions with related parties which were not at arm's length basis.
2. Details of material contracts or arrangement or transactions at arm's length basis :

<b>NAME</b>	<b>RELATIONSHIP</b>	<b>NATURE &amp; TENURE OF CONTRACT</b>	<b>SALIENT CONDITIONS</b>
Shri A. Indra Kumar	Key Managerial Personnel	Lease of G2, Concorde Apartments for 5yrs ending 31 <sup>st</sup> March'16 for Corporate Office.	Rs.15000 per Month
Shri A. Indra Kumar	Key Managerial Personnel	Lease of H.No.3, Baymount, Rishikonda, Visakhapatnam for 5 years for Registered Office ending on 31 <sup>st</sup> March'19	Rs.20000 per Month
Srinivasa Cystine (P)Ltd	Associate Company	Lease of Flat No.104, Concorde Apartments for 5 yrs ending on 31 <sup>st</sup> March'16	Rs.15000 per Month
Sri N.V. Bhanu Prasad	Son of Sri N. Ram Prasad, Director	Appointed as Manager (Business Development)	On a remuneration of Rs.1,35,000/- per Month
Sri A. Venkata Sanjeev	Son of Sri A. Indra Kumar Chairman & Managing Director	Appointed as Management Trainee	On a remuneration of Rs.12,000/- per Month



**Annexure -3****REPORT ON CSR ACTIVITIES/ INITIATIVES**

[Pursuant to Section 135 of the Act &amp; Rules made thereunder]

1. The Company has its CSR Policy within broad scope laid down in Schedule VI to the Act, as projects/programmes/activities, excluding activities in its normal course of business.
2. The composition of the CSR Committee :

<b>Name</b>	<b>Designation</b>	<b>Chairman/ Members</b>
Sri A. Indra Kumar	Chairman & Managing Director	Chairman
Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & CFO	Member & Compliance Officer
Sri N. Ram Prasad	Non-Executive Non-Independent Director	Member
Sri A.V. Achar	Independent Director	Member
Sri B.V. Kumar	Independent Director	Member

3. Average Net Profit of the company for last 3 financial years : Rs.6792.87 Lacs
2. Prescribed CSR expenditure (2% of amount) : Rs. 135.86 Lacs
3. Details of CSR activities/projects undertaken during the year:
  - a) Total amount spent in the financial year: Rs.72.18 Lacs
  - b) Amount un-spent: Rs. 63.68 Lacs

c) Manner in which the amount spent during financial year is detailed below: (Rs.in Lacs)

1	2	3	4	5	6	7	8
Sr. No.	CSR project/ activity identified	Sector in which the Project is covered	Projects/ Programmes 1. Local area/others- 2. specify the state / district (Name of the District/s, State/s where project/ programme was undertaken	Amount outlay(budget) project/ programme wise	Amount spent on the project/ programme  Sub-heads: 1.Direct expenditure on project/ programme, 2.Overheads:	Cumulative spend upto to the reporting period	Amount spent: Direct/ through implementing agency*
1	Girl Child Education	Promoting Education among girl Children	Valsad Dist, Gujarat	0.25	0.25		Kanya Khelwani Nidhi of Govt. of Gujarat
2	Uniforms to School Children & Scholarships	Promoting Education among Children	Uniforms to School Children in Valsad Dist, Gujarat.  Scholarships to Poor students of rural areas in West Godavari Dist., A.P.	1.75	1.74		Direct
3	RO Plants in Villages	Safe Drinking Water	West Godavari Dist., Andhra Pradesh	20.00	19.52		Direct
4	Tree Guards	Environmental Sustainability	West Godavari Dist. Andhra Pradesh	0.60	0.67		Direct
5	Education to Impart employment skills	Vocational Training	Nellore Dist, Andhra Pradesh	25.00	25.00		Swarna Bharat Trust, Nellore, A.P.
6	Education to Impart employment skills	Vocational Training	West Godavari Dist, Andhra Pradesh	20.00	20.00		AVR Trust. West Godavari (D) A.P.
7	Care of Aged	Old Age Home	West Godavari Dist, Andhra Pradesh	5.00	5.00		Sowbhagya Durga Ashram Society, Kannapuram, West Godavari Dist., A.P.

6. The Company is in the process of identifying suitable project(s) under CSR activity, as such the required amount could not be spent.
7. Pursuant to the provisions of section 135 of the Companies Act, 2013 read with Companies Rules (Corporate Social Responsibility Policy) Rules, 2014, Mr. Alluri Indra Kumar, Chairman & Managing Director & Chairman of CSR Committee and Mr. C. Ramachandra Rao, Joint Managing Director, do confirm that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and policy of the Company.

A. Indra Kumar  
DIN : 00190168  
Chairman & Managing Director &  
Chairman of CSR Committee

**Annexure -4**

**Statement containing salient features of the financial statement of subsidiaries/  
associate companies/ joint ventures**

**Part "A": Subsidiaries**

Name of the subsidiary	Svimsan Exports and Imports Private Limited
1. Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	-Not applicable-
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	-Not applicable-
3. Share capital	Rs.100 lacs
4. Reserves & surplus	Rs.(190.22) lacs
5. Total assets	Rs.0.23 lacs
6. Total Liabilities	Rs.0.23 lacs
7. Investments	NIL
8. Turnover	NIL
9. Profit before taxation	Rs.(0.43) lacs
10. Provision for taxation	NIL
11. Profit after taxation	Rs.(0.43) lacs
12. Proposed Dividend	NIL
13. % of shareholding	100%

**Part "B": Associates and Joint Ventures**

Name of Associates/Joint Ventures	Srivathsa Power Projects Limited	Patikari Power Private Limited
1. Latest audited Balance Sheet Date	31.03.2014	31.03.2014
2. Shares of Associate/Joint Ventures held by the Company on the year end		
No.	1,66,93,630	1,06,45,200
Amount of Investment in Associates/Joint Venture	Rs.1670.54 lacs	Rs.1064.52 lacs
Extent of Holding %	49.99%	25.88%
Description of how there is significant influence	Two directors nominated	Two directors nominated
3. Reason why the associate/joint venture is not consolidated	Not Applicable	Not Applicable
4. Networth attributable to Shareholding as per latest audited Balance Sheet	Rs.2523.23 lacs	Rs.986.67 lacs
7. Profit / Loss for the year		
i. Considered in Consolidation	Rs.47.56 lacs	Rs.13.82 lacs
ii. Not Considered in Consolidation	NIL	NIL

**Annexure -5**

**RATIO OF REMUNERATION TO EACH DIRECTOR:**

(Rule 5(1) of companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)  
Details / Disclosures of Ratio of Remuneration to each Director  
to the median employee's remuneration:

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year;	A. Indra Kumar : 446 : 1 C. Ramachandra Rao : 330 : 1
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	A. Indra Kumar : 72% C. Ramachandra Rao : 60%
(iii) the percentage increase in the median remuneration of employees in the financial year;	4.94%
(iv) the number of permanent employees on the rolls of Company;	649 employees
(v) the explanation on the relationship between average increase in remuneration and Company performance;	Normal yearly increments to staff.
(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;	1. Turnover increased by 57% from Rs.1131.61 crs in 2013-14 to Rs. 1776.26 crs in 2014-15. 2. PBT increased by 71% from Rs.105.18 crs in 2013-14 to Rs. 179.85 crs in 2014-15.
(vii) (a) variations in the market capitalisation of the Company,	
(b) price earnings ratio as at the closing date of the current financial year and previous financial year	31.03.15   31.03.14
(c) percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous financial year;	Market Capitalisation   Rs.1397crs   Rs.472 crs PE Ratio   11.98   6.77
	Company had came out with IPO in 1994, An amount of Rs.1000/- invested in IPO in 1994 would be worth Rs.1,53,700/- as on 31.3.2015 indicating compounded annual growth rate of 27%. This is excluding the dividend accrued there on in all these years.
(viii) (a) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year	18.73%
(b) its comparison with the percentile increase in the managerial remuneration	66%
(c) justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Managerial Remuneration increased by 66% because : (i) a part of managerial remuneration is based on Profits of the Company (ii) the PBT of the Company increased by 71% as compared to previous year.

### RATIO OF REMUNERATION TO EACH DIRECTOR:

Details / Disclosures of Ratio of Remuneration to each Director to the median employee's remuneration:

(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company	Increase in Remuneration : A. Indra Kumar : 72% C. Ramachandra Rao : 60% Performance of the Company : 1. Turnover increased by 57% from Rs.1131.61 crs in 2013-14 to Rs. 1779.82 crs in 2014-15. 2. PBT increased by 71% from Rs.105.18 crs in 2013-14 to Rs. 179.85 crs in 2014-15.
(x) the key parameters for any variable component of remuneration availed by the directors;	A. Indra Kumar : 4% of PBT is paid as variable component in the form of commission. C. Ramachandra Rao : 3% of PBT is paid as variable component in the form of commission.
(xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	NA
(xii) affirmation that the remuneration is as per the remuneration policy of the Company.	YES

### STATEMENT SHOWING DETAILS OF EMPLOYEES OF THE COMPANY:

(Rule 5(2) of companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

Name of the Employee :	Alluri Indra Kumar	C. Ramachandra Rao
(i) designation of the employee;	Chairman & Managing Director	Joint Managing Director, Company Secretary & CFO
(ii) remuneration received;	Rs.963.92 Lacs	Rs.714.07 Lacs
(iii) nature of employment, whether contractual or otherwise;	Regular	Regular
(iv) qualifications and experience of the employee;	Bachelor of Engineering (Chemical)	FCA, ACS & LLB
(v) date of commencement of employment;	01.04.1998	01.10.1994
(vi) the age of such employee;	53	63
(vii) the last employment held by such employee before joining the Company;	Executive Director of Srinivasa Cystine Limited	Finance Manager & Company Secretary of Srinivasa Cystine Limited

Statement showing details of employees of the Company:

Name of the Employee :	Alluri Indra Kumar	C. Ramachandra Rao
(viii) the percentage of equity shares held by the employee in the Company within the meaning of clause (iii) of sub-rule (2) above; and	NA	NA
(ix) whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager:  The employee, if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees;  The employee, if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month;  The employee, if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.	Relative of Sri N.Ram Prasad, Director.	NIL
	NA	NA
	NA	NA
	NA	NA

## REPORT ON CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, a Report on Corporate Governance is given below:

### Mandatory Requirements

#### 1. Company's Philosophy on Code of Governance:

The Company believes that good Corporate Governance is an intrinsic part of its fiduciary responsibility as a responsible corporate citizen. Corporate Governance is about commitment to values and ethical business conduct. The Company's philosophy on Corporate Governance envisages achievement of highest level of transparency, accountability and equity, in all facets of its operations, and in all its interactions with its stakeholders, including shareholders, lenders and the Government. Timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company is an important part of Corporate Governance. The Company's Board extends its fiduciary responsibilities in the widest sense of the term and also endeavors to enhance long term shareholder value by serving and protecting the interests of all the stakeholders.

The shrimp feed production plants at Kovvur and Vemuluru in West Godavari District of Andhra Pradesh and the plant at Valsad, Balda Village, Pardi Tq., Gujarat are ISO 9001:2008 certified plants. The Shrimp Processing & Export Division of the Company has implemented systems complying with (i) BRC Global Standard for food (ii) ISO 22000:2005 (iii) Best Aqua Culture Practice Certified (iv) FSSC 22000 (Food Safety System Certification) and (v) IFS (International Featured Standards) Food Certification.

#### 2. Board of Directors:

The Company's policy is to have optimum combination of Executive and Non-Executive Directors, to ensure independent functioning of the Board. The Board consists of both promoters, external and independent Directors.

The functions, responsibility, role and accountability of the Board are well defined. The detailed reports of the Company activities and performances are periodically placed before the Board for effective decision making.

The day-to-day management of the Company is conducted by the Chairman & Managing Director and the Joint Managing Director, subject to the overall supervision and control of the Board of Directors.

(i) The details of the composition of the existing Board of Directors is given below:

Sl No	Name of Director/ Director Identification Number (DIN)	Executive Director (ED) Non Executive Director (NED), Non-Executive Women Director (NEWD) Independent Director (ID), Nominee Director (ND)	Number of Board Meetings Held	Number of Board Meetings Attended	Attendance in Last AGM on 2 <sup>nd</sup> August, 2014
1	Sri A. Indra Kumar DIN:00190168	Chairman & Managing Director -Promoter	4	4	Yes
2	Sri C. Ramachandra Rao DIN:00026010	Joint Managing Director, Secretary & Chief Financial Officer	4	4	Yes
3	Sri N. Ram Prasad DIN:00145558	NED	4	4	Yes
4	Sri A. V. Achar DIN:00325886	NED/ID	4	2	Yes



Sl No	Name of Director/ Director Identification Number (DIN)	Executive Director (ED) Non Executive Director (NED), Non-Executive Women Director (NEWD) Independent Director (ID), Nominee Director (ND)	Number of Board Meetings Held	Number of Board Meetings Attended	Attendance in Last AGM on 2 <sup>nd</sup> August, 2014
5	Sri K. Ramamohana Rao DIN:02384687	NED/ID	4	4	Yes
6	Smt Anita Rajendra IAS DIN:06544317 upto 15.10.2014] Nominee of A.P.I.D.C	ND	2	0	No
7	Sri J.S. V. Prasad, IAS DIN:00022780 [from 15.12.2014] Nominee of A.P.I.D.C	ND	1	0	N.A.
8	Sri B V Kumar DIN:00532256	NED/ID	4	3	Yes
9	Sri M S P Rao DIN:00482071	NED/ID	4	3	Yes
10	Mr. Bunluesak Sorajjakit DIN:02822828	NED	4	4	Yes
11	Mr. Wai Yat Paco Lee DIN:02931372	NED	4	2	Yes
12	Sri N.V.D.S. Raju DIN:05183133 [From 11.3.2015]	NED/ID	0	0	NA
13	Smt. K. Kiranmayee DIN:07117423 [From 11.3.2015]	NEWD/ID	0	0	NA

All Independent directors possess the requisite qualifications and are very experienced in their own fields. None of the directors are members of more than ten committees or chairman of more than five committees in public limited companies in which they are directors. Necessary disclosures have been obtained from the directors regarding their directorships and have been taken on record by the Board.

(ii) Disclosure of relationship between directors inter-se:

Sri N. Ram Prasad, Director is spouse of Sri A. Indra Kumar's sister. None of the other directors are related to any other Directors on the Board.

(iii) Number of other companies or committees the Director (being a director as on the date of Directors' Report) is a Director / Chairman

Sl. No.	Name of the Director(s)	No. of other Companies in which Director	No. of Committees (excluding Avanti Feeds Limited)	
			Membership	Chairmanship
1	Sri A. Indra Kumar	10	-	-
2	Sri C. Ramachandra Rao	10	1	1
3	Sri N. Ram Prasad	4	-	-
4	Sri A.V. Achar	2	-	-
5	Sri K. Ramamohana Rao	3	-	-
6	Sri J.S.V. Prasad IAS (From 15.12.2014)	NA*	-	-
7	Sri B V Kumar	-	-	-
8	Sri M S P Rao	8	-	-
9	Mr. Bunluesak Sorajjakit	5	-	-
10	Mr. Wai Yat Paco Lee	2	2	-
11	Sri N.V. D.S. Raju (From 11.3.2015)	1	-	-
12	Smt. K. Kiranmayee (From 11.3.2015)	-	-	-
13	Smt. Anita Rajendra IAS (upto 15.10.2014)	11	-	-

\*Not available.

(iv) The following are the Independent Directors of the Company:

Sl No	Name	Designation
1	Sri B.V. Kumar	Non-Executive Independent Director
2	Sri A.V. Achar	Non-Executive Independent Director
3	Sri M.S.P. Rao	Non-Executive Independent Director
4	Sri K. Ramamohana Rao	Non-Executive Independent Director
5	Sri N.V. D.S. Raju	Non-Executive Independent Director
6	Smt. K. Kiranmayee	Non-Executive Women Independent Director

The letter(s) of appointment to the above Independent Directors were issued by the Company after their appointment and the same are disclosed on the website of the company i.e. [www.avantifeeds.com](http://www.avantifeeds.com)

### 3. Criteria for determining qualifications, positive attributes of directors:

(a) Qualifications of Non-Independent Director:

A Non-Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, operations or other disciplines related to the Company's business.

(b) Positive attributes of Non-Independent Directors:

A Non-Independent director shall be a person of integrity, who possesses relevant expertise and experience and who shall uphold ethical standards of integrity and probity; act objectively and constructively, exercise his responsibilities in a bonafide manner in the interest of the company, devote sufficient time and attention to his obligations as Director, for informed and balanced decision making and assist the company in implementing the best Corporate governance practices

Independence of Independent Directors:

In addition to (a) and (b) above, an Independent Director should meet the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement concerning the independence of directors.

### 4. Evaluation:

(a) Nomination & Remuneration Committee:

Pursuant to the provisions of the Companies Act 2013 and Clause 49 of the Listing agreement, the Nomination and Remuneration Committee at its meeting held on 28.02.2015 formulated the criteria for evaluation of directors and evaluated every director. A structured questionnaire was prepared after taking into consideration various parameters such as attendance and participation in meetings, monitoring corporate governance practices, independence of judgment, safeguarding the interests of the company etc., and accordingly the evaluation was made. The Members of the Committee evaluated the individual directors. Sri J.S.V. Prasad, IAS, Nominee Director of Andhra Pradesh Industrial Development Corporation Limited, was excluded from the process of evaluation, since he could not attend the Board Meetings held during the year 2014-15, after his appointment on 15.12.2014.

The Nomination and Remuneration Committee decided that since the performance of the directors has been excellent, it is decided to continue with the term of the directors, the Managing Director and the Joint Managing Director.

(b) Separate Meeting of Independent Directors:

The Independent directors of the Company at its meeting held on 28.02.2015 (a) reviewed the performance of the non-independent directors and Board, (b) reviewed the performance of the Chairperson of the Company and (c) assessed the quality, quantity and timeliness of flow of information between the company management and the Board. All the Independent Directors as on 28.2.2015 attended the meeting.

A structured questionnaire was prepared after taking into consideration various parameters such as attendance and participation in meetings, monitoring corporate governance practices, independence of judgment, safeguarding the interests of the company etc., and accordingly, the evaluation was made. The Members of the Committee evaluated the non-Independent directors. Sri J.S.V. Prasad, IAS, Nominee Director of Andhra Pradesh Industrial Development Corporation Limited, was excluded from the process of evaluation, since he could not attend the Board Meetings held during the year 2014-15 after his appointment on 15.12.2014.

The Independent Directors decided that since the performance of the Non-Independent Directors (including Managing Director and Joint Managing Director) is excellent, the term of their appointment be continued.

The Independent Directors after review of the performance of the Chairman decided that the Chairman has good experience, knowledge and understanding of the Board's functioning and his performance is excellent. The Independent Directors decided that the information flow between the Company's Management and the Board is excellent.

(c) Evaluation by Board:

The Board has carried out the annual performance evaluation of its own performance, the Directors individually (excluding the director being evaluated) as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, effectiveness in developing Corporate governance structure to fulfill its responsibilities, execution and performance of specific duties etc. The Board decided that the performance of individual directors, its own performance and working of the committees is excellent. Sri N.V. D.S. Raju and Smt K Kiranmayee Independent Directors being appointed during the month of March, 2015 were excluded from the process of evaluation.

Sri J.S.V. Prasad, IAS, Nominee Director of Andhra Pradesh Industrial Development Corporation Limited, was excluded from the process of evaluation, since he could not attend the Board Meetings held during the year 2014-15, after his appointment on 15.12.2014.

**5. Appointment of Independent Directors:**

Sri A.V. Achar, Sri B.V. Kumar, Sri M.S.P. Rao, Sri K. Ramamohana Rao, Sri N.V.D.S. Raju and Smt. K. Kiranmayee Independent Directors have furnished a declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act and Clause 49 of the Listing Agreement.

The Board recommended the appointment of Sri N.V.D.S. Raju and Smt K. Kiranmayee who were appointed as additional Directors and would also be Independent Directors for appointment as Independent Directors at the Annual General Meeting to be held on 08.08.2015.

**6. Familiarization Programme for Independent Directors:**

The company familiarizes the independent directors of the company on their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc., through various programmes. The details of the familiarization programme conducted on 14.3.2015 is disseminated at the website of the company at <http://www.avantifeeds.com/Policies/Familiarization%20Programme.pdf>.

**7. Criteria for making payments to Non-Executive Directors:**

The company has laid down the criteria for making payments to the Non-Executive Directors. The details of such criteria are available in the Nomination & Remuneration Policy enclosed to Report on Corporate Governance and also disseminated on the website of the Company.

**7.1 Non-Executive Directors' Compensation & disclosures**

The Non-Executive Directors are entitled for (i) a sitting fee of Rs.15,000/- (Rupees fifteen thousand only) and (ii) reimbursement of travel and hotel accommodation and other expenses incurred by them, for attending each meeting of the Board/Committee.

Details of payments to Non-Executive Directors during the year 2014-15 are given below: (Rs.)

Name of the Director (Smt./Sri)	Sitting Fee (in Rs.)
Sri K. Ramamohana Rao	1,05,000
Sri A. V. Achar	85,000
Sri N. Ram Prasad	50,000
Smt. Anita Rajenda IAS Nominee of APIDC	NIL
Sri J.S. V Prasad, IAS	NIL
Sri B.V. Kumar	60,000
Sri M S P Rao	60,000
Mr. Bunluesak Sorajjakit	50,000
Mr. Wai Yat Paco Lee	30,000

7.2 The details of Meetings of Board of Directors held during the financial year 2014-15:

Four Meetings of Board of Directors were held during the year 2014-15. The time gap between any two Board Meetings did not exceed by more than four months. The dates on which the said Board Meetings were held during 2014-15 are as follows:

Sl. No.	Date of Board Meeting
1	30.05.2014
2	02.08.2014
3	08.11.2014
4	31.01.2015

#### 8. Note on the Directors seeking appointment/re-appointment:

Details of Directors seeking re-appointment at the ensuing Annual General Meeting (In pursuance of Clause 49 of the Listing Agreement)

(a) Mr. Bunluesak Soarjjakit, Director retire by rotation and, being eligible, has offered himself for re-appointment.

Name of the Director : Mr. Bunluesak Sorajjakit  
 Director Identification No. : 2822828  
 Date of Birth : 09.02.1961  
 Date of appointment : 30.01.2010  
 Occupation : Managing Director. Thai Union Feed Mill Company, Thailand

Expertise in specific functional areas: Technocrat and instrumental in bringing in changes in shrimp farming methods and feed marketing methods.

Directorships in other companies: 5

Sl No	Name of the Company	Designation
1	Thai Union Feedmill Co. Ltd., Bangkok	Managing Director
2	TCM Fishery Co. Ltd., Bangkok	Director
3	TMAC Co. Ltd., Bangkok	Director
4	Thai Union Hatchery Co. Ltd, Bangkok	Director
5	TMK Farm Co. Ltd., Bangkok	Director

Committee positions held in other companies : NIL

- (b) Mr. Wai Yat Paco Lee, Director retire by rotation and, being eligible, has offered himself for re-appointment.

Name of the Director : Mr. Wai yat Paco Lee  
 Director Identification No. : 2931372  
 Date of Birth : 17-01-1966  
 Date of appointment : 14-07-2012  
 Occupation : Deputy General Manger Investor Relations  
 and Corporate Investment  
 Thai Union Frozen Products pcl,  
 Bangkok, Thailand

Expertise in specific functional areas : More than 17 years experience in the field of Finance,  
 Investment and Investor relations.

Directorships in other companies : 1. Pakfood pcl., Bangkok. Non-Executive Director  
 2. D&G Technology Holding Ltd., Hongkong –  
 Independent Non-Executive Director

Committee positions held in other companies : D&G Technology Holding Co., Ltd., Hong kong –  
 Member of Audit Committee and Nomination Committee.

- (c) Sri N.V. D.S. Raju Non-Executive Director appointed as additional Director by the Board w.e.f. 11.3.2015 who would also be Independent Director subject to approval of the members, is proposed as Independent Director. The details are as under:

Name of the Director : Mr. Nanduri Venkata Divakara Soma Raju  
 Director Identification No. : 05183133  
 Date of Birth : 10.03.1948  
 Date of appointment : 11.03.2015  
 Occupation : Faculty & Head Distance Learning,  
 Institute of Insurance & Risk Management, Hyderabad.

Expertise in specific functional areas : More than 35 years as Professional Banker in  
 India and 5 years at New York (USA) with  
 State Bank of India.

Directorships in other companies : 1. Sivananda Supatha Foundation – Director  
 (Sec. 8 Company of Companies Act 2013)

- (d) Smt. K. Kiranamayee Non-Executive Women Director appointed as additional Director by the Board w.e.f. 11.3.2015 who would also be Independent Director subject to approval of the members, is proposed as Independent Director. The details are as under:

Name of the Director : Mrs. K. Kiranmayee  
 Director Identification No. : 07117423  
 Date of Birth : 30.01.1968  
 Date of appointment : 11.03.2015  
 Occupation : Service

Expertise in specific functional areas : More than 19 years experience as academican

Directorships in other companies : NIL

**9. Scheduling and Selection of Agenda items for Board Meetings.**

- a. Minimum four Board Meetings are held in each year, which are pre-scheduled after the end of each financial quarter. Apart from the pre-scheduled Board Meetings, additional Board Meetings are convened by giving appropriate notice to address specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circulation.
- b. The information placed before the Board inter alia include:
  - Quarterly results of the Company and its operating divisions or business segments.
  - Minutes of the meetings of Audit Committee and other Committees of the Board.
  - The information on recruitment and remuneration of senior personnel just below the Board Level, including appointment of Chief Financial Officer and the Company Secretary.
  - Non compliance of any regulatory, statutory nature or listing requirements and shareholders services such as delay in share transfer etc.
  - Show cause, demand prosecution notices and penalty notices which are materially important.
  - General notice of interest of Directors.
  - Terms of reference of Board Committees.
  - Any material default in financial obligations to and by the Company etc.

**10. Succession for appointments to the Board and to Senior Management:**

The Company has laid down an Orderly Succession Plan for appointments to the Board and to Senior Management.

**11. WHISTLE BLOWER POLICY:**

The Company established a mechanism for employees to report concerns about unethical behavior, actual or suspected fraud or violation of code of conduct policy. The mechanism also provides for adequate safeguards against victimization of employees who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The company affirms that no personnel has been denied access to the Audit Committee. The details of the whistle blower policy are at Annexure-I of Report on Corporate Governance the Whistle Blower Policy is also disseminated on the website of the company at <http://www.avantifeeds.com/Policies/Whistle%20Blower%20Policy.pdf>.

**12. COMMITTEES OF THE BOARD**

The Committees of the Board are constituted as per the Code of Corporate Governance.

**12.1. AUDIT COMMITTEE:**

The terms of reference:

In addition to the matters provided in Clause 49 of the Listing agreement and Section 177 of Companies Act, 2013, the Audit Committee reviews reports of the Internal Auditor, meets Statutory Auditors i.e. Karvy & Co., Chartered Accountants, Hyderabad as and when required and discusses their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the Company.



### Composition & Attendance at the Meeting:

The composition of the Audit Committee and details of meetings attended by the Members of the Audit Committee during the financial year ended 2015 are given below:

Name	Category	Designation	Meetings held during the year	Meetings attended during the tenure
Sri A V Achar	Non-Executive Independent Director	Chairman	4	4
Sri K Ramamohana Rao	Non-Executive Independent Director	Member	4	4
Sri M S P Rao	Non-Executive Independent Director	Member	4	1
Sri. B.V.Kumar	Non-Executive Independent Director	Member	4	2
Sri. C.Ramachandra Rao	JMD, CS and CFO	Compliance Officer	4	4

### Details of the Audit Committee Meetings held during the financial year 2014-15:

Four Meetings of the Audit Committee were held during the year 2014-15. The dates on which the said Board Meetings were held during 2014-15 are as follows:

Sl.No.	Date of Meeting
1	17.05.2014
2	19.07.2014
3	25.10.2014
4	24.01.2015

#### General:

The Minutes of the Audit Committee meetings were circulated to the Board, where it was discussed and taken note. The Audit Committee considered and reviewed the accounts for the year 2014-15, before it was placed in the Board. The Committee periodically interacts with the independent auditors, reviews the Company's financial and Risk Management Policies and adequacy of internal controls with the management and is responsible for effective supervision of the financial reporting process and compliance with financial policies.

The Internal Auditor reports directly to the Audit Committee. The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 2<sup>nd</sup> August, 2014.

### 12.2. Nomination & Remuneration Committee:

During the year under review, the nomenclature of Remuneration Committee was changed with effect from May 30, 2014 to "Nomination and Remuneration Committee" as required under the provisions of Section 178 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement (effective October 1, 2014), related to Corporate Governance, entered into with the Stock Exchanges.

### Terms of Reference

Brief terms of reference of Nomination and Remuneration Committee are as under:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

### Composition & Attendance at the Meeting

The composition of the Nomination and Remuneration Committee and details of meetings attended by the Members of the Nomination and Remuneration Committee during the financial year 2014-15 are given below:

Sl. No.	Name	Category	Designation	No.of meetings held	Attendance
1	Sri B.V. Kumar	Independent Director	Chairman	3	3
2	Sri A.V. Achar	Independent Director	Member	3	2
3	Sri K. Ramamohana Rao	Independent Director	Member	3	3
4	Sri A. Indra Kumar	Chairman & Managing Director	Member	3	2
5	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & Chief Financial Officer	Compliance Officer	3	2

Dates of Nomination & Remuneration Committee Meetings:

Sl No	Date of the Meeting
1	17.05.2014
2	08.11.2014
3	28.02.2015

### 12.2(i) Nomination & Remuneration Policy & Policy on Board Diversity:

The Remuneration policy of the Company is performance driven and is structured to motivate employees, recognize their merits and achievements and promote excellence in their performance. The Nomination and Remuneration Policy of the company is enclosed at Annexure-II of Report on Corporate Governance and disseminated at the website of the company at <http://www.avantifeeds.com/Policies/Nomination%20and%20Remuneration%20Policy.pdf>. The Policy on Board diversity of the company devised by the Nomination and Remuneration Committee was approved by the Board.

The remuneration paid/payable to the Managing Director, Whole time Directors of the Company for the year ended 31<sup>st</sup> March, 2015 are as under :-

(Rs. in Lacs)

Name and Designation	All elements of remuneration package i.e., salary, benefits, pension, Commission on profits etc.	Fixed Component and performance linked incentives	Service Contract Notice Period and Severance Fees	Stock option with details
A. Indra Kumar Chairman & Managing Director	Salary	164.51	---	---
	Benefits	2.21		
	Commission	786.16		
	Pension	11.04		
	<b>Total</b>	<b>963.92</b>		
C. Ramachandra Rao Joint Managing Director, Company Secretary and CFO	Salary	115.20	---	---
	Commission	589.62		
	Pension	9.25		
	<b>Total</b>	<b>714.07</b>		

### 12.2 (ii) Statement showing number of Equity Shares held by the Non-Executive Directors as on March 31, 2015

Name of the Director S/Sri	Number of equity shares of Rs.10/- each held (as on 31.03.2015)
N. Ram Prasad	20,600
A. V. Achar	200
B.V. Kumar	NIL
M.S.P. Rao	NIL
K. Ramamohana Rao	NIL
N.V.D.S. Raju	NIL
K. Kiranmayee	NIL
Bunlesak Sorajjakit	NIL
Wai Yat Paco Lee	NIL
J.S.V. Prasad, IAS Nominee of APIDC	NIL

### 12.3 Stakeholders Relationship Committee:

During the year, the nomenclature of the Investor Grievance Committee was changed with effect from May 30, 2014 to "Stakeholders Relationship Committee" in line with the provisions of Section 178 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement (effective October 1, 2014), related to Corporate Governance, entered into with the Stock Exchanges.

### 12.3(i) Composition :

The Composition of the Stakeholders Relationship Committee and details of meetings attended by the Members of the Stakeholders Relationship Committee during the financial Year 2014-15 are given below :

Sl No	Name	Category	Designation	No. of Meetings Held	Attendance
1	Sri N. Ram Prasad	Non- Executive Director	Chairman	3	3
2	Sri K. Ramamaohana Rao	Non- Executive Independent Director	Member	3	3
3	Sri A.V. Achar	Non- Executive Independent Director	Member	3	3
4	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary and Chief Financial Officer	Compliance Officer	3	3

Terms of Reference:

The Committee considers and resolves the grievances of shareholders, including the complaints related to transfer/transmission of shares, non-receipt of balance sheet and non-receipt of declared dividends.

Dates of Stakeholders Relationship Committee meetings:

Sl. No.	Date of the Meeting
1	02.08.2014
2	08.11.2014
3	31.01.2015

### 12.3(ii) The status of shareholder's complaints during the financial year 2014-15 is as under:

SL. No.	Nature of Complaint/ Correspondence	Total no. of letters received during the period	Total no. of Letters replied during the period	Letters Pending
1.	Change, correction of address	46	46	0
2.	Non-receipt of Dividend Warrants	42	42	0
3.	Loss of securities and Request for issue of Duplicate certificate	70	70	0
4.	Request for ECS facility	22	22	0
5.	Request for Exchange of old certificates with new certificates	11	11	0
6.	Request for Transmission of securities/ Deletion of joint name due to death	19	19	0
7.	Non-receipt of securities	4	4	0
8.	Dividend warrants for revalidation	23	23	0
9.	Change/Correction of Bank Mandate	12	12	0
10.	Non-receipt of Annual Reports	0	0	0
	<b>TOTAL:</b>	<b>249</b>	<b>249</b>	<b>0</b>

#### 12.4 Share Transfer Committee:

- The Board delegated the authority for approval of share transfers/transmission and issue of duplicate share certificates to the Share Transfer Committee:
- The composition of the Share Transfer Committee is as under:

SI No	Name	Designation
1	Sri A. Indra Kumar, CMD	Chairman
2	Sri C. Ramachandra Rao, JMD	Member
3	Sri A.V. Achar	Member

#### Number of Share Transfer Committee Meetings:

During the year 2014-15, 13 meetings of the Share Transfer Committee were held. The details are as under:

SI No	Date of the meeting
1	10.04.2014
2	30.04.2014
3	10.05.2014
4	20.05.2014
5	30.06.2014
6	24.07.2014
7	10.09.2014
8	16.09.2014
9	24.09.2014
10	30.09.2014
11	14.01.2015
12	20.03.2015
13	30.03.2015

#### 12.5. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Board of Directors at its Meeting held on May 30, 2014, constituted "Corporate Social Responsibility Committee" as required under Section 135 of the Companies Act, 2013. The Committee comprises of following Members.

##### Composition:

SI. No.	Name	Designation	Chairman/ Members
1	Sri A. Indra Kumar	Chairman & Managing Director	Chairman
2	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & CFO	Member & Compliance Officer
3	Sri N. Ram Prasad	Non-Executive Non-Independent Director	Member
4	Sri A.V. Achar	Independent Director	Member
5	Sri B.V. Kumar	Independent Director	Member

### Terms of Reference:

The Committee is primarily responsible for formulating and recommending to the Board of Directors a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR activities.

During the year 2014-15, a meeting of the Corporate Social Responsibility Committee was held on 31.1.2015.

As per the Sec.135(5), an amount of 2 percent of the average net profits of the company made during the three immediately preceding financial years which works out to Rs.135.86 lacs is to be spent towards Corporate Social Responsibility Activities. The Company has spent Rs.72.18 lacs towards the CSR activities in the financial year 2014-15. The detailed Report on the CSR Activities is enclosed Annexure-3 of Board's Report.

The company is in the process of identifying suitable project(s) under CSR activity, as such the required amount could not be spent.

### 13. SCORES:

SEBI vide Circular dt.3.6.2011 informed the company they had commenced processing of investor complaints in a web based complaints, redressal system, "SCORES". Under this system, all complaints pertaining to companies are electronically sent through SCORES and the companies are required to view the complaints pending against them and submit Action Taken Report (ATRs) along with supporting documents electronically in SCORES.

All the requests and complaints under SCORES are passed directly to Registrars and Transfer Agents of the Company i.e. Karvy Computershare Private Limited, Gachibowli, Hyderabad. For any clarification/complaint, the shareholders may contact :

Name : Sh. Rakesh Santhalia  
Designation : Compliance Officer, Karvy Computershare Private Limited  
Email id : scores@karvy.com  
Mobile no. : 09949967977  
Telephone No. : 040-44655000  
Fax No. : 040-23420814

### 14. General Body Meetings:

(a) The details of Previous three years Annual General Meetings are as follows:

Year	Location	Date	Time
2013-14	K.L.N. Prasad Auditorium FAPCCI Building FAPCCI Marg, Red Hills, Hyderabad	02.08.2014	11.00 A.M.
2012-13	Surana Udyog Hall FAPCCI Building FAPCCI Marg, Red Hills, Hyderabad	27.07.2013	11.00 AM
2011-12	Surana Udyog Hall FAPCCI Building FAPCCI Marg, Red Hills, Hyderabad	18.08.2012	11.00 AM

## (b) Postal ballot:

During the year, the company has successfully completed the Postal ballot process to seek the consent of its members for the following Special Business:

- (i) Shifting of Registered Office of the Company from Hyderabad Telangana State to Visakhapatnam, Andhra Pradesh.
- (ii) Keeping Registers, returns etc., at a place other than the Registered Office
- (iii) Alteration of Articles of Association to enable the same individual to be appointed/ re-appointed as Chairperson and Managing Director.
- (iv) Increasing borrowing powers of the Board from Rs.50.00 Crore to Rs.500.00 Crore over and above the aggregate of paid up capital and free reserves of the Company.
- (v) Creating charge on the assets of the Company for an amount not exceeding Rs.500.00 Crore.

Sri V. Bhaskara Rao, Practicing Company Secretary, Hyderabad was appointed as Scrutinizer to conduct the said postal ballot process in a fair and transparent manner. The said process was completed on 28.07.2014 wherein all the resolutions as proposed in the Postal Ballot Notice were passed by requisite majority. The Postal Ballot results were announced on 31.07.2014.

The details of the voting are as under:

1. Special resolution to accord consent of the company for Shifting of Registered Office of the Company from Hyderabad Telangana State to Visakhapatnam, Andhra Pradesh

The details of the Postal Ballot Voting in respect of the above Resolution (Shifting of Registered Office) are as under:

Sl. No.	Particulars	Physical	Electronic (E-voting)	TOTAL
I	Total Postal Ballot Forms received	96	19	115
II.	Less: Invalid Postal Ballot Forms*	3	Nil	3
III.	Valid Postal Ballot Forms	93	19	112
1	Total number of votes covered under Postal Ballot including E-Voting	64,14,669	12,614	64,27,283
2	Invalid votes covered under Postal Ballot	510	-	510
3.	Total No. of valid votes Casted	64,14,159	12,614	64,26,773
4.	Total No. of votes assented to the resolution	64,13,932	12,584	64,26,516
5.	Total No. of votes dissented to the resolution	227	30	257
6.	Percentage of valid votes casted in favour of the resolution	99.99%		
7.	Percentage of valid votes casted against the resolution	0.01%		
8.	Result	Passed with requisite majority		

\*Invalid for reasons such as, no mention of Assent / Dissent or voted for both Assent and Dissent or for any other valid reason.

Promoter/Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3) = $[(2)/(1)] * 100$	No. of Votes - in favour (4)	No. of Votes - against (5)	% of votes in favour on votes polled (6) = $[(4)/(2)] * 100$	% of Votes against on votes polled (7) = $[(5)/(2)] * 100$
Promoter and Promoter Group	39,31,425	39,04,875	99.32	39,04,875	-	100	-
Public-Institutional holders	4,79,447	-	-	-	-	-	-
Public-Others	46,72,170	25,21,898	53.98	25,21,641	257	99.99	0.01
<b>Total</b>	<b>90,83,042</b>						

Accordingly, the Resolution was passed with requisite majority.

2. Special Resolution at accord consent of the company for Keeping Registers, returns etc., at a place other than the Registered Office:

The details of the Postal Ballot Voting in respect of the above Resolution (Keeping Registers, returns etc.,) are as under:

S.No	Particulars	Physical	Electronic (E-voting)	TOTAL
I.	Total Postal Ballot Forms received	96	19	115
II.	Less: Invalid Postal Ballot Forms*	4	-	4
III.	Valid Postal Ballot Forms	92	19	111
1	Total number of votes covered under Postal Ballot including E-Voting	64,14,669	12,614	64,27,283
2	Invalid votes covered under Postal Ballot	810	-	810
3.	Total No. of valid votes Casted	64,13,859	12,614	64,26,473
4.	Total No. of votes assented to the resolution	64,13,632	12,614	64,26,246
5.	Total No. of votes dissented to the resolution	227	-	227
6.	Percentage of valid votes casted in favour of the resolution		99.99%	
7.	Percentage of valid votes casted against the resolution		0.01%	
8.	Result	Passed with requisite majority		

\*Invalid for reasons such as, no mention of Assent / Dissent or voted for both Assent and Dissent or for any other valid reason



Promoter/Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3) = $[(2)/(1)] * 100$	No. of Votes - in favour (4)	No. of Votes - against (5)	% of votes in favour on votes polled (6) = $[(4)/(2)] * 100$	% of Votes against on votes polled (7) = $[(5)/(2)] * 100$
Promoter and Promoter Group	39,31,425	39,04,875	99.32	39,04,875	-	100	-
Public-Institutional holders	4,79,447	-	-	-	-	-	-
Public-Others	46,72,170	25,21,898	53.98	25,21,371	227	99.99	0.01
<b>Total</b>	<b>90,83,042</b>						

Accordingly, the Resolution was passed with requisite majority.

3. Special resolution to accord consent of the company for alteration of Articles of Association to enable the same individual to be appointed/re-appointed as Chairperson and Managing Director.

The details of the Postal Ballot Voting in respect of the above Resolution (Alteration of Articles of Association) are as under:

S.No	Particulars	Physical	Electronic (E-voting)	TOTAL
I.	Total Postal Ballot Forms received	96	19	115
II.	Less: Invalid Postal Ballot Forms*	3	0	3
III.	Valid Postal Ballot Forms	93	19	112
1	Total number of votes covered under Postal Ballot including E-Voting	64,14,669	12,614	64,27,283
2	Invalid votes covered under Postal Ballot	510	-	510
3.	Total No. of valid votes Casted	64,14,159	12,614	64,26,773
4.	Total No. of votes assented to the resolution	64,14,132	11,969	64,26,101
5.	Total No. of votes dissented to the resolution	27	645	672
6.	Percentage of valid votes casted in favour of the resolution	99.99%		
7.	Percentage of valid votes casted against the resolution	0.01%		
8.	Result	Passed with requisite majority		

\*Invalid for reasons such as, no mention of Assent / Dissent or voted for both Assent and Dissent or for any other valid reason.

Promoter/Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3) = $[(2)/(1)] * 100$	No. of Votes - in favour (4)	No. of Votes - against (5)	% of votes in favour on votes polled (6) = $[(4)/(2)] * 100$	% of Votes against on votes polled (7) = $[(5)/(2)] * 100$
Promoter and Promoter Group	39,31,425	39,04,875	99.32	39,04,875	-	100	-
Public-Institutional holders	4,79,447	-	-	-	-	-	-
Public-Others	46,72,170	25,21,898	53.98	25,21,226	672	99.97	0.03
<b>Total</b>	<b>90,83,042</b>						

Accordingly, the Resolution was passed with requisite majority.

4. Special resolution to accord consent of the company for Increasing borrowing powers of the Board from Rs.50.00 Crore to Rs.500.00 Crore

The details of the Postal Ballot Voting in respect of the above Resolution (Increase in borrowing powers) are as under:

S.No	Particulars	Physical	Electronic (E-voting)	TOTAL
I.	Total Postal Ballot Forms received	96	19	115
II.	Less: Invalid Postal Ballot Forms*	3	-	3
III.	Valid Postal Ballot Forms	93	19	112
1	Total number of votes covered under Postal Ballot including E-Voting	64,14,669	12,614	64,27,283
2	Invalid votes covered under Postal Ballot	510	-	510
3.	Total No. of valid votes Casted	64,13,773	12,614	64,26,773
4.	Total No. of votes assented to the resolution	64,13,440	11,999	64,25,439
5.	Total No. of votes dissented to the resolution	719	615	1334
6.	Percentage of valid votes casted in favour of the resolution	99.99%		
7.	Percentage of valid votes casted against the resolution	0.01%		
8.	Result	Passed with requisite majority		

\*Invalid for reasons such as, no mention of Assent / Dissent or voted for both Assent and Dissent or for any other valid reason

Promoter/Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3) = $[(2)/(1)] * 100$	No. of Votes - in favour (4)	No. of Votes - against (5)	% of votes in favour on votes polled (6) = $[(4)/(2)] * 100$	% of Votes against on votes polled (7) = $[(5)/(2)] * 100$
Promoter and Promoter Group	39,31,425	39,04,875	99.32	39,04,875	–	100	–
Public-Institutional holders	4,79,447	–	–	–	–	–	–
Public-Others	46,72,170	25,21,898	53.98	25,20,564	1334	99.95	0.05
<b>Total</b>	<b>90,83,042</b>						

Accordingly, the Resolution was passed with requisite majority.

5. Special resolution to accord consent of the company for creating charge on the assets of the Company for an amount not exceeding Rs.500.00 Crore.

The details of the Postal Ballot Voting in respect of the above Resolution (Creation of charge) are as under:

S.No	Particulars	Physical	Electronic (E-voting)	TOTAL
I.	Total Postal Ballot Forms received	96	19	115
II.	Less: Invalid Postal Ballot Forms*	4	–	4
III.	Valid Postal Ballot Forms	92	19	111
1	Total number of votes covered under Postal Ballot including E-Voting	64,14,059	12,614	64,27,283
2	Invalid votes covered under Postal Ballot	610	–	610
3.	Total No. of valid votes Casted	64,14,059	12,614	64,26,673
4.	Total No. of votes assented to the resolution	64,13,340	12,614	64,25,954
5.	Total No. of votes dissented to the resolution	719	–	719
6.	Percentage of valid votes casted in favour of the resolution	99.99%		
7.	Percentage of valid votes casted against the resolution	0.01%		
8.	Result	Passed with requisite majority		

\*Invalid for reasons such as, no mention of Assent / Dissent or voted for both Assent and Dissent or for any other valid reason

Promoter/Public	No. of shares held	No. of votes polled	% of Votes Polled on outstanding shares	No. of Votes - in favour	No. of Votes - against	% of votes in favour on votes polled (6) = [(4)/(2)] * 100	% of Votes against on votes polled (7) = [(5)/(2)] * 100
	(1)	(2)	(3) = [(2)/(1)] * 100	(4)	(5)		
Promoter and Promoter Group	39,31,425	39,04,875	99.32	39,04,875	–	100	–
Public-Institutional holders	4,79,447	–	–	–	–	–	–
Public-Others	46,72,170	25,21,798	53.97	25,21,079	719	99.97	0.03
<b>Total</b>	<b>90,83,042</b>						

Accordingly, the Resolution was passed with requisite majority.

At present, no special resolution is proposed to be passed through postal ballot.

#### 15. Disclosures:

- i) The Company has entered into related party transactions as set out in the notes to the accounts which are not likely to have a conflict with the Company's interest.
- ii) The Policy of the company in regard to Related Party Transactions disseminated at the web site of the company at <http://www.avantifeeds.com/Policies/Policy%20on%20Related%20Party%20Transactions.pdf>.
- iii) There were no non-compliances by the Company and no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three financial years.

#### 16. Means of Communication:

- a. The relevant information relating to the Directors who would be appointed/re-appointed at the ensuing Annual General Meeting is given in the Notice convening the Annual General Meeting.
- b. The Quarterly / Half Yearly and Annual Financial results of the Company are forwarded to the Bombay, Madras and National Stock Exchanges and were published in Financial Express and Andhra Prabha, Hyderabad.
- c. The Company's results were disseminated on website(s) of Bombay Stock Exchange and National Stock Exchange.
- d. The Company's results were also disseminated on the Company's website. ([www.avantifeeds.com](http://www.avantifeeds.com))
- e. The Management Discussion and Analysis Report is included elsewhere in this Annual Report.

**17. General Shareholders' Information:**

Sl.No.	Item	Details
(i)	AGM Date, Time and Venue	On Saturday the 8 <sup>th</sup> August, 2015 at 11.00 A.M., at Vedika Hall, Hotel Daspalla, Jagadamba Junction, Visakhapatnam.
(ii)	Financial Year	2015-16
(iii)	Financial Calendar (tentative)	<ul style="list-style-type: none"> <li>• First Quarter Results – By 15<sup>th</sup> August, 2015.</li> <li>• Second Quarter / Half Year Results - By 15<sup>th</sup> November, 2015</li> <li>• Third Quarter / Nine Months Results - By 15<sup>th</sup> February, 2016</li> <li>• Fourth Quarter / Year end Results - By 30<sup>th</sup> May, 2016</li> </ul>
(iv)	Dates of Book Closure	3 <sup>rd</sup> August, 2015 to 8 <sup>th</sup> August, 2015 (Both days inclusive).
(v)	Dividend & Due date for dividend Payment	Board of Directors has recommended a dividend of Rs.27.50ps per Equity share of Rs.10/- each fully paid for the financial year 2014-15. On approval of the shareholders, the dividend warrants will be dispatched on or before 23 <sup>rd</sup> August, 2015
(vi)	Listing on Stock Exchanges	<p>The Company's Shares are listed on Bombay Stock Exchange and National Stock Exchanges. The Address of these Exchanges is as follows:</p> <ol style="list-style-type: none"> <li>1. Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.</li> <li>2. National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (East), Mumbai-400 051</li> </ol> <p>The Company has duly paid the Listing fees for the year 2015-16 to the Stock Exchanges where the shares of the Company are Listed.</p>
(vii)	Stock Code	BSE : 512573 NSE : AVANTIFEED NSDL/CSDL ISIN No. : INE871C01012

**18. Stock Market Price Data**

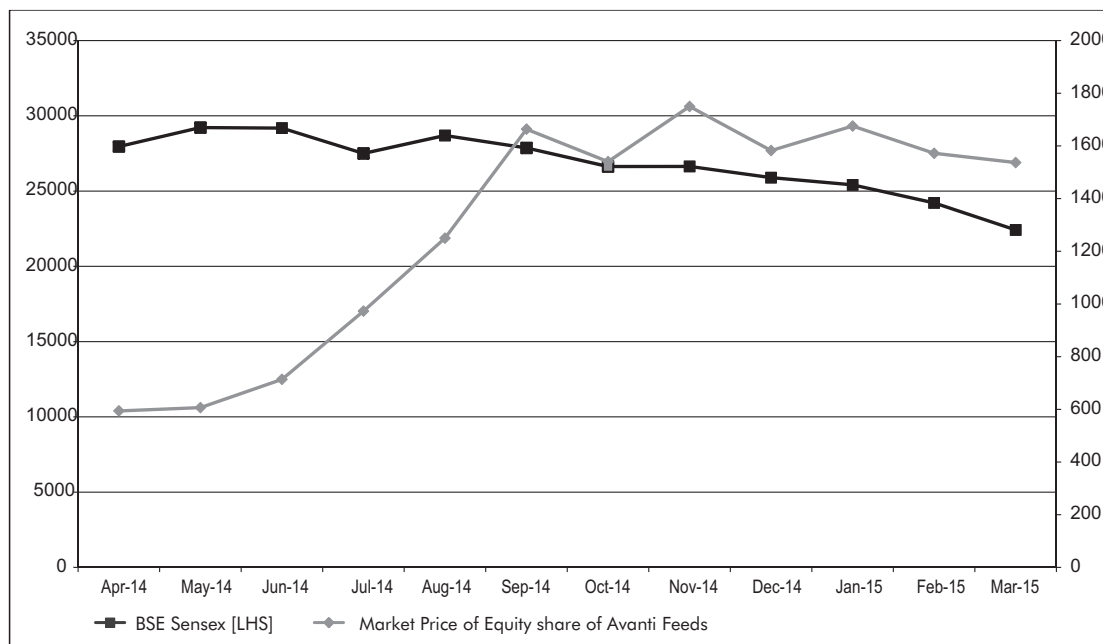
The details of monthly market prices during the financial year 2014-15 is as under: (Market Price in Rs)

Month	Open	High	Low	Close	No. of Shares
Apr-14	523	672	523	594	55,009
May-14	590	615	525	607	76,314
Jun-14	625	715	575	714	88,129
Jul-14	725	1,042	647	973	120,149
Aug-14	982	1,298	979	1,250	158,323
Sep-14	1,258	1,694	1,246	1,664	129,587
Oct-14	1,688	1,743	1,400	1,540	51,908
Nov-14	1,560	2,125	1,550	1,750	148,403
Dec-14	1,744	1,782	1,410	1,583	71,957
Jan-15	1,567	1,850	1,505	1,676	82,489
Feb-15	1,720	1,805	1,450	1,572	185,095
Mar-15	1,600	1,750	1,498	1,537	159,336

Source: BSE

The share price performance in comparison to BSE- Sensex during the year 2014-15 is as under:

**Price Movement Graph**



19. Share transfer system: All transfers received are electronically processed and approved by the Share Transfer Committee which normally meets once in a fortnight or more depending upon the volume of transfers.

**20. Shareholding information:**

a) Distribution of Share holding pattern as on 31.03.2015

AVANTI FEEDS LIMITED DISTRIBUTION SCHEDULE AS ON 31/03/2015					
Sl.No	Category	Cases	% of Cases	Amount	% Amount
1	upto - 5000	7984	93.27	6582270	7.25
2	5001 - 10000	267	3.12	1951630	2.15
3	10001 - 20000	139	1.62	2117470	2.33
4	20001 - 30000	66	0.77	1659880	1.83
5	30001 - 40000	19	0.22	347640	0.38
6	40001 - 50000	19	0.22	1288120	1.42
7	50001 - 100000	31	0.36	2234720	2.46
8	100001 & above	35	0.41	74648690	82.18
	<b>Total:</b>	<b>8560</b>	<b>100.00</b>	<b>90830420</b>	<b>100.00</b>

## b) Details of Shareholding in physical mode and electronic mode as on 31.03.2015:

S.No.	Description	No. of Holders	% of Shareholders	No. of Shares	% Equity
1	PHYSICAL	1345	15.71	286640	3.16
2	ELECTRONIC	7215	84.29	8796402	96.84
	<b>Total:</b>	<b>8560</b>	<b>100.00</b>	<b>9083042</b>	<b>100.00</b>

## c) Shareholding pattern as on 31.03.2015:

Sl. No	Category	No. of shares	% to paid-up capital
A	Promoters Holding		
1	Promoters Individuals	1312604	14.45
2	Promoters - Corporate Bodies	2698985	29.72
	<b>Sub-Total</b>	<b>4011589</b>	<b>44.17</b>
B	Non-Promoters shareholding		
1	Institutional Investors		
	a. Mutual Funds	4100	0.05
	b. Banks, Fis, Insurance Cos [Central and State Govt Public Financial Institutions/Non-Govt. Institutions]	250900	2.76
	c. FIs	289907	3.19
	<b>Sub-total</b>	<b>544907</b>	<b>6.00</b>
2	Others		
	a. Private Corporate Bodies	258078	2.84
	b. Indian Public	1905803	20.99
	c. NRIs/OCBs/FBs	2354042	25.91
	d. Other Clearing Members	8539	0.09
	e. Trusts	84	0.00
	<b>Sub-total</b>	<b>4526546</b>	<b>49.83</b>
	<b>Grand Total</b>	<b>9083042</b>	<b>100.00</b>

**21. Dematerialisation of shares and liquidity:**

The company has entered into a tripartite agreements with NSDL and CDSL to establish electronic connectivity through Company's Electronic Registrar i.e. Kary Computershare Private Limited, Hyderabad and facilitate scrip less trading. Trading in the equity shares of the company is compulsory in dematerialized form for all investors. Investors are therefore advised to open a demat account with the Depository participant of their choice to trade in demat form. The lists of depository participants is available with NSDL and CDSL. The ISIN allotted company's scrip is INE871C01012.

**22. Reconciliation of Share Capital Audit:**

A quarterly audit was conducted by Sri V. Bhasakara Rao, Practising Company Secretary, Hyderabad reconciling the issued and listed capital of the company with the aggregate of the number of shares held by Investors in physical form and in the depositories and the said certificates were submitted to the stock exchanges within the prescribed time limit. As on 31.3.2015, there was no difference between the issued and

listed capital and the aggregate of shares held by investors in both physical form and in electronic form with the depositories. 87,96,402 equity shares representing 96.84%(Previous year 87,43,827 equity shares representing 96.27%) of the paid up equity capital of the company have been dematerialized as on 31<sup>st</sup> March, 2015. The liquidity of the company's shares is expected to improve with increase in holdings in demat form.

Outstanding ADRs/GDRs: The Company has not received any ADRs/GDRs.

### **23. Plant locations:**

Shrimp Feed Plant – I, III & Wheat Flour Plant

D. No.15-11-24, Kovvur – 534 350.

West Godavari District. Andhra Pradesh

Shrimp Feed Plant – II

Vemuluru, Kovvur – 534 350.

West Godavari District, Andhra Pradesh.

Shrimp Feed Plant

Block No.498/1 & 501, Pardi-Nashik Road, Balda Village

Pardi Taluk, Valsad Dist. Gujarat – 396 125. India.

Shrimp Processing Plant

Gopalapuram – 533 274.

Ravulapalem Mandal, East Godavari District.

Andhra Pradesh.

Shrimp Pre-Processing Unit,

Ethakota, East Godavari District

Andhra Pradesh

Shrimp Shell Meal Plant

Velivenu Road, Samisragudem, Nidadavolue Mandal

West Godavari Dist. Andhra Pradesh.

Wind Mill:

Lakkihalli Village, Hiriyur Taluk

Chitradurga District. Karnataka State. India.

### **24.Address for correspondence:**

#### **Registered Office:**

Avanti Feeds Limited

Plot No.3, H. No.3, Baymount

Rushikonda, Visakhapatnam – 530 045.

Andhra Pradesh. India.

#### **Corporate Office:**

Avanti Feeds Limited

G-2, Concorde Apartments, 6-3-658, Somajiguda,

Hyderabad – 500 082. Telangana State. India.

Tel: 040-23310260/261, Fax 040-23311604

E-mail: [avantiho@avantifeeds.com](mailto:avantiho@avantifeeds.com)

Website: [www.avantifeeds.com](http://www.avantifeeds.com)



### **Registrars and Transfer Agents**

Karvy Computershare Private Limited  
Karvy Selenium Tower B, Plot 31-32, Gachibowli,  
Financial District, Nanakramguda, Hyderabad – 500 032.  
Phone : 040-67162222 Fax: 040-23001153  
E-mail id: einward.ris@karvy.com  
Website: www.karvycomputershare.com

### **25. Risk Management :**

In terms of the Companies Act 2013 and Clause 49 of the Listing Agreement, the company has developed and implemented a Risk Management Policy.

### **26. Policy for prohibition of Insider Trading:**

The Company has adopted a policy for Prevention of Insider Trading in the Shares pursuant to the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.

### **27. Disclosure of Accounting Treatment :**

The Company in the preparation of financial statements has followed the treatment laid down in the Accounting standards prescribed by the Institute of Chartered Accountants of India. There are no audit qualifications in the Company's financial statements for the year under review.

### **28. Subsidiary Companies:**

The financials of the subsidiary company viz., Svimsan Exports and Imports Private Limited have been duly Reviewed by the Audit Committee and the Board of the holding Company. The Board minutes of the unlisted subsidiary company have been placed before the Board of the holding company. The holding company's Board is also periodically informed about the significant transactions and arrangements entered into by the subsidiary company wherever applicable.

The company does not have any material unlisted subsidiary and hence is not required to nominate an independent Director of the Company on the Board of the subsidiary. There are no significant transactions in the subsidiary company i.e. Svimsan Exports and Imports Private Limited during the year 2014-15. The company has also formulated a policy for determining the Material subsidiary and the details of the policy is disseminated in the website of the company at <http://www.avantifeeds.com/Policies/Policy%20on%20Material%20subsidiaries.pdf>.

### **29. Transfer of Unpaid/unclaimed dividend to IEPF:**

Pursuant to the provisions of section 205A and 205C of the Companies Act, as amended, read with Investor Education and Protection Fund (awareness and Protection of Investors) rules, 2001, dividend which remain unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government. Shareholders / Investors who have not en-cashed their dividend warrant(s) within 7 years from the date of the dividend warrant, are requested to make their claim to Registrars & Transfer Agents of the Company. Shareholders are requested to please note that once the unclaimed dividend is transferred to the Central Government as above, no claim shall lie in respect thereof.

### **30. Declaration on code of conduct:**

This is to confirm that the Board has laid down a code of conduct for all Board members and senior management personnel of the Company which has been disseminated on the web site of the company at [www.avantifeeds.com](http://www.avantifeeds.com). It is further confirmed that all directors and senior management personnel of

the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended on 31<sup>st</sup> March, 2015, as envisaged in clause 49 of the Listing Agreement with stock exchanges.

Place: Hyderabad

Date :09.05.2015

A. Indra Kumar

DIN : 00190168

Chairman & Managing Director

### **31. Chairman & Managing Director and Chief Financial Officer Certification**

We, A. Indra Kumar, Chairman & Managing Director and C. Ramachandra Rao, Joint Managing Director, Company Secretary and Chief Financial Officer of Avanti Feeds Limited certify that :

- a. We have reviewed the financial statements and the cash flow statements for the year and that to the best of our knowledge and belief.
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
  - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee the deficiencies in the design or operation of internal controls, if any, of which we are aware and also disclosed the steps we have taken or proposed to be taken to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit Committee
  - i. Significant changes in internal control over financial reporting during the year.
  - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
  - iii. That there have been no instances of significant fraud of which we have become aware, involving the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Hyderabad

Date : 09.05.2015

A. Indra Kumar

DIN : 00190168

Chairman & Managing Director

C. Ramachandra Rao

DIN: 00026010

Joint Managing Director,  
Company Secretary & CFO

**32. Detailed compliance Report on Corporate Governance:**

(A) Compliance of Mandatory clauses:

In terms of the Clause 49 of the Listing Agreement, a detailed report on the compliance of mandatory clauses of the Clause 49 of the Listing agreement is as under:

Particulars	Clause of Listing Agreement	Compliance Status Yes/No
<b>II. Board of Directors</b>	49 (II)	
(A) Composition of Board	49 (IIA)	Yes
(B) Independent Directors	49 (IIB)	Yes
(C) Non-executive Directors' compensation & disclosures	49 (IIC)	Yes
(D) Other provisions as to Board and Committees	49 (IID)	Yes
(E) Code of Conduct	49 (IIE)	Yes
(F) Whistle Blower Policy	49 (IIF)	Yes
<b>III. Audit Committee</b>	49 (III)	
(A) Qualified & Independent Audit Committee	49 (IIIA)	Yes
(B) Meeting of Audit Committee	49 (IIIB)	Yes
(C) Powers of Audit Committee	49 (IIIC)	Yes
(D) Role of Audit Committee	49 (IIID)	Yes
(E) Review of Information by Audit Committee	49 (IIIE)	Yes
<b>IV. Nomination and Remuneration Committee</b>	49 (IV)	Yes
<b>V. Subsidiary Companies</b>	49 (V)	Yes
<b>VI. Risk Management</b>	49 (VI)	Yes
<b>VII. Related Party Transactions</b>	49 (VII)	Yes
<b>VIII. Disclosures</b>	49 (VIII)	
(A) Related party transactions	49 (VIII A)	Yes
(B) Disclosure of Accounting Treatment	49 (VIII B)	Yes
(C) Remuneration of Directors	49 (VIII C)	Yes
(D) Management	49 (VIII D)	Yes
(E) Shareholders	49 (VIII E)	Yes
(F) Proceeds from public issues, rights issue, preferential issues, etc	49 (VIII I)	NA**
<b>IX. CEO/CFO Certification</b>	49 (IX)	Yes
<b>X. Report on Corporate Governance</b>	49 (X)	Yes
<b>XI. Compliance</b>	49 (XI)	Yes

\*\*Not Applicable

**( b ) Compliance of Non-Mandatory Disclosures:**

The Company has adopted the following Non-mandatory requirements of Clause 49 of the Listing Agreement.

**1. Audit Qualifications:**

The Company is in the regime of unqualified financial statements.

**2. Reporting of Internal Auditor:**

The Internal Auditor directly reports to the Audit Committee.

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**Annexure - I**

**Whistle Blower Policy**

Many a violation does not affect an individual directly, but is detrimental to the organisation's interest. Individuals hesitate to report such violations out of fear or indifference. The Whistle Blower's policy provide a mechanism for an individual to report violations without fear of victimisation.

When the director/employee sees violations of integrity norms, he may not be directly aggrieved, but may have information that organisational interests are being compromised. This may be unethical behaviour, suspected or actual fraud, violation of the Code of Conduct etc.

Some examples are persons taking bribes, confidential information being leaked out, misuse of company's resources, favours shown or demanded from business associates/partners, violation of statutory requirements etc.

Before reporting such events, the director/employee has to ascertain that a violation has actually occurred and that the act is not based on what can be termed as a normal business decision.

In all such cases, the director/employee will address the complaint to any member of the Enforcement Committee along with the available details and evidence to the extent possible. In case, the complaint is received by a person, other than a enforcement committee member, the same will be forwarded by him to the enforcement committee.

As a rule, anonymous complaints will not be entertained. The identity of the complainant will be protected and will be known only to the Enforcement Committee.

The Enforcement Committee may meet the complainant, if necessary. They may also appoint any suitable person or group of persons to investigate the case, but will ensure that the identity of the complainant is protected.

Whistle Blower will be protected from any kind of discrimination, harassment, victimization or any other unfair employment practice. The Enforcement Committee will decide the case and recommend action within four weeks to the Chairman & Managing Director. The final action to be taken will be decided by the Chairman & Managing Director.

The analysis of the case and the action to be taken may not be communicated to the original complainant.

The director in all cases & employee in appropriate or exceptional cases will have direct access with the Chairman of the Audit Committee.

Enforcement Committee will consist of:

- (a) Sri A. Indra Kumar, Chairman & Managing Director
- (b) Sri C. Ramachandra Rao, Joint Managing Director

Sri A. Indra Kumar, Chairman & Managing Director will be the Chairman of the Enforcement Committee.

The Enforcement Committee will report to the Audit Committee.

Any grievance against any member of the Enforcement Committee should be addressed to the Chairman, Audit Committee.

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**Annexure - II****NOMINATION AND REMUNERATION POLICY**

The Board of Directors of Avanti Feeds Limited ("the Company") constituted the Nomination and Remuneration Committee at its Meeting held on 30<sup>th</sup> May, 2014 consisting of the following Directors:

- |   |                       |
|---|-----------------------|
| 1. Sri B.V. Kumar, Independent Director             | - Chairman            |
| 2. Sri A. Indra Kumar, Chairman & Managing Director | - Member              |
| 3. Sri A.V. Achar, Independent Director             | - Member              |
| 4. Sri K. Ramamohana Rao, Independent Director      | - Member              |
| 5. Sri C. Ramachandra Rao, JMD, CS & CFO            | - Compliance Officer. |

**1. OBJECTIVE :**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement. The Key Objectives of the Committee would be:

- 1.1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a Policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- 1.2. Formulation of Criteria for evaluation of Independent Directors and the Board.
- 1.3. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.4. To devise a policy on Board diversity.
- 1.5. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

**2. NOMINATION DUTIES :**

The duties of the Committee in relation to nomination matters include:

- 2.1. Ensuring that on appointment to the Board, Independent Directors receive a formal letter of appointment in accordance with the provisions of the Act;
- 2.2. Identifying and recommending Directors who are to be put forward for retirement by rotation.
- 2.3. Determining the appropriate size, diversity and composition of the Board;
- 2.4. Making recommendations to the Board concerning appointment and removal of directors and senior management.

**3. REMUNERATION DUTIES :**

The duties of the Committee in relation to remuneration matters include:

- 3.1. to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate.
- 3.2. to approve the remuneration of the Senior Management including Key Managerial Personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.

#### **4. DEFINITIONS**

- 4.1 Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 4.2 Board means Board of Directors of the Company.
- 4.3 Directors mean Directors of the Company.
- 4.4 Key Managerial Personnel means
  - 4.4.1 Chief Executive Officer or the Managing Director or the Manager;
  - 4.4.2 Whole-time director;
  - 4.4.3 Chief Financial Officer;
  - 4.4.4 Company Secretary; and
  - 4.4.5 such other officer as may be prescribed.

#### **5. SENIOR MANAGEMENT**

means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

#### **6. ROLE OF COMMITTEE**

##### **6.1. Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee**

The Committee shall:

- 6.1.1. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- 6.1.2. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- 6.1.3. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

##### **6.2. Policy for appointment and removal of Director, KMP and Senior Management**

###### **6.2.1. Appointment criteria and qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

###### **6.2.2. Term / Tenure**

- a) Managing Director/Whole-time Director: The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not

exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and in case such person is serving as a Whole-time Director of a listed company the number of Boards on which he serves shall be restricted to three listed companies as an Independent Director or such other number as may be prescribed under the Act.

6.2.3. Evaluation

The Committee shall carry out performance evaluation of every Director, KMP and Senior Management Personnel at regular interval (yearly).

6.2.4. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

6.2.5. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

6.3. Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

6.3.1. General:

- a) The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down as per the provisions of the Act.



- c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders, wherever required, in the case of Whole-time Director.

**6.3.2. Remuneration to Whole-time/Executive/Managing Director, KMP and Senior Management Personnel:**

- a) **Remuneration:**  
The remuneration to Key Managerial Personnel and Senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals. The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- b) **Minimum Remuneration:**  
If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and approval of the Central Government wherever required.
- c) **Provisions for excess remuneration:**  
If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.
- d) The remuneration to Managing Director/ Whole-time Director(s) includes commission on net profits of the company as permitted under the provisions of the Companies Act from time to time.

**6.3.3. Remuneration to Non- Executive / Independent Director:**

- a) **Remuneration / Commission:**  
The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Companies Act.
- b) **Sitting Fees:**  
The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- c) **Commission:**  
Commission may be paid within the monetary limit approved by shareholders, subject to the limits applicable as per the provisions of Companies Act.
- d) **Stock Options:**  
An Independent Director shall not be entitled to any stock option of the Company.



## **7. MEMBERSHIP**

- 7.1 The Committee shall consist of a minimum 3 non-executive directors, and at least half shall be Independent Directors.
- 7.2 The Chairperson of the Company (Whether executive or non-executive) may be appointed as a member of the Committee, but shall not Chair such Committee.
- 7.3 The quorum for meeting of the Committee shall be one-third of its total strength or two directors, whichever is higher.
- 7.4 Membership of the Committee shall be disclosed in the Annual Report.
- 7.5 Term of the Committee shall be continued unless terminated by the Board of Directors.

## **8. CHAIRPERSON**

- 8.1 Chairperson of the Committee shall be an Independent Director.
- 8.2 In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- 8.3 Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries. However, it would be up to the Chairman to decide who should answer the queries.

## **9. FREQUENCY OF MEETINGS**

The meeting of the Committee shall be held at such regular intervals as may be required.

## **10. COMMITTEE MEMBERS' INTERESTS**

- 10.1 A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- 10.2 The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

## **11. SECRETARY**

The Company Secretary of the Company shall act as Secretary of the Committee.

## **12. VOTING**

- 12.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed as the decision of the Committee.
- 12.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

\* \* \*

## **Auditors' Certificate on Corporate Governance**

TO  
THE MEMBERS OF  
AVANTI FEEDS LIMITED

We have examined the compliance of conditions of Corporate Governance by Avanti feeds Limited, (the Company), for the year ended 31st March, 2015 as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The Compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above-mentioned listing agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**for Karvy & Co**

Chartered Accountants  
Firm Reg. No.017575

**V. Kutumba Rao**

Partner  
Membership No.018796

Place : Hyderabad  
Date :09.05.2015

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### CAVEAT:

This section of Annual Report has been included in adherence to the spirit enunciated in the code of Corporate Governance approved by the Securities and Exchange Board of India. Though, utmost care has been taken to ensure that the opinions expressed by the Management herein contain its perceptions on most of the important trends having a material impact on the company's operations, no representation is made that the following presents an exhaustive coverage on and of all issues related to the same. Further, the discussion following herein reflects the perceptions on major issues as on date and the opinions expressed here are subject to change without notice. The Company undertakes no obligation to publicly update or revise any of the opinions or statements expressed in this report, consequent to new information, future event, or otherwise.

### INDUSTRY OVERVIEW:

Indian seafood product exports during 2014-15 recorded major jump of 16% in value terms as compared to 2013-14. The exports were Rs.35,100 crores as against Rs.30,213 crores in 2013-14.

Shrimp exports accounted for 68% of the total exports in value terms, an increase of 4% as compared to previous year. In the year 2013-14 the shrimp exports were Rs.19,368 crores. In the current year the shrimp exports are Rs.24,000 crores. In volume terms the shrimp exports grew by 17% from 3.01 lac MT in 2013-14 to 3.50 lac MT in 2014-15.

The major export market has been USA followed by Europe, Japan and South East Asia during 2014-15 for shrimp exports.

It is heartening to note that for the fifth consecutive year the shrimp culture industry registered growth during 2014-15. The growth in shrimp culture is due to increase in area of cultivation and increase in stocking density supported by remunerative export prices during the year 2014-15.

In order to ensure sustained growth of shrimp culture, with specific emphasis on Vannamei shrimp culture, the Government of India has been adopting stringent regulatory measures such as mandatory approvals for setting up hatcheries, import of brood stock from specified approved overseas suppliers and continuous surveillance of Vannamei hatchery operations, mandatory approval of farms etc., These measures would go a long way in long term success of Indian Shrimp Culture Industry.

### STRENGTHS, WEAKNESS, OPPORTUNITIES AND THREATS:

#### STRENGTHS:

The Company has been in the field of aqua culture industry engaged in manufacturing high quality feed for shrimps, fish, operating Vannamei hatchery and processing & export of shrimps. The Company has also well trained technical team to provide technical support to the farmers and assisting farmers with information and knowledge of global standard aquaculture practices and also updating developments in culture methods and processes. Presence of strong dealership net work, farmer base and committed work force stands in good stead in sustained growth of company's business. Added to this, the company has strong technical and marketing tie up with THAI UNION Group of Thailand to strengthen company's capabilities in the field of aqua culture. The global shrimp consumption is also expected to increase in future, assuring consistent market.

The Company is operating a Vannamei hatchery on a leasehold hatchery producing Vannamei seed to supply good quality Vannamei seed to the farmers. As informed in the previous year discussion about your Company's plans to set up its own hatchery, Company has acquired land in Village Gudivada, near Visakhapatnam, Andhra Pradesh for setting up 400 million shrimp seed hatchery which will be implemented

in two phases of 200 million each. The formalities for obtaining necessary statutory approvals is in progress. The construction of project will commence from August 2015.

Presently company's shrimp feed plants are operating at 100% capacity utilization. In view of future increase in growth of shrimp culture, it is planned to set up shrimp feed manufacturing plant with 1,10,000 MT per annum capacity in Andhra Pradesh. Company is searching for suitable land for the purpose.

#### **WEAKNESS :**

Notwithstanding the fact of significant growth in shrimp production as well as shrimp exports during 2014-15, the shrimp culture industry is continued to be concerned about inadequate infrastructure facilities, particularly inadequate power supply to aquaculture farmers and inadequate cold store chain which are matter of great concern. Though, it is similar to agriculture in many respects, the recognition of aquaculture on par with agriculture is evading government's approval in order to avail some of the benefits available to agriculture sector.

#### **OPPORTUNITIES:**

The demand for sea food is increasing all over the world, particularly Indian Seafood exports as could be seen from the increase in exports during 2014-15. One of the reasons being, seafood is considered as healthier compared to other forms of meat. India is gifted with long coast line ideally suited for development of seafood industry. A planned development would provide abundant opportunities for seafood industry. The successful adoption of Vannamei Species shrimp culture is poised for a significant increase in the shrimp production and export.

#### **THREATS:**

The aqua culture activity is dependent on climatic conditions prevailing during season to season, which is unpredictable. Natural calamities like floods, cyclones, during the culture season can have serious impact on the prospects of successful culture. In spite of technical advancement and development of Specific Pathogen Free (SPF) seed, the possibilities of the shrimps getting affected by virus and diseases cannot be ruled out.

Volatility of international prices of shrimps and fluctuating foreign exchange rates, US anti-dumping duty and US Countervailing Duty continues to be the major areas of threat for the industry.

However, development of potential domestic market to support exports, strict adherence of traceability, scientific pond management, a judicious approach on prices and forex management is expected to reduce the impact of threats to a great extent.

#### **OUTLOOK:**

##### **Feed Market:**

First crop of Shrimp culture in current year progressing well. Reports indicate there is 10-15% growth because of increase in the area of culture and density of culture.

Although the shrimp prices in international market are less compared to previous year, still it is remunerative enough for the farmers to go ahead with the culture.

##### **Processing & Export of Shrimp:**

During the first half of the year 2014-15 exports of shrimp showed healthy growth of 15-20% in tune with the growth in aqua culture. However, in the second half of the year US authorities started checking of each container of shrimp imported in to their country for antibiotic residues. This resulted in rejections of many containers from China, Indonesia, Vietnam and Ecuador. Rejections of supplies from our country are the least amongst. However, because of stringent checking, there were inordinate delays in clearing of the goods and additional costs increased to the suppliers.

Because of these, your Company's Processing and Export Division reported no increase in turnover as compared to previous year.

However, to overcome the problem, your Company developed new markets in Middle East, Europe and China which enabled Company to maintain previous year's performance.

Current year i.e. 2015-16 seems promising as the US Authorities reverted back to random checking of the containers.

The orders from new markets i.e. Middle East, Europe and China will add to the topline of this division and it is expected that this division will show improved performance in the current year.

#### **POWER :**

The Company has investment in the following power projects :

- (a) The 3.2 MW Wind Mill Project in Chitradurg, Karnataka State is operational and has generated 49.97 lac units during the year.
- (b) Srivathsa Power Projects Pvt Ltd, is a 17.2 MW gas based independent power project in which company holds 49.99% shares. The unit has not been generating power due to non-supply of gas by GAIL and ONGC since July'14.

It was reported in the earlier years that GAIL has drastically reduced gas supply w.e.f. February, 2012 resulting in significant fall in power generated by the Company from 1057.70 lac units in 2011-12 to 398.58 lac units in 2013-14 units. To mitigate this, Company made arrangement to draw 10500 SCMD gas from ONGC through open bidding process. The delivery of additional gas was started from 16<sup>th</sup> June'14.

Unfortunately, on 28<sup>th</sup> June 2014 there was a blast in gas pipe line of GAIL supplying gas to our unit. As a consequence GAIL stopped gas supplies to replace the old pipe lines. Hence, the unit is not operating from July'14 onwards.

It is communicated by GAIL that they will be completing the laying of new pipe line by August'15 and resume gas supplies by September'15.

- (c) Patikari Power Private Limited, the 16 MW Hydel Power Project in Himachal Pradesh with Company's investment of 25.88% as a joint venture project, was commissioned in February'08. During 2014-15 this project generated 62.85 lacs salable energy units, yielding a gross sales income of Rs.1,414.22 lacs and net profit of Rs.86.61 lacs after charging interest, depreciation and tax.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are properly authorized recorded and reported correctly. Further, the internal control system is designed to ensure that all the financial and other records are reliable for preparing financial statements and for maintaining accountability of the assets.

In addition, Company has an internal Risk & Compliance Department headed by a Chartered Accountant having 17 years of experience in the relevant field. The department is responsible to ensure compliance of all

the statutory requirements by the company. This department is also responsible for internal audit and periodical risk appraisal, internal as well as external, of all the functional departments in the organization. On the basis of the appraisal, potential risks are identified and preventive measures are initiated depending on the perceived gravity of the risk.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:**

The financial statements have been prepared in compliance with the requirement of the Companies Act, 2013 and Generally Accepted Accounting Principles (GAAP) in India. In the year under consideration, your company reported profit of Rs. 17,985 lacs before tax adjustments as compared to profit of Rs. 10,518 lacs in the previous year.

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2015**

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

**SECRETARIAL AUDIT REPORT**

To,  
The Members,  
Avanti Feeds Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Avanti Feeds Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2015 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Avanti Feeds Limited ("the Company") for the financial year ended on 31.03.2015, 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 Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- viz
  - 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, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - 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; and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (vi) Other applicable Acts
  - (a) Factories Act, 1948
  - (b) Industrial Disputes Act, 1947
  - (c) The Payment of Wages Act, 1936
  - (d) The Minimum Wages Act, 1948
  - (e) Employees Provident Funds and Miscellaneous Provisions Act, 1952
  - (f) The Payment of Bonus Act, 1965
  - (g) The Payment of Gratuity Act, 1972
  - (h) The Contract Labour (Regulation & Abolition) Act, 1970
  - (i) The Maternity Benefit Act, 1961
  - (j) The Child Labour (Prohibition & Regulation) Act, 1986
  - (k) The Industrial Employment (Standing Order) Act, 1946
  - (l) The Employee Compensation Act, 1923
  - (m) The Apprentices Act, 1961
  - (n) Equal Remuneration Act, 1976
  - (o) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956
  - (p) Trade Marks Act, 1999
  - (q) Customs Act, 1962
  - (r) The water (Prevention and control of pollution) Act 1974
  - (s) The Air (Prevention and control of pollution) Act 1981
  - (t) The Environment Protection Act, 1986 and rules made thereunder
  - (u) Explosive Act, 1884
  - (v) Indian Boilers Act, 1923

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Not applicable to the Company during audit period).
- (ii) The Listing Agreements entered into by the Company with BSE Ltd and NSE Ltd;

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

We 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.



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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

V. Bhaskara Rao and Co  
Company Secretaries

V. Bhaskara Rao  
Proprietor  
FCS No.5939, CP No.4182

Place : Hyderabad

Date : 30.04.2015

Note : This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report

**'ANNEXURE A'**

To,  
The Members of,  
Avanti Feeds Limited  
H.No.3, Plot No.3, Baymount  
Rushikonda  
Vishakapatnam - 530045  
Andhra Pradesh

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company

V. Bhaskara Rao and Co  
Company Secretaries

V. Bhaskara Rao  
Proprietor  
FCS No.5939, CP No.4182

Place : Hyderabad  
Date : 30.04.2015

## **INDEPENDENT AUDITORS' REPORT**

### **To the Members of Avanti Feeds Limited**

#### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Avanti Feeds Limited ('the Company') which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

## Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2015 and its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) 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 32 to the financial statements.
  - ii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

## For KARVY & CO.

Chartered Accountants  
ICAI Firm Registration No: 01757S

## V. Kutumba Rao

Partner  
Membership No.018796

Place: Hyderabad

Date: 09.05.2015

Annexure referred to in paragraph 1 of report on other legal and regulatory requirements section of our report of even date

Re: Avanti Feeds Limited ('the Company')

- i. In respect of its fixed assets:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As explained to us, the management has physically verified a substantial portion of the fixed assets during the year and in our opinion frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on physical verification of fixed assets as compared to the books of account were not material and have been properly dealt with in the books of accounts.
- ii. In respect of its inventories:
  - (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the books of account were not material and have been properly dealt with in the books of accounts.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and nature of its business with regard to the purchase of inventory and fixed assets and also for the sale of goods. The activities of the Company do not involve sale of services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- v. According to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of Section 73 and 76 or any other relevant provisions of the Act and the rules framed there under.
- vi. We have broadly reviewed the books of account and records maintained by the Company pursuant to the Rules made by the Central Government of India for the maintenance of cost records prescribed under sub-section (1) of section 148 of the Act in respect of production and processing activities of the Company and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have however, not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. In respect of Statutory dues:
  - (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, value added tax, cess and other material statutory dues applicable to it. The provisions relating to excise duty are not applicable to the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, the dues outstanding of income-tax, sales-tax, wealth tax, service tax, customs duty, value added tax and cess on account of dispute, are as follows:

Nature of the Statute	Nature of the Dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944 and Customs Act, 1962	Customs duty & Central Excise	2,999.18	1999-2002	CESTAT, Bangalore
Madhya Pradesh VAT Act, 2002	Sales tax (MP VAT demand for soya transactions in 2005-06)	29.22	2005-06	High Court of Madhya Pradesh
Income Tax Act, 1961	Income-tax	5.13	2011-12	Commissioner (Appeals), Hyderabad
Electricity Act, 2003	Electricity duty	8.61	2011-12 to 2014-15	High Court of Andhra Pradesh
Customs Act, 1962	Customs duty	60.82	2009-2012	CESTAT Chennai

- (c) According to the information and explanations given to us, the amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.
- viii. The Company does not have any accumulated losses at the end of the financial year. The Company has not incurred cash losses during the current financial year covered by the audit and in the immediately preceding financial year.
- ix. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to banks and financial institutions. The Company did not have any debentures outstanding as at the year end.
- x. The Company has pledged its investment in equity shares of Patikari Power Private Limited to the extent of 42.50 lacs equity shares of Rs. 10 each with respect to a loan availed by the latter from a consortium of banks led by State Bank of India. However, the terms and conditions whereof are not prejudicial to the interest of the Company.
- xi. Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- xii. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

**For KARVY & CO.**

Chartered Accountants  
ICAI Firm Registration No: 017575

**V. Kutumba Rao**

Partner  
Membership No.018796

Place: Hyderabad  
Date: 09.05.2015

**BALANCE SHEET AS AT 31ST MARCH, 2015**

(Rs. in Lacs)

	<b>Note No.</b>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
a) Share capital	3	908.30	908.30
b) Reserves and surplus	4	25,096.50	16,458.81
<b>2 Non-current liabilities</b>			
a) Long term borrowings	5	418.14	1,095.16
b) Deferred tax liability (net)	6	599.13	143.48
c) Other long term liabilities	7	374.50	274.50
d) Long term provisions	8	303.70	292.36
<b>3 Current liabilities</b>			
a) Short term borrowings	9	5,058.59	4,211.64
b) Trade payables	10	9,117.71	12,112.78
c) Other current liabilities	10	2,427.14	1,851.02
d) Short term provisions	8	3,228.91	1,895.68
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>47,532.62</b>	<b>39,243.73</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
a) Fixed assets :	11		
Tangible assets		8,948.04	7,736.41
Intangible assets		8.56	14.40
Capital work-in-progress		-	481.18
b) Non-current investments	12	2,848.54	2,848.54
c) Long term loans and advances	13	559.73	426.38
d) Other non-current assets	14	97.34	86.50
<b>2 Current assets</b>			
a) Current investments	15	7,645.92	502.11
b) Inventories	16	22,201.62	19,914.68
c) Trade receivables	17	3,356.04	4,501.92
d) Cash and bank balances	18	616.14	1,284.60
e) Short term loans and advances	13	557.50	553.24
f) Other current assets	14	693.19	893.77
<b>TOTAL ASSETS</b>		<b>47,532.62</b>	<b>39,243.73</b>
<b>C. Summary of significant accounting policies</b>	2.1		

As per our Report of even date  
**for KARVY & CO**  
Chartered Accountants  
Firm Registration No. 017575

**V. Kutumba Rao**  
Partner  
Membership No.018796  
Place : Hyderabad  
Date : 09.05.2015

For and on behalf of the Board

**A. Indra Kumar**  
Chairman & Managing Director

**C. Ramachandra Rao**  
Jt. Managing Director,  
Company Secretary & CFO

**N. Ram Prasad**  
Director

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015**

(Rs. in Lacs)

	<b>Note No.</b>	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
<b>INCOME:</b>			
Revenue from operations	19	1,77,625.64	1,13,160.67
Other income	20	902.16	368.14
<b>Total revenue</b>		<b>1,78,527.80</b>	<b>1,13,528.81</b>
<b>EXPENDITURE:</b>			
Cost of materials consumed	21	1,38,357.88	88,240.05
Changes in inventories of finished goods, stock-in-process and stock-in-trade	22	(1,500.14)	(1,262.53)
Employee benefits expense	23	4,763.74	3,521.55
Depreciation and amortisation expense	24	879.67	553.74
Finance costs	25	175.00	349.96
Manufacturing expenses	26	6,277.95	4,673.28
Selling and distribution expenses	27	10,168.26	5,955.95
Other expenses	28	1,420.76	978.92
<b>Total expenses</b>		<b>1,60,543.12</b>	<b>1,03,010.92</b>
Profit before tax		17,984.68	10,517.89
Tax expenses			
- Current tax		5,864.02	3,499.41
- Deferred tax		462.80	43.48
Total tax expense		6,326.82	3,542.89
<b>Profit for the year</b>		<b>11,657.86</b>	<b>6,975.00</b>
Earnings per equity share [nominal value of share Rs.10 (31st Mar, 2014 : Rs.10)]			
Basic & Diluted (in Rs.)	29	128.35	76.79
<b>Summary of significant accounting policies</b>	2.1		

As per our Report of even date  
**for KARVY & CO**  
Chartered Accountants  
Firm Registration No. 017575

**V. Kutumba Rao**  
Partner  
Membership No.018796  
Place : Hyderabad  
Date : 09.05.2015

For and on behalf of the Board

**A. Indra Kumar**  
Chairman & Managing Director

**C. Ramachandra Rao**  
Jt. Managing Director,  
Company Secretary & CFO

**N. Ram Prasad**  
Director



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

(Rs. in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	17,984.68	10,517.89
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation / amortization	879.67	553.74
Loss on sale of fixed assets	1.16	(3.88)
Foreign exchange gain	(305.50)	(173.29)
Interest expenses	175.00	349.96
Interest income	(41.06)	(30.41)
Dividend received on investments	(92.71)	(84.70)
Profit on sale of current investments	(230.16)	–
<b>Operating profit before working capital changes</b>	<b>18,371.08</b>	<b>11,129.31</b>
Movements in working capital :		
Increase/(decrease) in trade payables	(2,995.07)	7,954.54
Increase/(decrease) in long term provisions	11.34	146.46
Increase/(decrease) in short term provisions	82.45	(40.96)
Increase/(decrease) in other current liabilities	517.60	867.61
Increase/(decrease) in other long term liabilities	100.00	100.00
Decrease/(increase) in trade receivables	1,145.89	(529.29)
Decrease/(increase) in inventories	(2,286.94)	(10,198.47)
Decrease/(increase) in long term loans and advances	(133.35)	185.22
Decrease/(increase) in short term loans and advances	(4.26)	(241.37)
Decrease/(increase) in other current assets	200.57	(275.07)
Decrease/(increase) in other non-current assets	(11.24)	(19.21)
<b>Cash generated from operations</b>	<b>14,998.07</b>	<b>9,078.77</b>
Direct taxes paid (net of refunds)	(6,025.57)	(3,523.04)
<b>Net cash flow from operating activities</b>	<b>8,972.50</b>	<b>5,555.73</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investment (Net)	(6,913.65)	(476.96)
Dividend received on investments	92.71	84.70
Interest received	41.06	30.41
Purchase of fixed assets	(1,637.75)	(3,643.89)
Bank balances not considered as cash and cash equivalents	54.43	(9.68)
Sale of fixed assets	11.36	105.41
<b>Net cash flow used in investing activities</b>	<b>(8,351.84)</b>	<b>(3,910.01)</b>

(Rs. in Lacs)

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(decrease) in long term borrowings	(618.53)	10.19
Increase/(decrease) in short term borrowings	846.95	(416.78)
Interest paid	(175.00)	(349.96)
Profit on exchange fluctuations & forward contracts	305.50	173.29
Dividends paid including tax on dividend	(1,594.01)	(690.74)
<b>Net cash flow used in financing activities</b>	<b>(1,235.09)</b>	<b>(1,274.00)</b>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(614.43)	371.72
Cash and cash equivalents at the beginning of the year	1,042.92	671.20
<b>Cash and cash equivalents at the end of the year</b>	<b>428.49</b>	<b>1,042.92</b>
<b>Components of cash and cash equivalents :</b>		
Cash on hand	13.32	9.39
With banks- on current account	415.17	1,033.53
Total cash and cash equivalents (refer note 18)	428.49	1,042.92
<b>Summary of significant accounting policies</b> (Refer Note No.2.1)		

As per our Report of even date  
**for KARVY & CO**  
Chartered Accountants  
Firm Registration No. 01757S

**V. Kutumba Rao**  
Partner  
Membership No.018796  
Place : Hyderabad  
Date : 09.05.2015

For and on behalf of the Board

**A. Indra Kumar**  
Chairman & Managing Director

**C. Ramachandra Rao**  
Jt. Managing Director,  
Company Secretary & CFO

**N. Ram Prasad**  
Director

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

### 1. Corporate information

Avanti Feeds Limited, (the Company) is a listed public company under "The Companies Act, 1956", with its registered office in Visakhapatnam. Avanti Feeds Limited had started its commercial operations in 1993 and now stands as the leading manufacturer of Prawn Feed, Shrimp Processor and exporter from India catering to the quality standards of global shrimp customers and in providing best technical support to the farmer.

### 2. Basis of preparation

The financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting standards specified Under Section 133 of the Companies Act, read with rule 7 of Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

#### 2.1 Summary of significant accounting policies

##### a) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

##### b) Tangible fixed assets

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Assets individually costing less than Rs. 5,000 are fully depreciated in the year of acquisition.

##### c) Depreciation on tangible fixed assets

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

##### d) Intangible assets

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

impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

**e) Amortization of intangible assets**

Software acquired is measured at cost less accumulated amortisation and is amortised using the straight line method over a period of six years.

**f) Expenditure on new projects and substantial expansion**

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction year is capitalized as part of the indirect construction cost to the extent the expenditure is directly related to construction or is incidental thereto and represents the marginal increase in such expenditure as a result of the capital expansion. Other indirect expenditure (including borrowing costs) incurred during the construction year, which is not related to the construction activity nor is incidental thereto, are charged to the statement of profit and loss. Related income earned during construction period is adjusted against the total of the indirect expenditure.

**g) Leases**

**Company as a lessee**

**Operating leases**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**h) Borrowing costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**i) Impairment of tangible and intangible assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

**j) Government grants and subsidies**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholders' funds

**k) Investments**

Investments, which are readily realizable and 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.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**l) Inventories**

- i. Raw Materials, Packing Materials and Stores & Spares are stated at weighted average cost.
- ii. Work -in -progress is valued at cost.
- iii. Stock-in-transit is valued at lower of cost or net realizable value.
- iv. Finished goods are stated at lower of cost or net realizable value.

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

Work-in-progress, stock-in-transit and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.

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

**m) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Sales are the invoiced value of goods supplied after deducting discount and allowances.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

**n) Foreign currency translation**

**(i) Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**(ii) Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

**(iii) Exchange differences**

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

**(iv) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability**

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

**o) Retirement benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity is a defined benefit plan. The costs of providing benefits under the plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as shortterm employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as longterm employee benefit for measurement purposes. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the yearend. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**p) Income taxes**

Tax expense comprises of current and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 enacted in India

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income Tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.



**q) Segment reporting**

**Identification of segments**

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

**Allocation of common costs**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

**Unallocated items**

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

**Segment accounting policies**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

**r) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of 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 are adjusted for the effects of all dilutive potential equity shares.

**s) Provisions**

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

**t) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the



control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

**u) Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and shortterm investments with an original maturity of three months or less.

**v) Derivatives instruments**

The Company uses derivative financial instruments, such as, foreign currency forward contracts to hedge foreign currency risk arising from transactions in respect of which firm commitments are made or which are highly probable forecast transactions. As per the ICAI Announcement, derivative contracts, other than those covered under Accounting Standard-11, are accounted on the basis of hedging principles to the extent that the same does not conflict with the existing mandatory Accounting Standards, other Authoritative pronouncements and other regulatory requirements.

### 3 Share capital

(Rs. in Lacs)

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
1,58,50,000 (31st March, 2014: 1,58,50,000) equity shares of Rs.10/- each	1,585.00	1,585.00
<b>Issued, subscribed and fully paid up shares (No.s)</b> 90,83,042 ( 31st March, 2014: 90,83,042) equity shares of Rs. 10/- each	908.30	908.30
<b>Total issued, subscribed and fully paid up share capital</b>	<b>908.30</b>	<b>908.30</b>

#### 3.1 Reconciliation of the shares outstanding at the beginning and at the end of the year

(Rs. in Lacs)

	<b>As at 31st March, 2015</b>		As at 31st March, 2014	
	No.s	Amount	No.s	Amount
Equity shares of Rs. 10/- each fully paid up At the beginning of the year	90,83,042	908.30	90,83,042	908.30
Issued during the year	-	-	-	-
Outstanding at the end of the year	90,83,042	908.30	90,83,042	908.30

#### 3.2 Terms/ rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2015, the amount of dividend recognised as distributions to equity shareholders was Rs. 27.50 per share (31st March, 2014: Rs. 15.00)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

#### 3.3 Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	<b>As at 31st March, 2015</b>		As at 31st March, 2014	
	No.s	% holding	No.s	% holding
<b>Equity shares of Rs. 10/- each fully paid up</b>				
1. Srinivasa Cystine Private Limited	24,17,785	26.62	22,78,577	25.09
2. Thai Union Frozen Products PCL, Thailand	22,82,042	25.12	22,82,042	25.12
3. Alluri Indra Kumar	5,53,380	6.09	543,380	5.98
4. Alluri Indra Kumar (HUF)	5,45,950	6.01	545,950	6.01

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownerships of shares.

**4. Reserves and surplus**

(Rs. in Lacs)

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
<b>Capital reserve :</b>		
Balance at the beginning of the year	405.78	405.78
<b>Balance at the end of the year</b> (a)	<b>405.78</b>	<b>405.78</b>
Securities premium account		
Balance at the beginning of the year	438.00	438.00
<b>Balance at the end of the year</b> (b)	<b>438.00</b>	<b>438.00</b>
<b>General reserve :</b>		
Balance at the beginning of the year	5,205.69	4,505.69
Add: amount transferred from surplus balance in the statement of profit and loss	1,200.00	700.00
<b>Balance at the end of the year</b> (c)	<b>6,405.69</b>	<b>5,205.69</b>
<b>Surplus in the statement of profit and loss :</b>		
<b>Balance at the beginning of the year*</b>	10,395.51	5,728.35
Profit for the year	11,657.86	6,975.00
	<b>22,053.37</b>	<b>12,703.35</b>
<b>Less : Appropriations</b>		
Proposed dividend	2,497.84	1,362.46
Tax on proposed dividend	508.50	231.55
Transfer to general reserve	1,200.00	700.00
Total appropriations	4,206.34	2,294.01
<b>Net surplus in the statement of profit and loss(d)</b>	<b>17,847.03</b>	<b>10,409.34</b>
<b>Total reserves and surplus (a+b+c+d)</b>	<b>25,096.50</b>	<b>16,458.81</b>

\* The useful life of the assets has been revised in accordance with Schedule-II of Companies Act 2013. Accordingly depreciation of Rs.20.98 lacs on account of assets whose useful life is already exhausted as on April 1, 2014, has been adjusted to opening balance of profit and loss account by an amount of Rs. 13.83 lacs after giving effect of deferred tax.

## 5. Long term borrowings

(Rs.in Lacs)

	As at 31st March, 2015		As at 31st March, 2014	
	Long term	Current maturities	Long term	Current maturities
<b>Term loans :</b>				
Indian rupee loan from State Bank of India (secured)	-	85.40	362.50	200.00
	-	<b>85.40</b>	<b>362.50</b>	<b>200.00</b>
<b>Vehicle loans (secured):</b>				
a) Volkswagen Finance Limited	-	34.09	34.09	31.36
b) ICICI Bank Limited	23.83	57.10	80.93	58.33
c) HDFC Bank Limited	70.86	39.83	38.08	14.69
	<b>94.69</b>	<b>131.02</b>	<b>153.10</b>	<b>104.38</b>
<b>Other loans and advances</b>				
Deferred sales tax loan (unsecured)	323.45	146.45	579.56	-
	<b>323.45</b>	<b>146.45</b>	<b>579.56</b>	-
<b>Total</b>	<b>418.14</b>	<b>362.87</b>	<b>1,095.16</b>	<b>304.38</b>
The above amount includes				
Secured borrowings	94.69	216.42	515.60	304.38
Unsecured borrowings	323.45	146.45	579.56	-

- 5.1** The term loan of Rs.935.00 lacs (Present outstanding Rs. 85.40 lacs) was taken from State Bank of India, Industrial Finance Branch, Hyderabad for the implementation of shrimp feed manufacturing project at Gujarat. The loan is secured by first charge on fixed assets of the Company, pledge of 4.74 lacs equity shares of the Company held by Mr. A. Indra Kumar, pledge of 2.62 lacs equity shares of the Company held by Sanjeeva Agro-vet (P) Limited, Corporate Guarantee of Sanjeeva Agro-vet (P) Limited and personal guarantee of Mr. A. Indra Kumar, Chairman & Managing Director of the Company.
- 5.2** Vehicle loans are secured by hypothecation of respective vehicles. The loans are repayable in 6 months to 36 months.
- 5.3** Company had availed sales tax deferment scheme in 2001-02. Under the scheme, the sales tax collected from the customers from 2001-02 to 2004-05 was converted in to interest free loan for period of 14 years repayable in yearly installments of Rs.146.45 lacs, Rs.142.98 lacs and Rs.180.47 lacs in March month of 2016, 2017 and 2018 respectively.

**6. Deferred tax liability (net)**

(Rs. in Lacs)

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
<b>Deferred tax liability</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	620.29	249.92
<b>Gross deferred tax liability</b>	<b>620.29</b>	<b>249.92</b>
<b>Deferred tax asset</b>		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis		
a) Provision for employee benefits	-	72.77
b) Provision for doubtful debts	21.16	33.67
<b>Gross deferred tax asset</b>	<b>21.16</b>	<b>106.44</b>
<b>Net deferred tax liability</b>	<b>599.13</b>	<b>143.48</b>

**7. Other long term liabilities**

(Rs.in Lacs)

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
Others		
Security deposits received from dealers	374.50	274.50
<b>Total</b>	<b>374.50</b>	<b>274.50</b>

**7.1** Security deposits taken from dealers for supplying them shrimp feed on credit terms. Interest is paid on these deposits @ 9% per annum (31st March, 2014: 9% p.a.).

**8. Provisions**

(Rs.in Lacs)

	<b>As at 31st March, 2015</b>		As at 31st March, 2014	
	<b>Long term</b>	<b>Short term</b>	Long term	Short term
<b>Provision for employee benefits</b>				
Provision for gratuity (Ref. Note No.30)	198.12	32.19	161.76	28.38
Provision for leave encashment	105.58	85.26	130.60	6.62
	<b>303.70</b>	<b>117.45</b>	<b>292.36</b>	<b>35.00</b>
<b>Other provisions</b>				
Proposed dividend	-	2,497.84	-	1,362.46
Tax on proposed dividend	-	508.50	-	231.55
Provision for income tax (net of advance tax paid for current year Rs. 5,853.72 lacs. 31st Mar, 2014: Rs. 3,252.72 lacs)	-	105.12	-	266.67
	<b>-</b>	<b>3,111.46</b>	<b>-</b>	<b>1,860.68</b>
<b>Total</b>	<b>303.70</b>	<b>3,228.91</b>	<b>292.36</b>	<b>1,895.68</b>

**9. Short term borrowings**

(Rs.in Lacs)

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
Working capital loan from State Bank of India (secured)	5,058.59	4,161.33
Working capital loan from Rabo Bank (secured)	-	50.31
<b>Total</b>	<b>5,058.59</b>	<b>4,211.64</b>

**9.1** Working capital loans of Rs.5,058.59 lacs was availed from State Bank of India, Industrial Finance Branch, Hyderabad. The loan is secured by first charge on all current assets, second charge on fixed assets of the Company, pledge of 4.74 lacs equity shares of the Company held by Mr. A. Indra Kumar, pledge of 2.62 lacs equity shares of the Company held by Sanjeeva Agro-vet (P) Limited, Corporate Guarantee of Sanjeeva Agro-vet (P) Limited and personal guarantee of Mr. A. Indra Kumar, Chairman and Managing Director of the Company. The loan is repayable on demand and carries interest of 11.50% p.a..

**9.2** As at end of current year, working capital loan from Robo Bank International, Mumbai is NIL and at end of previous year was Rs.50.31 lacs. The loan is secured by first charge on all current assets, second charge on fixed assets of the Company. The loan is repayable on demand and carries interest of 10.80% p.a.

**10. Trade payables and Other current liabilities**

(Rs.in Lacs)

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
<b>Trade payables</b> (including acceptances) (refer note 34 for details of dues to micro and small enterprises)	<b>9,117.71</b>	<b>12,112.78</b>
<b>Other current liabilities</b>		
Current maturities of long term borrowings (note 5)	362.87	304.38
Interest accrued but not due	58.30	6.28
Advance from customers	1,837.73	1,408.95
Unpaid dividends	45.12	29.78
Others		
Tax deducted at source payable	75.89	63.61
VAT payable	0.08	3.63
CST payable	3.56	3.96
Service tax payable	14.10	7.87
Professional tax payable	0.54	0.41
Employee state insurance payable	1.99	1.85
Provident fund payable	19.51	14.62
R and D cess payable	7.45	5.68
<b>Total other current liabilities</b>	<b>2,427.14</b>	<b>1,851.02</b>
<b>Total</b>	<b>11,544.85</b>	<b>13,963.80</b>

**11. Tangible assets**

(Rs. in Lacs)

	Land - free hold	Buildings	Roads	Plant & machinery	Special plant & machinery	Electrical installations and equipment	Lab equipments	Office equipment	Computers	Furniture and fixtures	Motor vehicles	Total	Capital work in progress
<b>Gross block</b>													
As at 1st April, 2013	467.03	1,819.08	94.01	3,334.44	1,378.88	724.78	105.55	61.65	56.17	41.26	454.81	8,537.66	158.64
Additions	49.79	485.87	66.94	1,589.91	-	532.40	45.09	36.25	7.63	3.13	392.55	3,209.56	3,092.03
Disposals	23.71	-	-	-	-	-	-	20.01	5.14	-	123.85	172.71	2,769.49
<b>As at 31st March, 2014</b>	<b>493.11</b>	<b>2,304.95</b>	<b>160.95</b>	<b>4,924.35</b>	<b>1,378.88</b>	<b>1,257.18</b>	<b>150.64</b>	<b>77.89</b>	<b>58.66</b>	<b>44.39</b>	<b>723.51</b>	<b>11,574.51</b>	<b>481.18</b>
Additions	188.47	230.16	8.22	1,128.79	-	189.61	34.15	32.43	22.47	97.79	186.33	2,118.42	694.15
Disposals	-	-	-	6.25	-	28.16	-	0.25	5.75	-	25.24	65.65	1,175.32
<b>As at 31st March, 2015</b>	<b>681.58</b>	<b>2,535.11</b>	<b>169.17</b>	<b>6,046.89</b>	<b>1,378.88</b>	<b>1,418.63</b>	<b>184.79</b>	<b>110.07</b>	<b>75.38</b>	<b>142.18</b>	<b>884.60</b>	<b>13,627.28</b>	<b>-</b>
<b>Depreciation</b>													
Upto 1st April, 2013	-	346.41	12.66	1,837.39	546.33	454.20	50.72	20.61	27.12	11.36	159.67	3,466.47	-
Charge for the year	-	59.75	0.05	326.00	72.80	5.29	10.97	15.23	2.02	4.63	52.03	548.77	-
Disposals	-	-	-	106.06	-	-	-	0.25	2.40	-	68.43	177.14	-
<b>Upto 31st March, 2014</b>	<b>-</b>	<b>406.16</b>	<b>12.71</b>	<b>2,057.33</b>	<b>619.13</b>	<b>459.49</b>	<b>61.69</b>	<b>35.59</b>	<b>26.74</b>	<b>15.99</b>	<b>143.27</b>	<b>3,838.10</b>	<b>-</b>
Charge for the year	-	67.31	17.39	497.45	56.32	93.27	15.88	14.75	18.99	6.61	86.90	874.87	-
Disposals	-	-	-	6.25	-	28.16	-	0.25	4.72	-	13.77	53.15	-
Adjustment as per Schedule II	-	-	3.48	0.47	-	3.81	1.69	3.29	3.87	1.40	1.41	19.42	-
<b>Upto 31st March, 2015</b>	<b>-</b>	<b>473.47</b>	<b>33.58</b>	<b>2,549.00</b>	<b>675.45</b>	<b>528.41</b>	<b>79.26</b>	<b>53.38</b>	<b>44.88</b>	<b>24.00</b>	<b>217.81</b>	<b>4,679.24</b>	<b>-</b>
<b>Net block</b>													
As at 31st March, 2014	493.11	1,898.79	148.24	2,867.02	759.75	797.69	88.95	42.30	31.92	28.40	580.24	7,736.41	481.18
As at 31st March, 2015	681.58	2,061.64	135.59	3,497.89	703.43	890.22	105.53	56.69	30.50	118.18	666.79	8,948.04	-

**11a. Intangible assets**

(Rs. in Lacs)

	<b>Computer Software</b>	<b>Total</b>
<b>Gross Block</b>		
<b>As at 1st April, 2013</b>	<b>19.63</b>	<b>19.63</b>
Additions	5.77	5.77
Disposals	-	-
<b>As at 31st March, 2014</b>	<b>25.40</b>	<b>25.40</b>
Additions	0.52	0.52
Disposals	-	-
<b>As at 31st March, 2015</b>	<b>25.92</b>	<b>25.92</b>
<b>Depreciation</b>		
<b>Upto 1st April, 2013</b>	<b>6.03</b>	<b>6.03</b>
Charge for the year	4.97	4.97
Disposals	-	-
<b>Upto 31st March, 2014</b>	<b>11.00</b>	<b>11.00</b>
Charge for the year	4.80	4.80
Disposals	-	-
Adjustment as per Schedule II	1.56	1.56
<b>Upto 31st March, 2015</b>	<b>17.36</b>	<b>17.36</b>
<b>Net block</b>		
<b>As at 31st March, 2014</b>	<b>14.40</b>	<b>14.40</b>
<b>As at 31st March, 2015</b>	<b>8.56</b>	<b>8.56</b>

Note 1: The useful life of the assets has been revised in accordance with Schedule-II of Companies Act 2013. Accordingly depreciation of Rs.20.98 lacs on account of assets whose useful life is already exhausted as on April 1, 2014, has been adjusted.

Note 2: Had the Company continued with previously assessed useful lives, the charge for depreciation for the year ended 31st March 2015 would have been lower by Rs. 66.81 lacs, for asset held at 1st April, 2014.



**12. Non-current investments**

(Rs. in Lacs)

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
<b>A) Trade investments (valued at cost unless stated otherwise)</b>		
<b>Unquoted equity shares</b>		
<b>Investment in subsidiary</b>		
Svimsan Exports and Imports Private Limited 10,00,000 (31st Mar, 2014: 10,00,000) equity shares of Rs.10/- each fully paid up	100.00	100.00
<b>Investment in associates</b>		
Srivathsa Power Projects Limited 1,66,93,630 (31st Mar, 2014: 1,66,93,630) equity shares of Rs.10/- each fully paid up	1,670.54	1,670.54
Patikari Power Private Limited * 1,06,45,200 (31st Mar, 2014: 1,06,45,200) equity shares of Rs.10/- each fully paid up	1,064.52	1,064.52
* Out of 1,06,45,200 equity shares, 42,50,000 shares have been pledged with respect to loan taken by Patikari Power Private Limited from consortium of banks led by State Bank of India.		
<b>Total (A)</b>	<b>2,835.06</b>	<b>2,835.06</b>
<b>B) Non-trade investments (valued at cost unless stated otherwise)</b>		
<b>Investment in equity instruments (quoted)</b>		
IDBI Bank Limited 2,880 (31st Mar, 2014: 2,880) equity shares of Rs.10/- each fully paid up	0.54	0.54
UCO Bank Limited 7,800 (31st Mar, 2014: 7,800) equity shares of Rs.10/- each fully paid up	0.94	0.94
<b>Investment in equity instruments (unquoted)</b>		
Bhimavaram Hospitals Limited 1,20,000 (31st Mar, 2014: 1,20,000) equity shares of Rs.10/- each fully paid up	12.00	12.00
<b>Total (B)</b>	<b>13.48</b>	<b>13.48</b>
<b>Total (A+B)</b>	<b>2,848.54</b>	<b>2,848.54</b>
<b>Aggregate amount of quoted investments</b>		
Book Value	1.48	1.48
Market Value	7.03	7.58
<b>Aggregate amount of unquoted investments</b>		
Book Value	2,847.06	2,847.06

### 13. Loans and advances

(Rs. in Lacs)

	As at 31st March, 2015		As at 31st March, 2014	
	Long term	Short term	Long term	Short term
<b>Capital advances</b>				
Unsecured, considered good	13.79	-	108.31	-
	<b>13.79</b>	-	<b>108.31</b>	-
<b>Security deposits</b>				
Unsecured, considered good	178.53	-	159.01	-
	<b>178.53</b>	-	<b>159.01</b>	-
<b>Other loans and advances</b>				
Loans to employees	67.58	57.19	45.78	26.18
Advance for purchases	-	75.60	-	238.55
Deposits with defined benefit plans	299.83	-	113.28	-
Other advances	-	424.71	-	288.51
	<b>367.41</b>	<b>557.50</b>	<b>159.06</b>	<b>553.24</b>
<b>Total</b>	<b>559.73</b>	<b>557.50</b>	<b>426.38</b>	<b>553.24</b>

### 14. Other non-current assets

(Rs. in Lacs)

	As at 31st March, 2015		As at 31st March, 2014	
	Non-current	Current	Non-current	Current
<b>Unsecured, considered good unless stated otherwise</b>				
<b>Non-current bank balances (note 18)</b>	<b>86.10</b>	-	<b>86.50</b>	-
Unamortized expenditure				
Ancillary cost of arranging the borrowings	11.24	-	-	-
	<b>11.24</b>	-	-	-
<b>Others</b>				
Export incentives receivable	-	380.80	-	544.52
VKGUY licences on hand	-	241.05	-	243.50
Freight reimbursement receivable	-	49.83	-	82.93
Interest accrued on fixed deposits	-	21.51	-	22.82
	-	693.19	-	893.77
	<b>97.34</b>	<b>693.19</b>	<b>86.50</b>	<b>893.77</b>

### 15. Current investments

(valued at lower of cost and fair value, unless stated otherwise)

(Rs. in Lacs)

	As at 31st March, 2015	As at 31st March, 2014
<b>Investment in unquoted mutual funds</b>		
SBI-Premier Liquid Fund-708,594.979 (31st Mar, 2014: 50,048) units of Rs.1,003.25 each fully paid up	7,108.98	502.11
Birla Sunlife Optimiser Fund-309,022.052 (31st Mar, 2014: Nil) units of Rs. 173.7531 each fully paid up	536.94	-
<b>Total</b>	<b>7,645.92</b>	<b>502.11</b>
<b>Aggregate amount of unquoted investments</b>		
Book Value	7,645.92	502.11

**16. Inventories (valued at lower of cost and net realizable value)**

(Rs. in Lacs)

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
Raw materials (refer note 21)		
In godowns	14,470.85	13,597.77
In transit	320.21	279.61
Packing materials (refer note 21)	313.53	311.87
Work-in-progress (refer note 22)	434.00	569.05
Finished goods (refer note 22)	5,782.66	4,147.47
Stores and spares	880.37	1,008.91
<b>Total</b>	<b>22,201.62</b>	<b>19,914.68</b>

**17. Trade receivables**

(Rs. in Lacs)

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	36.79
	-	<b>36.79</b>
Provision for doubtful receivables	-	(36.79)
	-	-
<b>Other receivables</b>		
Secured, considered good	714.91	4,292.06
Unsecured, considered good	2,641.13	209.86
Doubtful	62.26	99.05
	<b>3,418.30</b>	<b>4,600.97</b>
Provision for doubtful receivables	(62.26)	(99.05)
	<b>3,356.04</b>	<b>4,501.92</b>
<b>Total</b>	<b>3,356.04</b>	<b>4,501.92</b>

## 18. Cash and bank balances

(Rs.in Lacs)

	As at 31st March, 2015		As at 31st March, 2014	
	Non-current	Current	Non-current	Current
<b>Cash and cash equivalents</b>				
<b>Balances with banks:</b>				
- On current accounts	-	415.17	-	1,033.53
- On unpaid dividend accounts	-	45.12	-	29.78
Cash on hand	-	13.32	-	9.39
<b>Total (A)</b>	-	<b>473.61</b>	-	<b>1,072.70</b>
<b>Other bank balances</b>				
- Deposits with original maturity for more than 12 months	0.59	-	0.50	-
Margin money accounts	85.51	142.53	86.00	211.90
<b>Total (B)</b>	<b>86.10</b>	<b>142.53</b>	<b>86.50</b>	<b>211.90</b>
Amount disclosed under non-current assets (note 14) <b>(C)</b>	(86.10)	-	(86.50)	-
<b>Total (A+B-C)</b>	-	<b>616.14</b>	-	<b>1,284.60</b>

### 18.1 Margin money deposits given as security

Margin money deposits with bank amounting to Rs. 228.04 lacs (31st Mar, 2014: 297.90 lacs) are lien marked for import LCs and for issuance of SBLC for Anti Dumping Duty purpose to US Customs Authorities.

## 19. Revenue from operations

(Rs.in Lacs)

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>a) Sale of products</b>		
<b>Domestic sales</b>		
i) Shrimp feed	1,50,654.18	85,611.08
ii) Shrimp seed	54.66	97.16
iii) Wheat bran	10.73	2.51
iv) Processed shrimp	-	0.45
v) Electricity sales (Wind mills)	188.26	212.00
	<b>1,50,907.83</b>	<b>85,923.20</b>
<b>Export sales</b>		
i) Processed shrimp	24,935.03	25,338.20
ii) Shrimp feed	26.76	-
	<b>24,961.79</b>	<b>25,338.20</b>
<b>Total (a)</b>	<b>175,869.62</b>	<b>1,11,261.40</b>
<b>b) Other operating revenue</b>		
Export incentives	1,756.02	1,870.72
Income from sale of certified emission reductions	-	28.55
<b>Total (b)</b>	<b>1,756.02</b>	<b>1,899.27</b>
<b>Total (a+b)</b>	<b>1,77,625.64</b>	<b>1,13,160.67</b>

**20. Other income**

(Rs. in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Interest income on :		
Bank deposits	24.27	19.48
Others	16.79	10.93
Dividend income from:		
Current investments	92.62	84.30
Non-current investments	0.09	0.40
Exchange differences (net)	305.50	173.29
Profit on sale of fixed assets	2.72	15.56
Profit on sale of current investments	230.16	—
Other non-operating income	230.01	64.18
<b>Total</b>	<b>902.16</b>	<b>368.14</b>

**21. Cost of materials consumed**

(Rs. in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Inventory at the beginning of the year	13,909.64	5,587.47
Add: Purchases	1,39,552.83	96,841.83
	<b>1,53,462.47</b>	<b>1,02,429.30</b>
Less: Inventory at the end of the year	15,104.59	14,189.25
<b>Cost of materials consumed</b>	<b>1,38,357.88</b>	<b>88,240.05</b>

**Details of materials consumed**

	<b>For the year ended As at 31st March, 2015</b>		For the year ended As at 31st March, 2014	
	<b>Qty in MT</b>	<b>Value</b>	Qty in MT	Value
Fish meal	51,282.83	43,797.97	31,671.68	23,826.44
Wheat & Wheat flour	74,312.08	14,783.47	48,169.83	9,586.47
Soya DOC	90,554.36	38,777.14	53,873.83	20,637.59
Other materials	20,671.32	16,935.83	14,343.00	9,586.60
Shrimp	5,153.19	20,886.06	5,238.49	22,643.60
Packing material	-	3,177.41	-	1,959.35
	<b>2,41,973.78</b>	<b>1,38,357.88</b>	<b>1,53,296.83</b>	<b>88,240.05</b>

**Details of Inventory of Raw Material**

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
Fish meal	8,134.27	8,599.53
Wheat & Wheat flour	570.30	333.02
Soya DOC	3,927.59	2,794.74
Other materials	2,158.90	2,150.09
Packing material	313.53	311.87
<b>Total</b>	<b>15,104.59</b>	<b>14,189.25</b>

**22. Change in inventories of finished goods, stock-in-process and stock-in-trade** (Rs. in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Inventories at the end of the year		
Finished goods	5,782.66	4,147.47
Work-in-progress	434.00	569.05
	<b>6,216.66</b>	<b>4,716.52</b>
Inventories at the beginning of the year		
Finished goods	4,147.47	3,159.68
Work-in-progress	569.05	294.31
	<b>4,716.52</b>	<b>3,453.99</b>
<b>(Increase)/decrease</b>	<b>(1,500.14)</b>	<b>(1,262.53)</b>
<b>Details of inventory</b>		
<b>Work-in-progress</b>		
i) Shrimp feed	363.86	454.02
ii) Processed shrimp	70.14	115.03
<b>Total</b>	<b>434.00</b>	<b>569.05</b>
<b>Finished goods</b>		
i) Shrimp feed	1,551.36	369.81
ii) Wheat bran	75.25	11.88
iii) Processed shrimp	4,156.05	3,765.78
<b>Total</b>	<b>5,782.66</b>	<b>4,147.47</b>

**23. Employee benefits expense** (Rs.in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Salaries, wages and bonus	4,401.93	3,227.73
Contribution to provident and other funds	266.54	179.25
Gratuity expense	34.19	63.85
Staff welfare expenses	61.08	50.72
<b>Total</b>	<b>4,763.74</b>	<b>3,521.55</b>

**24. Depreciation and amortization expense** (Rs.in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Depreciation of tangible assets	874.87	550.38
Amortization of intangible assets	4.80	3.36
<b>Total</b>	<b>879.67</b>	<b>553.74</b>

**25. Finance costs**

(Rs. in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Interest	75.73	267.28
Other borrowing costs	99.27	82.68
<b>Total</b>	<b>175.00</b>	<b>349.96</b>

**26. Manufacturing expenses**

(Rs. in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Power & fuel	2,782.22	2,580.66
Repairs & maintenance		
- Buildings	403.52	202.48
- Plant & machinery	137.15	101.63
- Electricals	93.94	51.53
Consumable stores	1,754.86	988.80
Other manufacturing expenses	1,106.26	748.18
<b>Total</b>	<b>6,277.95</b>	<b>4,673.28</b>

**27. Selling and distribution expenses**

(Rs. in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Advertisement charges	7.33	7.81
Carriage outward	245.44	224.84
Ocean freight and export expenses	1,032.12	829.96
Marketing expenses	1,009.87	629.54
Royalty	672.14	430.26
Cash discount	7,201.36	3,833.54
<b>Total</b>	<b>10,168.26</b>	<b>5,955.95</b>

**28. Other expenses**

(Rs.in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Rent	46.87	20.76
Rates & taxes	122.18	77.52
Insurance	258.12	116.89
Electricity charges	6.86	6.93
Repairs & maintenance		
Buildings	2.89	1.37
Others	8.75	7.07
Vehicle maintenance	39.02	24.63
Traveling & conveyance	380.27	271.19
Communication costs	51.47	49.10
Printing & stationery	31.10	17.02
Directors' sitting fees	4.40	1.70
Auditors Remuneration:		
As auditors	12.36	12.36
Tax matters	4.49	4.49
Reimbursement of expenses	3.01	1.97
Professional charges	104.66	72.44
Corporate social responsibility	22.18	-
Donations	52.16	10.15
Loss on sale of DEPB	17.51	27.54
Loss on sale of fixed assets	3.88	10.11
Assets written off	-	1.57
CER management fees	-	6.33
Bank charges	92.36	89.36
General expenses	156.22	148.42
<b>Total</b>	<b>1,420.76</b>	<b>978.92</b>

**29. Earnings per share**

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Net profit for calculation of basic and diluted EPS (Rs in lacs)	11,657.86	6,975.00
Weighted average number of equity shares in calculating basic and diluted EPS (Nos.)	90,83,042	90,83,042
Basic and diluted earnings per share - Face Value of Rs.10/- each (in Rs.)	128.35	76.79



### 30. Gratuity (post-employment benefit plan)

The Company operates a defined benefit plans, viz., gratuity for its employees. Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plan.

(Rs.in Lacs)

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>Statement of profit and Loss</b>		
<b>Net employee benefit expenses recognised in employee cost</b>		
Current service cost	38.12	33.75
Interest cost on benefit obligation	14.68	10.95
Expected return on plan assets	(18.89)	(5.68)
Net actuarial (gain)/loss recognized in the year	0.29	24.83
<b>Net Benefit expense</b>	<b>34.20</b>	<b>63.85</b>
<b>Balance sheet</b>		
<b>Benefit asset/liability</b>		
Present value of defined benefit obligation	230.31	190.14
Fair value of plan assets	196.11	82.84
<b>Plan liability</b>	<b>34.20</b>	<b>107.30</b>
<b>Changes in the present value of the defined benefit obligation are as follows</b>		
Opening defined benefit obligation	190.14	122.13
Current service cost	38.12	33.75
Interest cost	14.68	10.95
Benefits paid	(4.84)	(6.28)
Actuarial (gain)/losses on obligation	(7.79)	29.59
<b>Closing defined benefit obligation</b>	<b>230.31</b>	<b>190.14</b>
<b>Changes in the fair value of plan assets are as follows</b>		
Opening fair value of plan assets	82.84	69.25
Expected return	18.89	5.67
Contributions by employer	107.30	9.43
Benefits paid	(4.84)	(6.28)
Actuarial gains/(losses)	(8.08)	4.77
<b>Closing fair value of plan assets</b>	<b>196.11</b>	<b>82.84</b>

**30. Gratuity (post-employment benefit plan) (Contd...)**

	For the year ended 31st March, 2015	For the year ended 31st March, 2014			
<b>The major categories of plan assets as a percentage of the fair value of total plan assets are as follows</b>					
<b>Gratuity</b>					
Investments with insurer	100%	100%			
<b>The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:</b>					
Discount rate	7.82%	9.20%			
Expected rate of return on assets	8.00%	8.00%			
Increase in Compensation Cost	10%	10%			
Employee turnover	10%	10%			
<p>The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.</p> <p>The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario</p>					
<b>Amounts for the current and previous four periods are as follows:</b>					
	(Rs.in Lacs)				
	For the year ended 31st March				
	2015	2014	2013	2012	2011
<b>Gratuity</b>					
Defined benefit obligation	230.31	190.14	122.13	87.31	73.98
Plan assets	196.11	82.84	69.25	54.09	47.28
Surplus/(deficit)	(34.20)	(107.30)	(52.87)	(33.22)	(26.70)
Experience adjustment on plan liabilities	(7.79)	29.59	16.16	4.59	-
Experience adjustment on plan assets	8.08	(4.77)	(0.29)	(0.09)	-

**31. Capital commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.17.59 lacs (31st March, 2014: Rs.771.50 lacs) which is net of capital advances of Rs.13.79 lacs (31st March, 2014: Rs. 182.00 lacs).

**32. Contingent liabilities**

(Rs. in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Demands raised by customs, service tax, sales tax, income tax and other authorities, being disputed by the Company*	3,102.96	3,045.43

**\*Details of demands raised by customs, service tax, sales tax, income tax and other authorities:**

<b>Name of the Statute</b>	<b>Nature of the Dues</b>	<b>Amount (Rs.in Lacs)</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Central Excise Act, 1944 and Customs Act, 1962	Customs Duty & Central Excise	2,999.18	1999 - 2002	CESTAT, Bangalore
Madhya Pradesh VAT Act, 2002	Sales tax (MP VAT demand for soya transactions in 2005-06)	29.22	2005-06	High Court of Madhya Pradesh
Income Tax Act, 1961	Income-tax	5.13	2011-12	Commissioner (Appeals)
Electricity Act, 2003	Electricity duty	8.61	2011-12 to 2014-2015	High Court of Andhra Pradesh
Customs Act, 1962	Customs duty	60.82	2009-12	CESTAT Chennai
<b>Total</b>		<b>3,102.96</b>		

- 32.1 The Customs and Central Excise Department raised demand for Rs.1494.59 lacs and levied penalty of Rs.1,504.59 lacs for customs duty forgone on duty free imports of raw materials and non-fulfilment of export obligation for the period 1999-2000 to 2001-2002 when the Company was operating as a 100% EOU. Company had achieved Net Foreign Exchange Earning in 2003-04 and the Development Commissioner of Visakhapatnam Export Procession Zone allowed Company to de-bond upon being satisfied with the fulfilment of exports made by the Company and foreign exchange earning obligations. Further, Company had paid Rs.1,655.03 lacs excise duty in lieu of the duty free import of raw materials and spares. However, the Customs and Central Excise Department raised the demand without considering the amounts paid. This demand and levy of penalty was contested by the Company before CESTAT, Bangalore and Hon'ble CESTAT remanded the case back to The Commissioner for fresh adjudication after considering all the aspects raised by the Company. The Commissioner gave his order confirming the demand and Company again approached CESTAT against this order. The matter is pending before CESTAT, Bangalore.
- 32.2 The Company purchased soya bean in the year 2004-05, converted the same in to DOC in 2005-06 and used some part for own consumption in manufacturing of shrimp feed and some part was exported. The resultant soya oil was sold locally. The Commercial Tax Act pertaining to soya bean processing and soya oil sale was amended with effect from 13.12.2004 and Commercial Tax

department took the view that the soya bean purchased prior to 13.12.2004 will attract tax at old rates and a demand of Rs.29.22 lacs was raised. This is being contested by the Company in the High Court of Madhya Pradesh.

- 32.3 For the Assessment Year 2011-2012 Assessing officer disallowed expenditure of Rs.17.95 lacs U/s. 14A, of Income Tax Act, 1961 and raised demand for Rs. 5.13 lacs. Company is contesting the same before Commissioner Appeals.
- 32.4 Company approached High Court of Andhra Pradesh against levy and collection of Electricity Duty on self generated power from DG sets. Honble High Court granted stay on recovery of the same and the matter is pending for final hearing.
- 32.5 Company is importing Squid Liver Powder (SLP) which is one of the raw materials for manufacturing of shrimp feed. SLP is imported by the Company under raw material classification. However, Customs has disputed our claim and demanding duty applicable for import of complete feed. The demand is being contested by the Company before CESTAT, Chennai.

The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

### 33. Derivative instruments and unhedged foreign currency exposures

#### Derivatives outstanding as at the reporting date

##### Particulars

##### Purpose

##### Forward contract to sell US\$

US\$ 91,64,642 (US\$ 71,01,800 as at 31st March, 2014)  
[(Rs.5,860.55 lacs (Rs.4,445.33 lacs as at 31st March 2014)]

Hedge of export debtors and for confirmed export orders

##### Forward contract to buy US\$

US\$ 1,87,000 (US\$ 4,62,500 as at 31st March, 2014)  
[(Rs. 117.48 lacs (Rs. 282.57 lacs as at 31st March, 2014)]

Hedge for import liabilities

(a) Particulars of unhedged foreign currency exposure as at reporting date

(Rs. in Lacs)

		31st March, 2015		31st March, 2014	
		Foreign Currency	Amount in (Rs.)	Foreign Currency	Amount in (Rs.)
Trade payables	USD	873,120	546.49	711,766	427.77
	Euro	14,750	9.96	-	-
			<b>556.45</b>		<b>427.77</b>

Closing rate as at 31st March, 2015 - 1 USD = Rs 62.59, (31st March, 2014: 1 USD = Rs 60.10)

### 34. Details of dues to micro and small enterprises as defined under MSMED Act 2006.

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

### 35. Segmental information

#### I. Primary segment

The Company's business is organized into three main business segments mainly Shrimp Feed, Processing & Export of Shrimp and Wind Mills. Segments have been identified and reported taking into account the nature of products, the differing risk and returns, the organization structure, and the internal financial reporting system.

Shrimp feed is manufactured & marketed to the farmers, which is used in aqua culture to grow shrimp. Shrimp are purchased from the farmers and are further processed and exported to various countries.

Company had installed four wind mills of total 3.2MW at Chitradurga, Karnataka. Power generated from wind mills is sold to BESCO under Power Purchase Agreement.

#### Segment revenue and results

All segment revenues & expenses that are directly attributable to the segments are reported under the respective segment. The revenues and expenses that are not directly attributable to any segments are shown as unallocated expenses.

#### Segment assets and liabilities

Segment assets include all operating assets used by the business segment and consist principally Fixed Assets, Debtors and Inventories. Segment liabilities primarily include creditors and other liabilities. Assets and Liabilities that cannot be allocated between the segments are shown as a part of unallocated assets and liabilities respectively.

#### II. Secondary segment:

##### Geographical segment:

Based on the Revenue attributable to the individual customers located in various parts of the world, the Company's business is organized into three key geographic segments, viz., India, USA and Rest of World.

(Rs. in Lacs)

Name of the Country	Revenue		Location of assets		Additions to fixed assets	
	For the year ended 31 <sup>st</sup> March,		As at 31 <sup>st</sup> March,		During the year ended 31 <sup>st</sup> March,	
	2015	2014	2015	2014	2015	2014
India	152,690.33	87,822.47	45,193.64	35,560.79	2,118.94	3,321.35
USA	13,510.43	21,264.27	336.27	2,555.30	-	-
Rest of the world	11,424.88	4,073.93	2,002.71	1,127.64	-	-
<b>Total</b>	<b>1,77,625.64</b>	<b>1,13,160.67</b>	<b>47,532.62</b>	<b>39,243.73</b>	<b>2,118.94</b>	<b>3,321.35</b>

**35.1 Information pursuant to AS - 17 issued by ICAI**

(Rs. in Lacs)

	Shrimp Feed		Shrimp Processing		Wind Mills		Unallocated		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>Revenue</b>										
External Sales	150,746.33	85,710.75	26,691.05	27,209.37	188.26	240.55	-	-	177,625.64	113,160.67
Inter-segment sales	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>150,746.33</b>	<b>85,710.75</b>	<b>26,691.05</b>	<b>27,209.37</b>	<b>188.26</b>	<b>240.55</b>	<b>-</b>	<b>-</b>	<b>177,625.64</b>	<b>113,160.67</b>
<b>Segment Result</b>										
Operating Profit	15,058.51	7,219.69	2,107.79	3,153.94	91.22	126.08	-	-	17,257.52	10,499.71
Other Income	78.55	75.38	473.99	188.27	-	-	349.62	104.49	902.16	368.14
Interest Expense	118.09	199.58	56.91	150.38	-	-	-	-	175.00	349.96
Exceptional Items	-	-	-	-	-	-	-	-	-	-
Income Tax- Current Tax & PY Taxes	-	-	-	-	-	-	-	-	-	-
- Deferred Tax	-	-	-	-	-	-	5,864.02	3,499.41	5,864.02	3,499.41
<b>Net Profit</b>	<b>15,018.97</b>	<b>7,095.49</b>	<b>2,524.87</b>	<b>3,191.83</b>	<b>91.22</b>	<b>126.08</b>	<b>(5,977.20)</b>	<b>(3,438.40)</b>	<b>11,657.86</b>	<b>6,975.00</b>
<b>Other Information</b>										
Segment Assets	26,028.83	23,956.74	9,001.81	10,076.93	792.47	850.33	11,709.51	4,359.73	47,532.62	39,243.73
Segment Liabilities	18,105.53	18,511.28	2,203.71	2,581.63	48.04	16.43	1,170.54	767.28	21,527.82	21,876.62
<b>Capital Employed</b>	<b>7,923.30</b>	<b>5,445.46</b>	<b>6,798.10</b>	<b>7,495.30</b>	<b>744.43</b>	<b>833.90</b>	<b>10,538.97</b>	<b>3,592.45</b>	<b>26,004.80</b>	<b>17,367.11</b>
Capital Expenditure	1544.66	2,931.03	559.12	223.11	-	-	15.17	167.21	2118.94	3,321.35
Depreciation	604.82	316.68	171.36	135.81	59.63	76.12	43.86	25.13	879.67	553.74

### 36. Related party disclosures

#### 36.1 Names of related parties and related party relationship:

Related parties where control exists

Subsidiary Svimsan Exports and Imports Private Limited

Related parties with whom transactions have taken place during the year

Key Managerial Personnel Sri A. Indra Kumar, Chairman and Managing Director  
Sri C. Ramachandra Rao, Joint Managing Director,  
Company Secretary and CFO

Relatives of Key Managerial Personnel Sri N.V. Bhanu Prasad  
Sri A. Venkata Sanjeev

Associate Companies Srivathsa Power Projects Limited  
Patikari Power Private Limited

Companies over which Significant Influence is exercised Srinivasa Cystine Private Limited  
SCL Trading Private Limited  
Sanjeev Agro Vet Private Limited  
Laxai-Avanti Life Sciences Private Limited  
Sri Sai Srinivasa Agro Farms and Developers Private Limited

#### 36.2 Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year: (Rs. in Lacs)

Particulars	Key management personnel / their relatives		Companies over which significant influence is exercised		Subsidiary	
	As at 31 <sup>st</sup> March,		As at 31 <sup>st</sup> March,		As at 31 <sup>st</sup> March,	
	2015	2014	2015	2014	2015	2014
Remuneration	1,694.23	1,008.55	-	-	-	-
Rent paid	3.00	1.82	2.02	1.80	-	-
Purchase of shrimp feed	-	-	-	557.58	-	-
Dividend paid	164.90	69.51	746.78	310.03	-	-
Loan given	-	-	-	-	0.03	-

#### 36.3 Balance as on 31st March 2015

(Rs. in Lacs)

Particulars	Key management personnel		Associate companies		Companies over which significant influence is exercised		Subsidiary	
	As at 31 <sup>st</sup> March,		As at 31 <sup>st</sup> March,		As at 31 <sup>st</sup> March,		As at 31 <sup>st</sup> March,	
	2015	2014	2015	2014	2015	2014	2015	2014
Investment	-	-	2,735.06	2,735.06	-	-	100.00	100.00
Remuneration	1375.78	801.71	-	-	-	-	-	-
Rent payable	0.25	0.15	-	-	0.16	0.15	-	-
Loan given	-	-	-	-	-	-	90.32	90.29

**37. Foreign currency inflow & outflow**

(Rs.in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
<b>i) Value of imports made by the Company during the financial year calculated on CIF basis in respect of</b>		
Capital goods	533.86	979.26
Spares & consumables	489.17	340.15
Raw materials	3,193.24	1,699.80
Shrimp feed imported for trading	-	557.58
<b>ii) Earnings in foreign exchange</b>		
Shrimp exports on FOB basis	24,406.97	25,039.55
Shrimp feed exports on FOB basis	26.47	-
<b>iii) Expenditure in foreign currency on account of</b>		
Traveling	27.44	30.30
Royalty	672.14	430.26
Quality insurance premium	144.01	35.97
Dividend	342.52	148.42
Other expenditures	230.21	80.86

**38. Imported and indigenous raw materials consumed**

(Rs. in Lacs)

Particulars	For the year ended 31st March, 2015		For the year ended 31st March, 2014	
	Value	Percentage	Value	Percentage
Imported	4,246.02	3.07	2,532.39	2.87
Indigenous	1,34,111.86	96.93	85,707.66	7.13
<b>Total</b>	<b>1,38,357.88</b>	<b>100.00</b>	<b>88,240.05</b>	<b>100.00</b>

**39. Net dividend remitted in foreign exchange**

Year of Remittance	Period to which it relates	No. of Non-resident shareholders	Number of equity shares held on which dividend was due	Amount of dividend USD (In lacs)	Amount of dividend remitted in INR (In lacs)
2014-2015	2013-2014	2	22,82,042	5.60	342.52
2013-2014	2012-2013	2	22,82,042	2.33	148.42

**40. Previous year figures**

Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.



**STATEMENT UNDER SECTION 129 OF THE COMPANIES ACT, 2013 RELATING TO SUBSIDIARY COMPANY**

1	Name of the Subsidiary Company	Svimsan Exports and Imports Private Limited
2	Financial year of the subsidiary ended on	31.03.2015
3	Holding Company's Interest	100%
4	The net aggregate amount of the subsidiary's profits after deducting losses or vice versa so far as it concern members of the holding company and is not dealt with in the Company's accounts: Profit/(Loss) for the current financial year and Profit/(Loss) for the previous financial years since it became the holding company's subsidiary	(0.43)  (190.21)
5	The net aggregate amount of the subsidiary profit after deducting losses or vice versa so far as those profits are dealt with in the company's accounts: for the current financial year and for the previous financial year since it became the holding company's subsidiary	NIL  NIL
6	Change in the interest of the Company between the end of last financial year and 31 <sup>st</sup> March, 2015	NIL
7	Material changes between the end of the of last financial year and 31 <sup>st</sup> March, 2015	NIL

Place: Hyderabad  
Date: 09.05.2015

For and on behalf of the board

A. Indra Kumar  
Chairman & Managing Director

## **INDEPENDENT AUDITORS` REPORT**

### **To the Members of Avanti Feeds Limited**

#### **Report on the "Consolidated" Financial Statements**

We have audited the accompanying consolidated financial statements of Avanti Feeds Limited ('the Holding Company'), and its subsidiary (the Holding Company and its subsidiary together referred to as the Group), and its associates, comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2015, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information ('the consolidated financial statements').

#### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 statements 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 the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### **Opinion**

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31<sup>st</sup> March, 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### **Other Matters**

The consolidated financial statements also include the Group's share of net loss of Rs. 65.22 lacs for the year ended 31<sup>st</sup> March, 2015, as considered in the consolidated financial statements, in respect of the two associates, whose financial statements have not been audited by us. These financial statements are unaudited and 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 respect of these associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associates, is based solely on such unaudited financial statements.

Our opinion on the consolidated financial statements, 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 financial statements certified by the Management.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, based on the comments in the auditors' reports of the Holding Company and subsidiary company incorporated in India\*, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law, relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

\* (Associate companies are not included in this report as the same are unaudited as on the date of this report.)
  - e) On the basis of written representations received from the directors of the Holding Company and its subsidiary as on 31<sup>st</sup> March, 2015, taken on record by the Board of Directors of the Holding

Company and its subsidiary and the reports of the statutory auditors of its associate companies, none of the Group company and its associates incorporated in India is disqualified as on 31<sup>st</sup> March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated financial statements disclose the impact of pending litigations on the consolidated position of the Group Company and its associates - Refer Note 32 to the financial statements.
  - ii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding company, its subsidiary and associates incorporated in India.

**For KARVY & CO.**

Chartered Accountants

**ICAI Firm Registration No: 01757S**

**V. Kutumba Rao**

Partner

Membership No. 018796

Place: Hyderabad

Date: 09.05.2015

Annexure referred to in paragraph 1 of report on other legal and regulatory requirements section of our report of even date

- i. In respect of its fixed assets:
  - (a) The Holding Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. The subsidiary company has no fixed assets and accordingly clause (i) of the Order is not applicable.
  - (b) As explained to us, the management has physically verified a substantial portion of the fixed assets during the year and in our opinion frequency of verification is reasonable having regard to the size of the Holding Company and the nature of its assets. The discrepancies noticed on physical verification of fixed assets as compared to the books of account were not material and have been properly dealt with in the books of accounts.
- ii. In respect of its inventories:
  - (a) The inventories have been physically verified during the year by the management of the Holding Company. In our opinion, the frequency of verification is reasonable. The subsidiary company has not carried out any trading activities during the year, accordingly no inventories were held by the subsidiary company and therefore, clause (ii) of Order is not applicable.
  - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Holding Company and the nature of its business.
  - (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the Holding Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to the books of account were not material and have been properly dealt with in the books of accounts.
- iii. According to the information and explanations given to us, the Holding Company and its subsidiary company have not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Holding Company and nature of its business with regard to the purchase of inventory and fixed assets and also for the sale of goods. The activities of the Holding Company do not involve sale of services. With regard to the subsidiary company, since the company does not have any fixed assets and inventory, the activities of the company do not involve purchase of inventory, fixed assets and sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of any of these companies in respect of these areas.
- v. According to the information and explanations given to us, the Holding Company and its subsidiary company incorporated in India have not accepted deposits from the public within the meaning of Section 73 and 76 or any other relevant provisions of the Act and the rules framed there under.
- vi. We have broadly reviewed the books of account and records maintained by the Holding Company pursuant to the Rules made by the Central Government of India for the maintenance of cost records prescribed under sub-section (1) of section 148 of the Act in respect of its production and processing

activities and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have however, not made a detailed examination of the records with a view to determine whether they are accurate or complete. In respect of the subsidiary company, maintenance of cost records has not been prescribed by the central government under sub-section (1) of section 148 of the Act.

vii. In respect of Statutory dues:

- (a) The Holding Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, value added tax, cess and other material statutory dues applicable to it. The provisions relating to excise duty are not applicable to the Holding Company. In respect of the subsidiary company, there are no undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues applicable to it to be deposited with the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues of the Holding Company and its subsidiary company were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the dues outstanding of income-tax, sales-tax, wealth tax, service tax, customs duty, value added tax and cess on account of dispute, in the Holding Company are as follows:

Nature of the Statute	Nature of the Dues	Amount (Rs. in Lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944, and Customs Act, 1962	Customs duty & Central Excise	2,999.18	1999-2002	CESTAT, Bangalore
Madhya Pradesh VAT Act, 2002	Sales tax (MP VAT demand for soya transactions in 2005-06)	29.22	2005-06	High Court of Madhya Pradesh
Income tax Act, 1961	Income Tax	5.13	2011-12	Commissioner (Appeals), Hyderabad.
Electricity Act, 2003	Electricity duty	8.61	2011-12 to 2014-15	High Court of Andhra Pradesh
Customs Act, 1962	Customs Duty	60.82	2009-2012	CESTAT, Chennai

The subsidiary company did not have any dues outstanding of income-tax, sales-tax, wealth tax, service tax, customs duty, value added tax and cess on account of dispute.

- (c) According to the information and explanations given to us, the amount required to be transferred by the Holding Company to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time. The subsidiary company incorporated in India did not have any dues on account of Investor Education and Protection Fund.

- viii. The subsidiary company has accumulated losses exceeding fifty percent of its net worth at the end of the financial year on a standalone basis and has incurred cash losses on a standalone basis during the current financial year covered by the audit and in the immediately preceding financial year. The Holding Company does not have any accumulated losses at the end of the financial year on a standalone basis and has not incurred cash losses on a standalone basis, during the current financial year covered by the audit and in the immediately preceding financial year. On a consolidated basis, the Holding Company and its subsidiary company do not have any accumulated losses at the end of the financial year, and have not incurred cash losses during the current financial year covered by the audit and in the immediately preceding financial year.
- ix. Based on our audit procedures and as per the information and explanations given by the management of the Holding Company and its subsidiary company incorporated in India, we are of the opinion that the Holding Company has not defaulted in the repayment of dues to banks and financial institutions. The subsidiary company incorporated in India did not have dues to banks and financial institutions during the year. The Holding Company and its subsidiary incorporated in India did not have any debentures outstanding as at the year end.
- x. According to the information and explanations given to us, the Holding Company has pledged its investment in equity shares of Patikari Power Private Limited to the extent of 42.50 lacs equity shares of Rs. 10 each with respect to a loan availed by the latter from a consortium of banks led by State Bank of India. However, the terms and conditions whereof are not prejudicial to the interest of the Holding Company. The subsidiary company incorporated in India has not given any guarantees for the loans taken by others from bank. The Holding Company and its subsidiary company incorporated in India have not given any guarantees for loans taken by others from financial institutions.
- xi. Based on the information and explanations given to us by the management of the Holding Company and its subsidiary company incorporated in India, the subsidiary company has not raised any term loan and the term loans taken by the Holding Company were applied for the purpose for which the loans were obtained.
- xii. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management of the Holding Company and its subsidiary company incorporated in India, we report that no fraud on or by each of the companies has been noticed or reported during the year.

**For KARVY & CO.**

Chartered Accountants

**ICAI Firm Registration No: 01757S**

**V. Kutumba Rao**

Partner

Membership No. 018796

Place: Hyderabad

Date: 09.05.2015

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015**

(Rs. in Lacs)

	<b>Note No.</b>	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
a) Share capital	3	908.30	908.30
b) Reserves and surplus	4	25,621.29	17,049.26
<b>2 Non-current liabilities</b>			
a) Long term borrowings	5	418.14	1,095.16
b) Deferred tax liability (net)	6	599.13	143.48
c) Other long term liabilities	7	374.50	274.50
d) Long term provisions	8	303.70	292.36
<b>3 Current liabilities</b>			
a) Short term borrowings	9	5,058.59	4,211.64
b) Trade payables	10	9,117.84	12,112.89
c) Other current liabilities	10	2,427.12	1,851.03
d) Short term provisions	8	3,228.91	1,895.68
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>48,057.52</b>	<b>39,834.30</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
a) Fixed assets :	11		
Tangible assets		8,948.04	7,736.41
Intangible assets		8.56	14.40
Capital work in progress		-	481.18
b) Non-current investments	12	3,463.56	3,528.78
c) Long term loans and advances	13	559.73	426.38
d) Other non-current assets	14	97.34	86.00
<b>2 Current assets</b>			
a) Current investments	15	7,645.92	502.11
b) Inventories	16	22,201.62	19,914.68
c) Trade receivables	17	3,356.04	4,501.92
d) Cash and bank balances	18	616.18	1,285.54
e) Short term loans and advances	13	467.34	463.13
f) Other current assets	14	693.19	893.77
<b>TOTAL ASSETS</b>		<b>48,057.52</b>	<b>39,834.30</b>
<b>C. Summary of significant accounting policies</b>	2.1		

As per our Report of even date  
**for KARVY & CO**  
Chartered Accountants  
Firm Registration No. 01757S

**V. Kutumba Rao**  
Partner  
Membership No.018796  
Place : Hyderabad  
Date : 09.05.2015

For and on behalf of the Board

**A. Indra Kumar**  
Chairman & Managing Director

**C. Ramachandra Rao**  
Jt. Managing Director,  
Company Secretary & CFO

**N. Ram Prasad**  
Director



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015**

(Rs. in Lacs)

	<b>Note No.</b>	<b>For the year ended 31st March, 2015</b>	<b>For the year ended 31st March, 2014</b>
<b>INCOME</b>			
Revenue from operations	19	1,77,625.64	1,13,160.67
Other income	20	902.16	368.14
<b>Total revenue</b>		<b>1,78,527.80</b>	<b>1,13,528.81</b>
<b>EXPENDITURE :</b>			
Cost of materials consumed	21	138,357.88	88,240.05
Changes in inventories of finished goods, stock-in-process and stock-in-trade	22	(1,500.14)	(1,262.53)
Employee benefits expense	23	4,763.74	3,521.55
Depreciation and amortisation expense	24	879.67	553.74
Finance costs	25	175.00	349.96
Manufacturing expenses	26	6,277.95	4,673.28
Selling and distribution expenses	27	10,168.26	5,955.95
Other expenses	28	1,421.19	979.23
<b>Total expenses</b>		<b>1,60,543.55</b>	<b>1,03,011.23</b>
Profit before tax		17,984.25	10,517.58
Tax expenses			
- Current tax		5,864.02	3,499.41
- Deferred tax		462.80	43.48
Total tax expense		6,326.82	3,542.89
<b>Profit/(Loss) for the year before minority interest and share of results of associates</b>		<b>11,657.43</b>	<b>6,974.69</b>
Add/(Less); share of net profit/(loss) of associates current year		(59.82)	66.78
Add/(Less); share of net profit/(loss) of associates previous year		(5.40)	-
<b>Profit/(Loss) for the year</b>		<b>11,592.21</b>	<b>7,041.47</b>
Earnings per equity share [nominal value of share Rs.10 (31st Mar, 2014 : Rs.10)]			
Basic & Diluted (in Rs.)	29	127.63	77.52
<b>Summary of significant accounting policies</b>	2.1		

As per our Report of even date  
**for KARVY & CO**  
Chartered Accountants  
Firm Registration No. 017575

**V. Kutumba Rao**  
Partner  
Membership No.018796  
Place : Hyderabad  
Date : 09.05.2015

For and on behalf of the Board

**A. Indra Kumar**  
Chairman & Managing Director

**C. Ramachandra Rao**  
Jt. Managing Director,  
Company Secretary & CFO

**N. Ram Prasad**  
Director

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**

(Rs.in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	17,984.25	10,517.58
<b>Adjustments to reconcile profit before tax to net cash flows:</b>		
Depreciation/amortization	879.67	553.74
Loss on sale of fixed assets	1.16	(3.88)
Foreign exchange gain	(305.50)	(173.29)
Interest expenses	175.00	349.96
Interest income	(41.06)	(30.41)
Dividend received on investments	(92.71)	(84.70)
Profit on sale of current investments	(230.16)	
<b>Operating profit before working capital changes</b>	<b>18,370.65</b>	<b>11,129.00</b>
Movements in working capital :		
Increase/(decrease) in trade payables	(2,995.05)	7,954.54
Increase/(decrease) in long-term provisions	11.34	146.46
Increase/(decrease) in short-term provisions	82.45	(40.96)
Increase/(decrease) in other current liabilities	517.55	867.61
Increase/(decrease) in other long-term liabilities	100.00	100.00
Decrease/(increase) in trade receivables	1,145.89	(529.29)
Decrease/(increase) in inventories	(2,286.94)	(10,198.47)
Decrease/(increase) in long-term loans and advances	(133.35)	185.22
Decrease/(increase) in short-term loans and advances	(4.20)	(241.37)
Decrease/(increase) in other current assets	200.57	(274.87)
Decrease/(increase) in other non-current assets	(11.24)	(19.21)
<b>Cash generated from operations</b>	<b>14,997.67</b>	<b>9,078.66</b>
Direct taxes paid (net of refunds)	(6,025.57)	(3,523.04)
<b>Net cash flow from operating activities</b>	<b>8,972.10</b>	<b>5,555.62</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Investment (Net)	(6,913.65)	(476.96)
Dividend received on investments	92.71	84.70
Interest received	41.06	30.41
Purchase of fixed assets	(1,637.75)	(3,643.89)
Bank balances not considered as cash and cash equivalents	54.43	(9.68)
Sale of fixed assets	11.36	105.41
<b>Net cash flow used in investing activities</b>	<b>(8,351.84)</b>	<b>(3,910.01)</b>

(Rs. in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/ (decrease) in long term borrowings	(618.53)	10.19
Increase/(decrease) in short term borrowings	846.95	(416.78)
Interest paid	(175.00)	(349.96)
Profit on exchange fluctuations & forward contracts	305.50	173.29
Dividends paid including tax on dividend	(1,594.01)	(690.74)
<b>Net cash flow used in financing activities</b>	<b>(1,235.09)</b>	<b>(1,274.00)</b>
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(614.83)	371.61
Cash and cash equivalents at the beginning of the year	1,043.36	671.75
<b>Cash and cash equivalents at the end of the year</b>	<b>428.53</b>	<b>1,043.36</b>
Components of cash and cash equivalents		
Cash on hand	13.35	9.39
With banks- on current account	415.18	1,033.97
Total cash and cash equivalents (refer note 18)	428.53	1,043.36
<b>Summary of significant accounting policies</b> (Refer Note No.2.1)		

As per our Report of even date  
**for KARVY & CO**  
Chartered Accountants  
Firm Registration No. 01757S

**V. Kutumba Rao**  
Partner  
Membership No.018796  
Place : Hyderabad  
Date : 09.05.2015

For and on behalf of the Board

**A. Indra Kumar**  
Chairman & Managing Director

**C. Ramachandra Rao**  
Jt. Managing Director,  
Company Secretary & CFO

**N. Ram Prasad**  
Director

## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015**

### **1. Basis of preparation**

The financial statements of the Company have been prepared in accordance with Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting standards specified Under Section 133 of the Companies Act, read with rule 7 of Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

### **2.A. Principles of Consolidation**

The consolidated financial statements relate to Avanti Feeds Limited and its subsidiary companies. The consolidated financial statements have been prepared on the following basis:

- i. The Financial statements of the company and its subsidiary are combined on a line-by-line basis by adding together the book values of the like items of assets, liabilities, income and expenses, after fully eliminating intra group balances and intra group transactions, except wherever otherwise stated in accordance with accounting standard (AS-21) "Consolidated Financial Statements" notified under the Companies (Accounts) Rules, 2014.
- ii. The difference between the costs of investments in the subsidiaries, over the net assets at the time of acquisition of the shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
- iii. Minority Interest in the net assets of consolidated subsidiaries is identified and presented in consolidated balance sheet separately from liabilities and equity of company's shareholders.
- iv. Minority Interest in the assets of consolidated subsidiaries consists of:
  - a) The amount of equity attributable to minority at the date on which investment in subsidiaries is made; and
  - b) The minority share of movements in equity since the date parent subsidiary relationship came into existence.
- v. Minority Interest's share of net profit for the year of consolidated subsidiaries is identified and against the profit after tax of the group. Investment in equity method as per (AS 23) - "Accounting for Investments in Associates in Consolidation Financial Statements".
- vi. The company accounts for its share in the change in net assets of the associates, post-acquisition, after eliminating unrealized profits and losses resulting from transactions between the company and its associates to the extent of its share, through its Profit and Loss Account to the extent such change is attributable to the associates' Profit and Loss account and through its reserves for the balance, based on available information.
- vii. The difference between the costs of investments in the associates and the share of net assets at the time of acquisition of the shares in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.
- viii. The Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar and are presented in the same manner as the Company's separate financial statements.

**2.B. The subsidiary companies considered in the consolidated financial statements are:**

Name of the subsidiary	Country of incorporation	Proportion of ownership interest
Svimsan Exports and Imports Private Limited	India	100%

**2.C The significant associates considered in the consolidated financial statements are:**

Name of the associate	Country of incorporation	Proportion of ownership interest
Srivathsa Power Projects Limited	India	49.99%
Patikari Power Private Limited	India	25.88%

**2.1 Summary of significant accounting policies****a) Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

**b) Tangible fixed assets**

Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Assets individually costing less than Rs. 5,000 are fully depreciated in the year of acquisition.

**c) Depreciation on tangible fixed assets**

Depreciation on tangible assets is provided on the straight-line method over the useful lives of assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation for assets purchased/sold during a period is proportionately charged.

**d) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

**e) Amortization of intangible assets**

Software acquired is measured at cost less accumulated amortisation and is amortised using the straight line method over a period of six years.

**f) Expenditure on new projects and substantial expansion**

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction year is capitalized as part of the indirect construction cost to the extent the expenditure is directly related to construction or is incidental thereto and represents the marginal increase in such expenditure as a result of the capital expansion. Other indirect expenditure (including borrowing costs) incurred during the construction year, which is not related to the construction activity nor is incidental thereto, are charged to the statement of profit and loss. Related income earned during construction period is adjusted against the total of the indirect expenditure.

**g) Leases**

**Company as a lessee**

**Operating leases**

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

**h) Borrowing costs**

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**i) Impairment of tangible and intangible assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for previously revalued tangible fixed assets, where the revaluation was taken to revaluation reserve. In this case, the impairment is also recognized in the revaluation reserve up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the

asset in prior years. Such reversal is recognized in the statement of profit and loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

**j) Government grants and subsidies**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholders' funds

**k) Investments**

Investments, which are readily realizable and 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.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

**l) Inventories**

- i. Raw Materials, Packing Materials and Stores & Spares are stated at weighted average cost.
- ii. Work-in-progress is valued at cost.
- iii. Stock-in-transit is valued at lower of cost or net realizable value.
- iv. Finished goods are stated at lower of cost or net realizable value.

Raw materials, components, stores and spares are valued at lower of cost and net realizable value. Cost of raw materials, components and stores and spares is determined on a weighted average basis.

Work-in-progress, stock-in-transit and finished goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.

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

**m) Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:



Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. Sales are the invoiced value of goods supplied after deducting discount and allowances.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Dividend income is recognized when the Company's right to receive dividend is established by the reporting date.

**n) Foreign currency translation**

**(i) Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**(ii) Conversion**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

**(iii) Exchange differences**

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

**(iv) Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability**

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts, except the contracts which are long-term foreign currency monetary items, are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

**o) Retirement benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity is a defined benefit plan. The costs of providing benefits under the plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term



employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

**p) Income taxes**

Tax expense comprises of current and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 enacted in India.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company Recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**q) Segment reporting**

**Identification of segments**

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

**Allocation of common costs**

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

**Unallocated items**

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

### **Segment accounting policies**

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

#### **r) Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of 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 are adjusted for the effects of all dilutive potential equity shares.

#### **s) Provisions**

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Where the Company expects some or all of a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

#### **t) Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

#### **u) Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less.

#### **v) Derivatives instruments**

The Company uses derivative financial instruments, such as, foreign currency forward contracts to hedge foreign currency risk arising from transactions in respect of which firm commitments are made or which are highly probable forecast transactions. As per the ICAI Announcement, derivative contracts, other than those covered under Accounting Standard-11, are accounted on the basis of hedging principles to the extent that the same does not conflict with the existing mandatory Accounting Standards, other Authoritative pronouncements and other regulatory requirements.

**3 Share capital**

(Rs.in Lacs)

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
1,58,50,000 (31st March, 2014: 1,58,50,000) equity shares of Rs.10/- each	1,585.00	1,585.00
<b>Issued, subscribed and fully paid up shares (No.s)</b> 90,83,042 ( 31st March, 2014: 90,83,042) equity shares of Rs. 10/- each	908.30	908.30
<b>Total issued, subscribed and fully paid up share capital</b>	<b>908.30</b>	<b>908.30</b>

**3.1 Reconciliation of the shares outstanding at the beginning and at the end of the year**

(Rs.in Lacs)

	<b>As at 31st March, 2015</b>		As at 31st March, 2014	
	<b>No.s</b>	<b>Amount</b>	No.s	Amount
Equity shares of Rs. 10/- each fully paid up At the beginning of the year	90,83,042	908.30	90,83,042	908.30
Issued during the year	-	-	-	-
Outstanding at the end of the year	90,83,042	908.30	90,83,042	908.30

**3.2 Terms/rights attached to equity shares**

The Company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2015, the amount of dividend recognised as distributions to equity shareholders was Rs. 27.50 per share (31st March, 2014: Rs.15.00)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**3.3 Details of shareholders holding more than 5% shares in the Company**

<b>Name of the shareholder</b>	<b>As at 31st March, 2015</b>		As at 31st March, 2014	
	<b>No.s</b>	<b>% holding</b>	No.s	% holding
<b>Equity shares of Rs. 10/- each fully paid up</b>				
1. Srinivasa Cystine Private Limited	24,17,785	26.62	22,78,577	25.09
2. Thai Union Frozen Products PCL, Thailand	22,82,042	25.12	22,82,042	25.12
3. Alluri Indra Kumar	5,53,380	6.09	5,43,380	5.98
4. Alluri Indra Kumar (HUF)	5,45,950	6.01	5,45,950	6.01

As per records of the Company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownerships of shares.

**4. Reserves and surplus**

(Rs. in Lacs)

	<b>As at 31st March, 2015</b>	<b>As at 31st March, 2014</b>
<b>Capital reserve :</b>		
Balance at the beginning of the year	609.66	609.66
<b>Balance at the end of the year</b> (a)	<b>609.66</b>	<b>609.66</b>
Securities premium account		
Balance at the beginning of the year	456.85	456.85
<b>Balance at the end of the year</b> (b)	<b>456.85</b>	<b>456.85</b>
<b>General reserve :</b>		
Balance at the beginning of the year	5,248.10	4,548.10
Add: amount transferred from surplus balance in the statement of profit and loss	1,200.00	700.00
<b>Balance at the end of the year</b> (c)	<b>6,448.10</b>	<b>5,248.10</b>
<b>Surplus in the statement of profit and loss :</b>		
<b>Balance at the beginning of the year*</b>	10,720.81	5,987.19
Profit for the year	11,592.21	7,041.47
	<b>22,313.02</b>	<b>13,028.66</b>
<b>Less : Appropriations</b>		
Proposed dividend	2,497.84	1,362.46
Tax on proposed dividend	508.50	231.55
Transfer to general reserve	1,200.00	700.00
Total appropriations	4,206.34	2,294.01
<b>Net surplus in the statement of profit and loss(d)</b>	<b>18,106.68</b>	<b>10,734.65</b>
<b>Total reserves and surplus (a+b+c+d)</b>	<b>25,621.29</b>	<b>17,049.26</b>

\* The useful life of the assets has been revised in accordance with Schedule-II of Companies Act 2013. Accordingly depreciation of Rs.20.98 lacs on account of assets whose useful life is already exhausted as on April 1, 2014, has been adjusted to opening balance of profit and loss account by an amount of Rs. 13.83 lacs after giving effect of deferred tax.

**5. Long term borrowings**

(Rs. in Lacs)

	As at 31st March, 2015		As at 31st March, 2014	
	Long term	Current maturities	Long term	Current maturities
<b>Term loans :</b>				
Indian rupee loan from State Bank of India (secured)	-	85.40	362.50	200.00
	-	<b>85.40</b>	<b>362.50</b>	<b>200.00</b>
<b>Vehicle loans (secured):</b>				
a) Volkswagen Finance Limited	-	34.09	34.09	31.36
b) ICICI Bank Limited	23.83	57.10	80.93	58.33
c) HDFC Bank Limited	70.86	39.83	38.08	14.69
	<b>94.69</b>	<b>131.02</b>	<b>153.10</b>	<b>104.38</b>
<b>Other loans and advances</b>				
Deferred sales tax loan (unsecured)	323.45	146.45	579.56	-
	<b>323.45</b>	<b>146.45</b>	<b>579.56</b>	-
<b>Total</b>	<b>418.14</b>	<b>362.87</b>	<b>1,095.16</b>	<b>304.38</b>
The above amount includes				
Secured borrowings	94.69	216.42	515.60	304.38
Unsecured borrowings	323.45	146.45	579.56	-

- 5.1** The term loan of Rs.935.00 lacs (present outstanding Rs. 85.40 lacs) was taken from State Bank of India, Industrial Finance Branch, Hyderabad for the implementation of shrimp feed manufacturing project at Gujarat. The loan is secured by first charge on fixed assets of the Company, pledge of 4.74 lacs equity shares of the Company held by Mr. A. Indra Kumar, pledge of 2.62 lacs equity shares of the Company held by Sanjeeva Agro-vet (P) Limited, Corporate Guarantee of Sanjeeva Agro-vet (P) Limited and personal guarantee of Mr. A. Indra Kumar, Chairman & Managing Director of the Company.
- 5.2** Vehicle loans are secured by hypothecation of respective vehicles. The loans are repayable in 6 months to 36 months.
- 5.3** Company had availed sales tax deferment scheme in 2001-02. Under the scheme, the sales tax collected from the customers from 2001-02 to 2004-05 was converted in to interest free loan for period of 14 years repayable in yearly installments of Rs.146.45 lacs, Rs.142.98 lacs and Rs.180.47 lacs in March month of 2016, 2017 and 2018 respectively.

**6. Deferred tax liability (net)**

(Rs. in Lacs)

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
<b>Deferred tax liability</b>		
Fixed assets: Impact of difference between tax depreciation and depreciation/ amortization charged for the financial reporting	620.29	249.92
<b>Gross deferred tax liability</b>	<b>620.29</b>	<b>249.92</b>
<b>Deferred tax asset</b>		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis		
a) Provision for employee benefits	-	72.77
b) Provision for doubtful debts	21.16	33.67
<b>Gross deferred tax asset</b>	<b>21.16</b>	<b>106.44</b>
<b>Net deferred tax liability</b>	<b>599.13</b>	<b>143.48</b>

**7. Other long term liabilities**

(Rs. in lacs)

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
Others		
Security deposits received from dealers	374.50	274.50
<b>Total</b>	<b>374.50</b>	<b>274.50</b>

**7.1** Security deposits taken from dealers for supplying them shrimp feed on credit terms. Interest is paid on these deposits @ 9% per annum (31st March, 2014: 9% p.a.).

**8. Provisions**

(Rs. in Lacs)

	<b>As at 31st March, 2015</b>		As at 31st March, 2014	
	<b>Long term</b>	<b>Short term</b>	Long term	Short term
<b>Provision for employee benefits</b>				
Provision for gratuity (Ref. Note No.30)	198.12	32.19	161.76	28.38
Provision for leave encashment	105.58	85.26	130.60	6.62
	<b>303.70</b>	<b>117.45</b>	<b>292.36</b>	<b>35.00</b>
<b>Other provisions</b>				
Proposed dividend	-	2,497.84	-	1,362.46
Tax on proposed dividend	-	508.50	-	231.55
Provision for income tax (net of advance tax paid for current year Rs. 5,853.72 lacs. 31st Mar, 2014: Rs. 3,252.72 lacs)	-	105.12	-	266.67
	-	<b>3,111.46</b>	-	<b>1,860.68</b>
<b>Total</b>	<b>303.70</b>	<b>3,228.91</b>	<b>292.36</b>	<b>1,895.68</b>

**9. Short term borrowings**

(Rs. in Lacs)

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
Working capital loan from State Bank of India (secured)	5,058.59	4,161.33
Working capital loan from Rabo Bank (secured)	-	50.31
<b>Total</b>	<b>5,058.59</b>	<b>4,211.64</b>

**9.1** Working capital loans of Rs.5,058.59 lacs was availed from State Bank of India, Industrial Finance Branch, Hyderabad. The loan is secured by first charge on all current assets, second charge on fixed assets of the Company, pledge of 4.74 lacs equity shares of the Company held by Mr. A. Indra Kumar, pledge of 2.62 lacs equity shares of the Company held by Sanjeeva Agro-vet (P) Limited, Corporate Guarantee of Sanjeeva Agro-vet (P) Limited and personal guarantee of Mr. A. Indra Kumar, Chairman and Managing Director of the Company. The loan is repayable on demand and carries interest of 11.50% p.a..

**9.2** As at end of current year, working capital loan from Robo Bank International, Mumbai is NIL and at end of previous year was Rs.50.31 lacs. The loan is secured by first charge on all current assets, second charge on fixed assets of the Company. The loan is repayable on demand and carries interest of 10.80% p.a.

**10. Trade payables and Other current liabilities**

(Rs. in Lacs)

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
<b>Trade payables</b> (including acceptances) (refer note 34 for details of dues to micro and small enterprises)	<b>9,117.84</b>	<b>12,112.89</b>
<b>Other current liabilities</b>		
Current maturities of long term borrowings (note 5)	362.87	304.38
Interest accrued but not due	58.30	6.28
Advance from customers	1,837.73	1,408.96
Unpaid dividends	45.12	29.78
Others		
Tax deducted at source payable	75.87	63.61
VAT payable	0.08	3.63
CST payable	3.56	3.96
Service tax payable	14.10	7.87
Professional tax payable	0.54	0.41
Employee state insurance payable	1.99	1.85
Provident fund payable	19.51	14.62
R and D cess payable	7.45	5.68
<b>Total other current liabilities</b>	<b>2,427.12</b>	<b>1,851.03</b>
<b>Total</b>	<b>11,544.96</b>	<b>13,963.92</b>

(Rs. in Lacs)

### 11. Tangible assets

	Land - free hold	Buildings	Roads	Plant & machinery	Special plant & machinery	Electrical installations and equipment	Lab equipments	Office equipment	Computers	Furniture and fixtures	Motor vehicles	Total	Capital work in progress
<b>Gross block</b>													
As at 1st April, 2013	467.03	1,819.08	94.01	3,334.44	1,378.88	724.78	105.55	61.65	56.17	41.26	454.81	8,537.66	158.64
Additions	49.79	485.87	66.94	1,589.91	-	532.40	45.09	36.25	7.63	3.13	392.55	3,209.56	3,092.03
Disposals	23.71	-	-	-	-	-	-	20.01	5.14	-	123.85	172.71	2,769.49
<b>As at 31st March, 2014</b>	<b>493.11</b>	<b>2,304.95</b>	<b>160.95</b>	<b>4,924.35</b>	<b>1,378.88</b>	<b>1,257.18</b>	<b>150.64</b>	<b>77.89</b>	<b>58.66</b>	<b>44.39</b>	<b>723.51</b>	<b>11,574.51</b>	<b>481.18</b>
Additions	188.47	230.16	8.22	1,128.79	-	189.61	34.15	32.43	22.47	97.79	186.33	2,118.42	694.15
Disposals	-	-	-	6.25	-	28.16	-	0.25	5.75	-	25.24	65.65	1,175.32
<b>As at 31st March, 2015</b>	<b>681.58</b>	<b>2,535.11</b>	<b>169.17</b>	<b>6,046.89</b>	<b>1,378.88</b>	<b>1,418.63</b>	<b>184.79</b>	<b>110.07</b>	<b>75.38</b>	<b>142.18</b>	<b>884.60</b>	<b>13,627.28</b>	<b>-</b>
<b>Depreciation</b>													
Upto 1st April, 2013	-	346.41	12.66	1,837.39	546.33	454.20	50.72	20.61	27.12	11.36	159.67	3,466.47	-
Charge for the year	-	59.75	0.05	326.00	72.80	5.29	10.97	15.23	2.02	4.63	52.03	548.77	-
Disposals	-	-	-	106.06	-	-	-	0.25	2.40	-	68.43	177.14	-
<b>Upto 31st March, 2014</b>	<b>-</b>	<b>406.16</b>	<b>12.71</b>	<b>2,057.33</b>	<b>619.13</b>	<b>459.49</b>	<b>61.69</b>	<b>35.59</b>	<b>26.74</b>	<b>15.99</b>	<b>143.27</b>	<b>3,838.10</b>	<b>-</b>
Charge for the year	-	67.31	17.39	497.45	56.32	93.27	15.88	14.75	18.99	6.61	86.90	874.87	-
Disposals	-	-	-	6.25	-	28.16	-	0.25	4.72	-	13.77	53.15	-
Adjustment as per Schedule II	-	-	3.48	0.47	-	3.81	1.69	3.29	3.87	1.40	1.41	19.42	-
<b>Upto 31st March, 2015</b>	<b>-</b>	<b>473.47</b>	<b>33.58</b>	<b>2,549.00</b>	<b>675.45</b>	<b>528.41</b>	<b>79.26</b>	<b>53.38</b>	<b>44.88</b>	<b>24.00</b>	<b>217.81</b>	<b>4,679.24</b>	<b>-</b>
<b>Net block</b>													
As at 31st March, 2014	493.11	1,898.79	148.24	2,867.02	759.75	797.69	88.95	42.30	31.92	28.40	580.24	7,736.41	481.18
As at 31st March, 2015	681.58	2,061.64	135.59	3,497.89	703.43	890.22	105.53	56.69	30.50	118.18	666.79	8,948.04	-



**11a. Intangible assets**

(Rs. in Lacs)

	Computer Software	Total
<b>Gross Block</b>		
<b>As at 1st April, 2013</b>	<b>19.63</b>	<b>19.63</b>
Additions	5.77	5.77
Disposals	-	-
<b>As at 31st March, 2014</b>	<b>25.40</b>	<b>25.40</b>
Additions	0.52	0.52
Disposals	-	-
<b>As at 31st March, 2015</b>	<b>25.92</b>	<b>25.92</b>
<b>Depreciation</b>		
<b>Upto 1st April, 2013</b>	<b>6.03</b>	<b>6.03</b>
Charge for the year	4.97	4.97
Disposals	-	-
<b>Upto 31st March, 2014</b>	<b>11.00</b>	<b>11.00</b>
Charge for the year	4.80	4.80
Disposals	-	-
Adjustment as per Schedule II	1.56	1.56
<b>Upto 31st March, 2015</b>	<b>17.36</b>	<b>17.36</b>
<b>Net block</b>		
<b>As at 31st March, 2014</b>	<b>14.40</b>	<b>14.40</b>
<b>As at 31st March, 2015</b>	<b>8.56</b>	<b>8.56</b>

Note 1: The useful life of the assets has been revised in accordance with Schedule-II of Companies Act 2013. Accordingly depreciation of Rs.20.98 lacs on account of assets whose useful life is already exhausted as on April 1, 2014, has been adjusted.

Note 2: Had the Company continued with previously assessed useful lives, the charge for depreciation for the year ended 31st March 2015 would have been lower by Rs. 66.81 lacs, for asset held at 1st April, 2014.

**12. Non-current investments**

(Rs. in Lacs)

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
<b>A) Trade investments (valued at cost unless stated otherwise)</b>		
<b>Unquoted equity shares</b>		
<b>Investment in associates</b>		
Srivathsa Power Projects Limited 1,66,93,630 (31st Mar, 2014: 1,66,93,630) equity shares of Rs.10/- each fully paid up	2,440.99	2,523.48
Patikari Power Private Limited * 1,06,45,200 (31st Mar, 2014: 1,06,45,200) equity shares of Rs.10/- each fully paid up	1,009.09	991.82
* Out of 1,06,45,200 equity shares, 42,50,000 shares have been pledged with respect to loan taken by Patikari Power Private Limited from consortium of banks led by State Bank of India.		
<b>Total (A)</b>	<b>3,450.08</b>	<b>3,515.30</b>
<b>B) Non-trade investments (valued at cost unless stated otherwise)</b>		
<b>Investment in equity instruments (quoted)</b>		
IDBI Bank Limited 2,880 (31st Mar, 2014: 2,880) equity shares of Rs.10/- each fully paid up	0.54	0.54
UCO Bank Limited 7,800 ( 31st Mar, 2014: 7,800) equity shares of Rs.10/- each fully paid up	0.94	0.94
<b>Investment in equity instruments (unquoted)</b>		
Bhimavaram Hospitals Limited 1,20,000 (31st Mar, 2014: 1,20,000) equity shares of Rs.10/- each fully paid up	12.00	12.00
<b>Total (B)</b>	<b>13.48</b>	<b>13.48</b>
<b>Total (A+B)</b>	<b>3,463.56</b>	<b>3,528.78</b>
<b>Aggregate amount of quoted investments</b>		
Book Value	1.48	1.48
Market Value	7.03	7.58
<b>Aggregate amount of unquoted investments</b>		
Book Value	3,462.08	3,527.30

**13. Loans and advances**

(Rs. in Lacs)

	As at 31st March, 2015		As at 31st March, 2014	
	Long term	Short term	Long term	Short term
<b>Capital advances</b>				
Unsecured, considered good	13.79	-	108.31	-
	<b>13.79</b>	-	<b>108.31</b>	-
<b>Security deposits</b>				
Unsecured, considered good	178.53	-	159.01	-
	<b>178.53</b>	-	<b>159.01</b>	-
<b>Other loans and advances</b>				
Loans to employees	67.58	57.19	45.78	26.18
Advance for purchases	-	75.60	-	238.55
Deposits with defined benefit plans	299.83	-	113.28	-
Other advances	-	334.55	-	198.40
	<b>367.41</b>	<b>467.34</b>	<b>159.06</b>	<b>463.13</b>
<b>Total</b>	<b>559.73</b>	<b>467.34</b>	<b>426.38</b>	<b>463.13</b>

**14. Other non-current assets**

(Rs. in Lacs)

	As at 31st March, 2015		As at 31st March, 2014	
	Non-current	Current	Non-current	Current
<b>Unsecured, considered good unless stated otherwise</b>				
<b>Non-current bank balances (note 18)</b>	<b>86.10</b>	-	<b>86.00</b>	-
Unamortized expenditure				
Ancillary cost of arranging the borrowings	11.24	-	-	-
	<b>11.24</b>	-	-	-
<b>Others</b>				
Export incentives receivable	-	380.80	-	544.52
VKGUY licences on hand	-	241.05	-	243.50
Freight reimbursement receivable	-	49.83	-	82.93
Interest accrued on fixed deposits	-	21.51	-	22.82
	-	693.19	-	893.77
	<b>97.34</b>	<b>693.19</b>	<b>86.00</b>	<b>893.77</b>

**15. Current investments**

(valued at lower of cost and fair value, unless stated otherwise)

(Rs. in Lacs)

	As at 31st March, 2015	As at 31st March, 2014
<b>Investment in unquoted mutual funds</b>		
SBI-Premier Liquid Fund-7,08,594.979 (31st Mar, 2014: 50,048) units of Rs.1,003.25 each fully paid up	7,108.98	502.11
Birla Sunlife Optimiser Fund-3,09,022.052 (31st Mar, 2014: Nil) units of Rs.173.7531 each fully paid up	536.94	-
<b>Total</b>	<b>7,645.92</b>	<b>502.11</b>
<b>Aggregate amount of unquoted investments</b>		
Book Value	7,645.92	502.11

**16. Inventories (valued at lower of cost and net realizable value)**

(Rs. in Lacs)

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
Raw materials (refer note 21)		
In godowns	14,470.85	13,597.77
In transit	320.21	279.61
Packing materials (refer note 21)	313.53	311.87
Work-in-progress (refer note 22)	434.00	569.05
Finished goods (refer note 22)	5,782.66	4,147.47
Stores and spares	880.37	1,008.91
<b>Total</b>	<b>22,201.62</b>	<b>19,914.68</b>

**17. Trade receivables**

(Rs. in Lacs)

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	36.79
	-	<b>36.79</b>
Provision for doubtful receivables	-	(36.79)
	-	-
<b>Other receivables</b>		
Secured, considered good	714.91	4,292.06
Unsecured, considered good	2,641.13	209.86
Doubtful	62.26	99.05
	<b>3,418.30</b>	<b>4,600.97</b>
Provision for doubtful receivables	(62.26)	(99.05)
	<b>3,356.04</b>	<b>4,501.92</b>
<b>Total</b>	<b>3,356.04</b>	<b>4,501.92</b>

**18. Cash and bank balances**

(Rs. in Lacs)

	As at 31st March, 2015		As at 31st March, 2014	
	Non-current	Current	Non-current	Current
<b>Cash and cash equivalents</b>				
<b>Balances with banks:</b>				
- On current accounts	-	415.18	-	1,033.97
- On unpaid dividend accounts	-	45.12	-	29.78
Cash on hand	-	13.35	-	9.39
<b>Total (A)</b>	-	<b>473.65</b>	-	<b>1,073.14</b>
<b>Other bank balances</b>				
- Deposits with original maturity for more than 12 months	0.59	-	-	0.50
Margin money accounts	85.51	142.53	86.00	211.90
<b>Total (B)</b>	<b>86.10</b>	<b>142.53</b>	<b>86.00</b>	<b>212.40</b>
Amount disclosed under non-current assets (note 14) <b>(C)</b>	(86.10)	-	(86.00)	-
<b>Total (A+B-C)</b>	-	<b>616.18</b>	-	<b>1,285.54</b>

**18.1 Margin money deposits given as security**

Margin money deposits with bank amounting to Rs. 228.04 lacs (31st Mar, 2014: 297.90 lacs) are lien marked for import LCs and for issuance of SBLC for Anti Dumping Duty purpose to US Customs Authorities.

**19. Revenue from operations**

(Rs. in Lacs)

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>a) Sale of products</b>		
<b>Domestic sales</b>		
i) Shrimp feed	1,50,654.18	85,611.08
ii) Shrimp seed	54.66	97.16
iii) Wheat bran	10.73	2.51
iv) Processed shrimp	-	0.45
v) Electricity sales (Wind mills)	188.26	212.00
	<b>1,50,907.83</b>	<b>85,923.20</b>
<b>Export sales</b>		
i) Processed shrimp	24,935.03	25,338.20
ii) Shrimp feed	26.76	-
	<b>24,961.79</b>	<b>25,338.20</b>
<b>Total (a)</b>	<b>1,75,869.62</b>	<b>1,11,261.40</b>
<b>b) Other operating revenue</b>		
Export incentives	1,756.02	1,870.72
Income from sale of certified emission reductions	-	28.55
<b>Total (b)</b>	<b>1,756.02</b>	<b>1,899.27</b>
<b>Total (a+b)</b>	<b>1,77,625.64</b>	<b>1,13,160.67</b>

**20. Other income**

(Rs.in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Interest income on :		
Bank deposits	24.27	19.48
Others	16.79	10.93
Dividend income from:		
Current investments	92.62	84.30
Non-current investments	0.09	0.40
Exchange differences (net)	305.50	173.29
Profit on sale of fixed assets	2.72	15.56
Profit on sale of current investments	230.16	–
Other non-operating income	230.01	64.18
<b>Total</b>	<b>902.16</b>	<b>368.14</b>

**21. Cost of materials consumed**

(Rs.in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Inventory at the beginning of the year	13,909.64	5,587.47
Add: Purchases	1,39,552.83	96,841.83
	<b>1,53,462.47</b>	<b>1,02,429.30</b>
Less: Inventory at the end of the year	15,104.59	14,189.25
<b>Cost of materials consumed</b>	<b>1,38,357.88</b>	<b>88,240.05</b>

**Details of materials consumed**

	<b>For the year ended As at 31st March, 2015</b>		For the year ended As at 31st March, 2014	
	<b>Qty in MT</b>	<b>Value</b>	Qty in MT	Value
Fish meal	51,282.83	43,797.97	31,671.68	23,826.44
Wheat & Wheat flour	74,312.08	14,783.47	48,169.83	9,586.47
Soya DOC	90,554.36	38,777.14	53,873.84	20,637.59
Other materials	20,671.32	16,935.83	14,343.00	9,586.60
Shrimp	5,153.19	20,886.06	5,238.49	22,643.60
Packing material	-	3,177.41	-	1,959.35
	<b>2,41,973.78</b>	<b>1,38,357.88</b>	<b>1,53,296.83</b>	<b>88,240.05</b>

**Details of Inventory of Raw Material**

	<b>As at 31st March, 2015</b>	As at 31st March, 2014
Fish meal	8,134.27	8,599.53
Wheat & Wheat flour	570.30	333.02
Soya DOC	3,927.59	2,794.74
Other materials	2,158.90	2,150.09
Packing material	313.53	311.87
<b>Total</b>	<b>15,104.59</b>	<b>14,189.25</b>

**22. Change in inventories of finished goods, stock-in-process and stock-in-trade** (Rs. in Lacs)

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Inventories at the end of the year		
Finished goods	5,782.66	4,147.47
Work-in-progress	434.00	569.05
	<b>6,216.66</b>	<b>4,716.52</b>
Inventories at the beginning of the year		
Finished goods	4,147.47	3,159.68
Work-in-progress	569.05	294.31
	<b>4,716.52</b>	<b>3,453.99</b>
(Increase) / decrease	<b>(1,500.14)</b>	<b>(1,262.53)</b>
<b>Details of inventory</b>		
<b>Work-in-progress</b>		
i) Shrimp feed	363.86	454.02
ii) Processed shrimp	70.14	115.03
<b>Total</b>	<b>434.00</b>	<b>569.05</b>
<b>Finished goods</b>		
i) Shrimp feed	1,551.36	369.81
ii) Wheat bran	75.25	11.88
iii) Processed shrimp	4,156.05	3,765.78
<b>Total</b>	<b>5,782.66</b>	<b>4,147.47</b>

**23. Employee benefits expense** (Rs. in Lacs)

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Salaries, wages and bonus	4,401.93	3,227.73
Contribution to provident and other funds	266.54	179.25
Gratuity expense	34.19	63.85
Staff welfare expenses	61.08	50.72
<b>Total</b>	<b>4,763.74</b>	<b>3,521.55</b>

**24. Depreciation and amortization expenses** (Rs. in Lacs)

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Depreciation of tangible assets	874.87	550.38
Amortization of intangible assets	4.80	3.36
<b>Total</b>	<b>879.67</b>	<b>553.74</b>

**25. Finance costs**

(Rs. in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Interest	75.73	267.28
Other borrowing costs	99.27	82.68
<b>Total</b>	<b>175.00</b>	<b>349.96</b>

**26. Manufacturing expenses**

(Rs. in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Power & fuel	2,782.22	2,580.66
Repairs & maintenance		
- Buildings	403.52	202.48
- Plant & machinery	137.15	101.63
- Electricals	93.94	51.53
Consumable stores	1,754.86	988.80
Other manufacturing expenses	1,106.26	748.18
<b>Total</b>	<b>6,277.95</b>	<b>4,673.28</b>

**27. Selling and distribution expenses**

(Rs. in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Advertisement charges	7.33	7.81
Carriage outward	245.44	224.84
Ocean freight and export expenses	1,032.12	829.96
Marketing expenses	1,009.87	629.54
Royalty	672.14	430.26
Cash discount	7,201.36	3,833.54
<b>Total</b>	<b>10,168.26</b>	<b>5,955.95</b>



**28. Other expenses**

(Rs. in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Rent	46.87	20.76
Rates & taxes	122.33	77.55
Insurance	258.12	116.89
Electricity charges	6.86	6.93
Repairs & maintenance		
Buildings	2.89	1.37
Others	8.75	7.07
Vehicle maintenance	39.02	24.63
Traveling & conveyance	380.27	271.19
Communication costs	51.47	49.10
Printing & stationery	31.10	17.02
Directors' sitting fees	4.40	1.70
Auditors Remuneration :		
As auditors	12.47	12.48
Tax matters	4.49	4.49
Reimbursement of expenses	3.01	1.97
Professional charges	104.83	72.60
Corporate social responsibility	22.18	-
Donations	52.16	10.15
Loss on sale of DEPB	17.51	27.54
Loss on sale of fixed assets	3.88	10.11
Assets written off	-	1.57
CER management fees	-	6.33
Bank charges	92.36	89.36
General expenses	156.22	148.42
<b>Total</b>	<b>1,421.19</b>	<b>979.23</b>

**29. Earnings per share**

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
Net profit for calculation of basic and diluted EPS (Rs in lacs)	11,592.21	7,041.47
Weighted average number of equity shares in calculating basic and diluted EPS (Nos.)	90,83,042	90,83,042
Basic and diluted earnings per share - Face Value of Rs.10/- each (in Rs.)	127.63	77.52

### 30. Gratuity (post-employment benefit plan)

The Company operates a defined benefit plans, viz., gratuity for its employees. Under the gratuity plan, every employee who has completed atleast five years of service gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plan.

(Rs. in Lacs)

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>Statement of profit and Loss</b>		
<b>Net employee benefit expense recognised in employee cost</b>		
Current service cost	38.12	33.75
Interest cost on benefit obligation	14.68	10.95
Expected return on plan assets	(18.89)	(5.68)
Net actuarial (gain) / loss recognized in the year	0.29	24.83
<b>Net Benefit expense</b>	<b>34.20</b>	<b>63.85</b>
<b>Balance sheet</b>		
<b>Benefit asset/ liability</b>		
Present value of defined benefit obligation	230.31	190.14
Fair value of plan assets	196.11	82.84
<b>Plan liability</b>	<b>34.20</b>	<b>107.30</b>
<b>Changes in the present value of the defined benefit obligation are as follows</b>		
Opening defined benefit obligation	190.14	122.13
Current service cost	38.12	33.75
Interest cost	14.68	10.95
Benefits paid	(4.84)	(6.28)
Actuarial losses on obligation	(7.79)	29.59
<b>Closing defined benefit obligation</b>	<b>230.31</b>	<b>190.14</b>
<b>Changes in the fair value of plan assets are as follows</b>		
Opening fair value of plan assets	82.84	69.25
Expected return	18.89	5.67
Contributions by employer	107.30	9.43
Benefits paid	(4.84)	(6.28)
Actuarial gains / (losses)	(8.08)	4.77
<b>Closing fair value of plan assets</b>	<b>196.11</b>	<b>82.84</b>

**30. Gratuity (post-employment benefit plan) (Contd...)**

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>The major categories of plan assets as a percentage of the fair value of total plan assets are as follows</b>		
<b>Gratuity</b>		
Investments with insurer	100%	100%
<b>The principal assumptions used in determining gratuity obligations for the Company's plan are shown below:</b>		
Discount rate	7.82%	9.20%
Expected rate of return on assets	8.00%	8.00%
Increase in Compensation Cost	10%	10%
Employee turnover	10%	10%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in the market scenario

**Amounts for the current and previous four periods are as follows:**

(Rs. in Lacs)

	For the year ended 31st March				
	2015	2014	2013	2012	2011
<b>Gratuity</b>					
Defined benefit obligation	230.31	190.14	122.13	87.31	73.98
Plan assets	196.11	82.84	69.25	54.09	47.28
Surplus / (deficit)	(34.20)	(107.30)	(52.87)	(33.22)	(26.70)
Experience adjustment on plan liabilities	(7.79)	29.59	16.16	4.59	-
Experience adjustment on plan assets	8.08	(4.77)	(0.29)	(0.09)	-

**31. Capital commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for Rs.17.59 lacs (31st March, 2014: Rs.771.50 lacs) which is net of capital advances of Rs.13.79 lacs (31st March, 2014: Rs. 182.00 lacs).

### 32. Contingent liabilities

(Rs. in Lacs)

	For the year ended 31st March, 2015	For the year ended 31st March, 2014
Demands raised by customs, service tax, sales tax, income tax and other authorities, being disputed by the Company*	3,102.96	3,045.43

\*Details of demands raised by customs, service tax, sales tax, income tax and other authorities:

Name of the Statute	Nature of the Dues	Amount (Rs.in Lacs)	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944 and Customs Act, 1962	Customs Duty & Central Excise	2,999.18	1999 - 2002	CESTAT, Bangalore
Madhya Pradesh VAT Act, 2002	Sales tax (MP VAT demand for soya transactions in 2005-06)	29.22	2005-06	High Court of Madhya Pradesh
Income tax Act, 1961	Income-tax	5.13	2011-12	Commissioner (Appeals)
Electricity Act, 2003	Electricity duty	8.61	2011-12 to 2014-15	High Court of Andhra Pradesh
Customs Act, 1962	Customs duty	60.82	2009-12	CESTAT Chennai
<b>Total</b>		<b>3,102.96</b>		

- 32.1 The Customs and Central Excise Department raised demand for Rs.1494.59 lacs and levied penalty of Rs.1,504.59 lacs for customs duty forgone on duty free imports of raw materials and non-fulfilment of export obligation for the period 1999-2000 to 2001-2002 when the Company was operating as a 100% EOU. Company had achieved Net Foreign Exchange Earning in 2003-04 and the Development Commissioner of Visakhapatnam Export Procession Zone allowed Company to de-bond upon being satisfied with the fulfilment of exports made by the Company and foreign exchange earning obligations. Further, Company had paid Rs.1655.03 lacs excise duty in lieu of the duty free import of raw materials and spares. However, the Customs and Central Excise Department raised the demand without considering the amounts paid. This demand and levy of penalty was contested by the Company before CESTAT, Bangalore and Hon'ble CESTAT remanded the case back to The Commissioner for fresh adjudication after considering all the aspects raised by the Company. The Commissioner gave his order confirming the demand and Company again approached CESTAT against this order. The matter is pending before CESTAT, Bangalore.
- 32.2 The Company purchased soya bean in the year 2004-05, converted the same in to DOC in 2005-06 and used some part for own consumption in manufacturing of shrimp feed and some part was

exported. The resultant soya oil was sold locally. The Commercial Tax Act pertaining to soya bean processing and soya oil sale was amended with effect from 13.12.2004 and Commercial Tax department took the view that the soya bean purchased prior to 13.12.2004 will attract tax at old rates and a demand of Rs.29.22 lacs was raised. This is being contested by the Company in the High Court of Madhya Pradesh.

- 32.3 For the Assessment Year 2011-2012 Assessing officer disallowed expenditure of Rs.17.95 lacs U/s. 14A, of Income Tax Act, 1961 and raised demand for Rs. 5.13 lacs. Company is contesting the same before Commissioner Appeals.
- 32.4 Company approached High Court of Andhra Pradesh against levy and collection of Electricity Duty on self generated power from DG sets. Honble High Court granted stay on recovery of the same and the matter is pending for final hearing.
- 32.5 Company is importing Squid Liver Powder (SLP) which is one of the raw materials for manufacturing of shrimp feed. SLP is imported by the Company under raw material classification. However, Customs has disputed our claim and demanding duty applicable for import of complete feed. The demand is being contested by the Company before CESTAT, Chennai.

The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations.

### 33. Derivative instruments and unhedged foreign currency exposures

#### Derivatives outstanding as at the reporting date

##### Particulars

##### Purpose

##### Forward contract to sell US\$

US\$ 91,64,642 (US\$ 71,01,800 as at 31st March, 2014)  
[(Rs.5,860.55 lacs (Rs.4,445.33 lacs as at 31st March 2014)]

Hedge of export debtors and  
for confirmed export orders

##### Forward contract to buy US\$

US\$ 1,87,000 (US\$ 4,62,500 as at 31st March, 2014)  
[(Rs. 117.48 lacs (Rs. 282.57 lacs as at 31st March, 2014)]

Hedge for import liabilities

(a) Particulars of unhedged foreign currency exposure as at reporting date

(Rs. in Lacs)

		31st March, 2015		31st March, 2014	
		Foreign Currency	Amount in (Rs.)	Foreign Currency	Amount in (Rs.)
Trade payables	USD	873,120	546.49	711,766	427.77
	Euro	14,750	9.96	-	-
			<b>556.45</b>		<b>427.77</b>

Closing rate as at 31st March, 2015 - 1 USD = Rs 62.59, (31st March, 2014: 1 USD = Rs 60.10)

### 34. Details of dues to micro and small enterprises as defined under MSMED Act 2006.

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days as at 31<sup>st</sup> March, 2015. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

### 35. Segmental information

#### I. Primary segment

The Company's business is organized into three main business segments mainly Shrimp Feed, Processing & Shrimp Exports and Wind Mills. Segments have been identified and reported taking into account the nature of products, the differing risk and returns, the organization structure, and the internal financial reporting system.

Shrimp feed is manufactured & marketed to the farmers, which is used in aqua culture to grow shrimp. Shrimp are purchased from the farmers and are further processed and exported to various countries.

Company had installed four wind mills of 3.2MW at Chitradurga, Karnataka. Power generated from wind mills is sold to BESCO under Power Purchase Agreement.

#### Segment revenue and results

All segment revenues & expenses that are directly attributable to the segments are reported under the respective segment. The revenues and expenses that are not directly attributable to any segments are shown as unallocated expenses.

#### Segment assets and liabilities

Segment assets include all operating assets used by the business segment and consist principally Fixed Assets, Debtors and Inventories. Segment liabilities primarily include creditors and other liabilities. Assets and Liabilities that cannot be allocated between the segments are shown as a part of unallocated assets and liabilities respectively.

#### II. Secondary segment:

##### Geographical segment:

Based on the Revenue attributable to the individual customers located in various parts of the world, the Company's business is organized into three key geographic segments, viz., India, USA and Rest of World.

(Rs. in Lacs)

Name of the Country	Revenue		Location of assets		Additions to fixed assets	
	For the year ended 31 <sup>st</sup> March,		As at 31 <sup>st</sup> March,		During the year ended 31 <sup>st</sup> March,	
	2015	2014	2015	2014	2015	2014
India	1,52,690.33	87,822.47	45,718.54	36,151.36	2,118.94	3,321.34
USA	13,510.43	21,264.27	336.27	2,555.30	-	-
Rest of the world	11,424.88	4,073.93	2,002.71	1,127.64	-	-
<b>Total</b>	<b>1,77,625.64</b>	<b>1,13,160.67</b>	<b>48,057.52</b>	<b>39,834.30</b>	<b>2,118.94</b>	<b>3,321.34</b>

**35.1 Information pursuant to AS - 17 issued by ICAI**

(Rs. in Lacs)

	Shrimp Feed		Shrimp Processing		Wind Mills		Unallocated		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>Revenue</b>										
External Sales	150,746.33	85,710.75	26,691.05	27,209.37	188.26	240.55	-	-	177,625.64	113,160.67
Inter-segment sales	-	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>150,746.33</b>	<b>85,710.75</b>	<b>26,691.05</b>	<b>27,209.37</b>	<b>188.26</b>	<b>240.55</b>	<b>-</b>	<b>-</b>	<b>177,625.64</b>	<b>113,160.67</b>
<b>Segment Result</b>										
Operating Profit	15,058.51	7,219.69	2,107.79	3,153.94	91.22	126.07	(0.43)	(0.31)	17,257.09	10,499.40
Share of Profit/(Loss) from Associates	-	-	-	-	(65.22)	66.78	-	-	(65.22)	66.78
Other Income	78.55	75.38	473.99	188.27	-	-	349.62	104.49	902.16	368.14
Interest Expense	118.09	199.58	56.91	150.37	-	-	-	-	175.00	349.96
Exceptional Items	-	-	-	-	-	-	-	-	-	-
Income Tax- Current Tax & PY Taxes	-	-	-	-	-	-	5,864.02	3,499.41	5,864.02	3,499.41
- Deferred Tax	-	-	-	-	-	-	462.80	43.48	462.80	43.48
<b>Net Profit</b>	<b>15,018.97</b>	<b>7,095.49</b>	<b>2,524.87</b>	<b>3,191.84</b>	<b>26.00</b>	<b>192.85</b>	<b>(5,977.68)</b>	<b>(3,438.71)</b>	<b>11,592.21</b>	<b>7,041.47</b>
<b>Other Information</b>										
Segment Assets	26,028.83	23,956.74	9,001.81	10,076.93	4,242.55	4,365.63	8,784.33	1,435.00	48,057.52	39,834.30
Segment Liabilities	18,105.53	18,511.28	2,203.71	2,581.63	48.04	16.43	1,170.65	767.40	21,527.93	21,876.74
<b>Capital Employed</b>	<b>7,923.30</b>	<b>5,445.46</b>	<b>6,798.10</b>	<b>7,495.30</b>	<b>4,194.51</b>	<b>4349.20</b>	<b>7,613.68</b>	<b>667.60</b>	<b>26,529.59</b>	<b>17,957.56</b>
Capital Expenditure	1544.66	2,931.03	559.12	223.11	-	-	15.17	167.21	2118.94	3,321.34
Depreciation	604.82	316.68	171.36	135.81	59.63	76.12	43.86	25.13	879.67	553.74

### 36. Related party disclosures

#### 36.1 Names of related parties and related party relationship:

Related parties where control exists

Subsidiary Svimsan Exports and Imports Private Limited

Related parties with whom transactions have taken place during the year

Key Managerial Personnel Sri A. Indra Kumar, Chairman and Managing Director  
Sri C. Ramachandra Rao, Joint Managing Director,  
Company Secretary and CFO

Relatives of Key Managerial Personnel Sri N.V. Bhanu Prasad  
Sri A. Venkata Sanjeev

Associate Companies Srivathsa Power Projects Limited  
Patikari Power Private Limited

Companies over which Significant Influence is exercised Srinivasa Cystine Private Limited  
SCL Trading Private Limited  
Sanjeev Agro Vet Private Limited  
Laxai-Avanti Life Sciences Private Limited  
Sri Sai Srinivasa Agro Farms and Developers Private Limited

#### 36.2 Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year: (Rs. in Lacs)

Particulars	Key management personnel / their relatives		Companies over which significant influence is exercised		Subsidiary	
	As at 31 <sup>st</sup> March,		As at 31 <sup>st</sup> March,		As at 31 <sup>st</sup> March,	
	2015	2014	2015	2014	2015	2014
Remuneration	1694.27	1008.55	-	-	-	-
Rent paid	3.00	1.82	2.02	1.80	-	-
Purchase of shrimp feed	-	-	-	557.58	-	-
Dividend paid	164.90	69.51	746.78	310.03	-	-
Loan given	-	-	-	-	0.03	-

#### 36.3 Balance as on 31st March 2015

(Rs. in Lacs)

Particulars	Key management personnel		Associate companies		Companies over which significant influence is exercised		Subsidiary	
	As at 31 <sup>st</sup> March,		As at 31 <sup>st</sup> March,		As at 31 <sup>st</sup> March,		As at 31 <sup>st</sup> March,	
	2015	2014	2015	2014	2015	2014	2015	2014
Investment	-	-	3,450.08	3,515.30	-	-	100.00	100.00
Remuneration	1375.78	801.71	-	-	-	-	-	-
Rent payable	0.25	0.15	-	-	0.16	0.15	-	-
Loan given	-	-	-	-	-	-	90.32	90.29



**37. Foreign currency inflow & outflow**

(Rs. in Lacs)

	<b>For the year ended 31st March, 2015</b>	For the year ended 31st March, 2014
<b>i) Value of imports made by the Company during the financial year calculated on CIF basis in respect of</b>		
Capital goods	533.86	979.26
Spares & consumables	489.17	340.15
Raw materials	3,193.24	1,699.80
Shrimp feed imported for trading	-	557.58
<b>ii) Earnings in foreign exchange</b>		
Shrimp exports on FOB basis	24,406.97	25,039.55
Shrimp feed exports on FOB basis	26.47	-
<b>iii) Expenditure in foreign currency on account of</b>		
Traveling	27.44	30.30
Royalty	672.14	430.26
Quality insurance premium	144.01	35.97
Dividend	342.52	148.42
Other expenditures	230.21	80.86

**38. Imported and indigenous raw materials consumed**

(Rs. in Lacs)

Particulars	For the year ended 31st March, 2015		For the year ended 31st March, 2014	
	Value	Percentage	Value	Percentage
Imported	4,246.02	3.07	2,532.39	2.87
Indigenous	1,34,111.86	96.93	85,707.66	7.13
<b>Total</b>	<b>1,38,357.88</b>	<b>100.00</b>	<b>88,240.05</b>	<b>100.00</b>

**39. Net dividend remitted in foreign exchange**

Year of Remittance	Period to which it relates	No. of Non-resident shareholders	Number of equity shares held on which dividend was due	Amount of dividend USD (In lacs)	Amount of dividend remitted in INR (In lacs)
2014-2015	2013-2014	2	22,82,042	5.60	342.52
2013-2014	2012-2013	2	22,82,042	2.33	148.42

**40. Previous year figures**

Previous year figures have been regrouped / reclassified, where necessary, to conform to this year's classification.

**Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary/Associates**

(Rs. in Lacs)

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
<b>Parent</b> Avanti Feeds Limited	98.02%	26,004.80	100.57%	11,657.86
<b>Subsidiaries:</b>				
<b>Indian</b>				
1 Svimsan Exports and Imports Private Limited	-0.72%	(190.21)	0.00%	(0.43)
<b>Minority Interests in all subsidiaries</b>	-	-	-	-
<b>Associates</b> <b>(Investment as per the equity method);</b>				
<b>Indian</b>				
1 Srivathsa Power Projects Limited	9.20%	2,440.99	-0.71%	(82.24)
2 Patikari Power Private Limited	3.80%	1,009.09	0.19%	22.42

**Salient features of financial statements of subsidiary/associates as per the Companies Act, 2013.**

(Rs. in Lacs)

S.No	Name of the subsidiary/associates	Reporting currency	Share capital	Reserves & surplus	Total assets	Total liabilities	Investments	Turnover/total income	Profit/(loss) before taxation	Provision for taxation	Profit/(loss) after taxation	Proposed dividend	% of share-holding
1	<b>Subsidiaries:</b> Svimsan Exports and Imports Private Limited	INR	100.00	(190.21)	0.23	90.44	-	-	(0.43)	-	(0.43)	-	100.00
2	<b>Associates:</b> Srivathsa Power Projects Limited	INR	3,339.71	1,541.18	4,949.88	68.99	-	510.13	(164.54)	-	(164.54)	-	49.99
3	Patikari Power Private Limited	INR	4,112.02	(214.09)	7,732.49	3,864.56	0.84	1,421.27	108.18	21.56	86.62	-	25.89

**AVANTI FEEDS LIMITED**

CIN: L16001AP1993PLC095778

Regd. Office: H.No.3, Plot No.3, Baymount, Rushikonda,  
Visakhapatnam – 530045, Andhra Pradesh.

Email: [avantiho@avantifeeds.com](mailto:avantiho@avantifeeds.com).

Website: [www.avantifeeds.com](http://www.avantifeeds.com)

**ATTENDANCE SLIP**

22<sup>nd</sup> ANNUAL GENERAL MEETING

8<sup>th</sup> August, 2015

DP ID – Clinet ID No. / Folio No. :

No. of shares held :

Name of the Member / Proxy :

Address of the Member :

I/We, hereby record my/our presence at the 22<sup>nd</sup> Annual General Meeting of Avanti Feeds Limited on Saturday, the **8<sup>th</sup> August, 2015** at **11.00 A.M.**, at **Vedika Hall, Hotel Daspalla, Jagadamba Junction, Visakhapatnam.**

Signature of Member/Proxy

Note:

1. Please complete this attendance slip and hand it over at the entrance of the meeting hall.
2. Members are informed that no duplicate slips will be issued at the venue of the meeting and are requested to bring this slip.

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**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 : CIN: L16001AP1993PLC095778  
 Name of the Company : Avanti Feeds Limited  
 Registered Office : H.No.3, Plot No.3, Baymount, Rushikonda,  
 Visakhapatnam - 530045, Andhra Pradesh.  
 Name of the member(s) : \_\_\_\_\_  
 Registered Address : \_\_\_\_\_  
 Email ID : \_\_\_\_\_  
 Folio No./Client ID : \_\_\_\_\_  
 DPID : \_\_\_\_\_

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

1. Name : \_\_\_\_\_ Address: \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or falling him
2. Name : \_\_\_\_\_ Address: \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or falling him
3. Name : \_\_\_\_\_ Address: \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22<sup>nd</sup> Annual General Meeting of the Company, to be held on the 8<sup>th</sup> day of August, 2015 at 11.A.M., at Vedika Hall, Hotel Daspalla, Jagadamba Junction, Visakhapatnam-530020 and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolutions:**

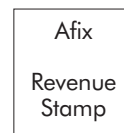
**Ordinary Business:**

1. Adoption of audited Financial Statements for the year ended 31<sup>st</sup> March, 2015 including audited Balance Sheet as on 31<sup>st</sup> March, 2015 and the Statement of Profit & Loss for the year ended 31<sup>st</sup> March, 2014 along with Report of the Directors and Auditors thereon.
2. To declare dividend of Rs.27.50/- per equity share of Rs.10/- each fully paid up for the year 2014-15.
3. Reappointment of Mr. Bunluesak Sorajjakit, (DIN:02822828) as Director, who retires by rotation.
4. Reappointment of Mr. Wai Yat Paco Lee (DIN: 02931372) as Director, who retires by rotation,
5. Ratification of appointment of Karvy & Co., Chartered Accountants as Auditors from the 22<sup>nd</sup> Annual General Meeting to the conclusion of 23<sup>rd</sup> Annual General Meeting of the company on a remuneration to be fixed by the Board of Directors on the recommendations of the Audit Committee.

**Special Business:**

6. Appointment of Sri N.V.D.S. Raju as an Independent Director
7. Appointment of Smt. K. Kiranmayee, as an Independent Director.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015.



Signature of shareholder

Signature of Proxy holder(s)

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

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Donating garbage bins to Kovvur Municipality as a part of Swachh Bharat cleanliness drive.



Supply of safe drinking water by installing RO plant in Gautami Nagar locality at Kovvur under NTR Sujala Scheme of Govt. of AP.



Supply of safe drinking water by installing RO plant in Pasivedala Village under NTR Sujala Scheme of Govt. of AP.



Distribution of uniforms to school children at Balda Village in Gujarat.



*In the business of quality Prawn feed and Prawn Exports*

**Registered Office:** Plot No.3, H.No.3, Baymount,  
Rushikonda, Visakhapatnam-530 045. Andhra Pradesh. India

**Corporate Office:** G-2, Concorde Apartments,6-3-658, Somajiguda,  
Hyderabad-500 082. Telangana State, India.

Email: [investors@avantifeeds.com](mailto:investors@avantifeeds.com)