

July 19, 2022

To
The Deputy General Manager,
BSE Limited,
1st Floor, New Trading Ring,
Rotunda Building, P.J. Towers,
Dalal Street, Mumbai – 400 001,
Maharashtra, India.

To
The Listing Manager,
National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra (East),
Mumbai – 400 051,
Maharashtra, India.

BSE Code: **512573**

NSE Symbol: **AVANTIFEED**

Dear Sir/Madam,

Sub: Notice of 29th Annual General Meeting (AGM) and Annual Report for the FY 2021-22.

In continuation to our letter dated July 15, 2022 and pursuant to Regulation 30 and 34 of Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the following:

1. Notice convening the 29th AGM together with explanatory statement;
2. Annual Report for the FY 2021-22 and
3. Business Responsibility Report (BRR).

In compliance with relevant circulars issued by Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Notice of the AGM along with the Annual Report are sent only by email on Tuesday, July 19, 2022 to those Members whose email addresses are registered with the Company / RTA / Depository Participant(s). Additionally, the Notice of the AGM and the Annual Report are also being uploaded on the website of the Company at www.avantifeeds.com.

The Secretarial Audit Reports of material unlisted subsidiary i.e. Avanti Frozen Foods Private Limited is also enclosed.

This is for your kind information and record.

Thanking you

Yours faithfully
for Avanti Feeds Limited



C. Ramachandra Rao
Joint Managing Director,
Company Secretary & CFO
DIN:00026010



Encl: as above



Exploring a Sea of Opportunities



Aiding Sustainability & Reliability to Aquaculture

29TH ANNUAL REPORT 2021-22



Company Overview | 4-41

- Chairman's Message
- Giving back to Society

Statutory Reports | 42-103

- Corporate Information
- Board's Report
- Management's Discussion and Analysis
- Business Responsibility Report
- Report on Corporate Governance

Financial Statements | 104-236

- Standalone Financial Statements
- Consolidated Financial Statements

Notice | 237-257

CONTENTS



Sri Alluri Venkateswara Rao

1933-2002

Founder-Chairman, Avanti Group

You are always with us,
reminding us of these great values
you had stood for :

Vision, Truth, Hardwork and Prosperity
of all stakeholders.



We at Avanti are committed to walking in our founder's footsteps in innovation, development and maintaining stakeholder relationship.



For over two years now, COVID has been a much-dreaded word on everyone's mind the world over. It has drastically altered our very lifestyles and wrought entirely unforeseen and radical transformations in almost every industrial sector. While they resulted in severe setbacks for many, they also threw up interesting new opportunities.

Our sector was no exception to this unfolding drama. In the last 2 years, the industry has witnessed a multitude of challenges and changes. But, we at Avanti took them all in our stride with patience, perseverance and planning. Throughout this turmoil and turbulence, we have been actively building new efficiencies for sustainable growth, in addition to identifying new growth engines. Long-term efficiencies are being forged by seamlessly integrating all our business processes. We have thoroughly redesigned our internal operations, our network channels and our customer interface at many touch-points. This has equipped our strategy to adapt quickly to the new normal and emerge stronger to seek newer opportunities.

Exploring a Sea of Opportunities

Having established ourselves as the market leader in Shrimp Feed, Avanti strategically plans to grow and is exploring new export markets for both shrimp feed and processed shrimp. We at Avanti shall spearhead the next big push, by turning our attention to the export of shrimp feed and value-added products, such as shrimp brines and breaded shrimp. Being ready-to-cook and ready-to-eat, they are in much greater global demand. This is going to be our key thrust area for the next few years.

Many challenges do confront us still: inflation, the ongoing pandemic, supply chain issues, increasing raw material costs and increasing ocean freights, to name just a few. But we shall relentlessly build on our strengths and remain committed to deliver – spotting growth avenues in every changing trend and advancing technology.

We have always prided ourselves on being trendsetters. In the coming years, too, we are optimistic about charting a newer and more robust growth path.



**Throughout this
turmoil and turbulence,
we have been actively
building new efficiencies
for sustainable growth
and identifying
new growth engines.**





Ramping up the
top line to Shore up the
bottom line...

When the going gets tough, the tough gets going. Avanti's performance during the year bears testimony to this fighting spirit. Faced with many headwinds that confronted us virtually throughout the year, from COVID-19 to increasing raw material cost, ocean freights, we have seen a sequential improvement in our top line performance. However, the margins came under stress due to a multifold increase in the cost of the core raw materials that go into the production process.

To cope with the newer situation we were pitted against, we initiated a slew of measures that have boosted production and led to significant cost optimization. We are confident that things will further look up in the immediate years once the raw material costs stabilize and the operating leverage starts to kick in.



SHRIMP FEED SALES

5,40,889 MT
(4,73,450 MT 2020-21)



PROCESSED SHRIMP SALES

12,836 MT
(11,518 MT 2020-21)



MARKET CAPITALISATION OF
over **₹5,619.94** Crores



CONSOLIDATED PROFIT Before
Depreciation, Interest and Tax (PBDIT)

₹36,669.59 Lakhs
(55,227.60 Lakhs in 2020-21)



CONSOLIDATED PROFIT After Tax (PAT)

₹24,522.70 Lakhs
(39,737.11 Lakhs in 2020-21)





Chairman's Message

With an impressive 29-year track record, your company remains a strong leader in the Indian shrimp industry, sustained by its world-class products and a highly innovative product development-oriented mindset.

Dear Shareholders,

Despite a few worries at the beginning of FY 2021-22, when the COVID 'Second Wave' again slowed down the industry, your company stood the year well and managed to put in a satisfactory performance. Thanks to everyone in the family putting their shoulders to the wheel, our shrimp sales grew in volume by 14%. Our financial performance was only marginally lower than in the previous year, despite all the odds that we faced.

With an impressive 29-year track record, your company remains a strong leader in the Indian shrimp industry, sustained by its world-class products and a highly innovative product development-oriented mindset. We are setting up a new shrimp feed manufacturing plant with installed capacity of 1,75,000 MT per annum and also expanding our shrimp processing capacity.

Already the second-largest contributor in the global aquaculture market, India is poised for a refreshing upward trend, capitalising on our long coastline, as well as our large pond and tank areas. The industry's growth is being spurred by several Government schemes. The five-year 'Pradhan Mantri Matsya Sampada Yojana', launched by our Prime Minister in 2020, seeks to enhance marine fisheries production to 20 million tons by 2024. That has been a big help in augmenting our production and boosting our exports substantially.

The Government's reduction of import duty on some shrimp aquaculture input products to 10% (from the earlier 30%) also gives a welcome fillip by reducing the farmers' production costs, promoting imports and increasing shrimp production output. Many States

are encouraging the latest technologies to improve productivity. Increased e-commerce has increased online orders for seafood in our domestic market, as well as globally. Other major growth-drivers are the high private investments in R&D for advanced technologies, which will push India further up in the global aquaculture market.

Fuelled by concerns about pathogens in conventionally cultured fishes, organic variants are increasingly in demand. Sustainable cultivation systems – which will not disrupt the ecosystem, protect biodiversity and reduce pollution – also augur well for the industry.

Looking back at FY 2021-22 in perspective, there is ample reason to be satisfied about how your company fared overall, as well as to look forward to a promising future ahead. Much of the credit for all this goes to our aqua-farmers, who have always stood by us through every challenge. My grateful thanks also to our customers, dealers, suppliers, financial institutions and strategic partners, for being with us all the time. Most importantly, the steadfast commitment shown by our employees through thick and thin was truly praiseworthy.

My sincere thanks to my fellow Directors, for guiding the company with their commendable professionalism and foresight. They have indeed had a big hand in making your company stand tall today.

With my best wishes to everyone,

Alluri Indra Kumar
Chairman and Managing Director





A Indra Kumar
Chairman & Managing Director



C Ramachandra Rao
Joint Managing Director,
Company Secretary & CFO



A Venkata Sanjeev
Executive Director



J V Ramudu
Non-Executive,
Independent Director



N Ram Prasad
Non-Executive Director



N V D S Raju
Non-Executive,
Independent Director

Our Board consists of eminent professionals and administrators who have made a mark in their respective fields.

Board of Directors



Bunluesak Sorajjakit
Non-Executive Director



Wai Yat Paco Lee
Non-Executive Director



K Kiranmayee
Non-Executive,
Independent Director



V Narasi Reddy
Non-Executive,
Independent Director



Karikal Valaven, IAS
Nominee Director





Consolidation for Greater Growth

India is the world's top exporter of shrimp in terms of value, with a shrimp farming area of around 1,60,000 hectares.

In FY 2021 shrimp production has touched a record high of 9 lakh MT beating earlier high of 8,05,500 MT during FY 2019, inspite of logistical hiccups and adverse farming conditions.

In FY 2021 shrimp export to USA from India grew by 25% when compared to 2020.

The annual export share of India is back on the growth track after the fall witnessed during 2020. It should help India wrest global leadership in Shrimp exports after slipping to the second spot in 2020. ▶▶





Consolidation for Greater Growth

►► The US demand is strong, while China, the second-biggest market for India, despite the COVID protocol, has started buying more and the global demand for shrimp is surging. Shrimp prices to be firm given the strong demand and the pumped-up farm-gate prices around the world.

The Indian Ministry of Commerce urged the industry to raise exports by 31 per cent to \$7.8 billion in FY22. At present, the market is looking good with prices moving up.

However, the logistic hiccups and adverse farming conditions pose a challenge for shrimp exports.

The US leads with a 40% share in Indian shrimp exports and is expected to touch 4,00,000 tonnes in the coming months, followed by China at 20%, expected to touch 2,00,000 tonnes. Japan holds a 5% share and is expected to move to 10,000 tonnes. The Central government's recent announcement of production-linked incentive schemes for the food processing sector, which includes value-added shrimps, is expected to improve India's share of exports this year.

The global shrimp feed market is expected to grow at a CAGR of around 5% during 2021-2026. That amount reflects a 16.1% increase since 2015.

Local aquafeed prices had been rising through 2021 as soybean, fish meal and wheat are the key ingredients in the feed, became more expensive. The scarcity of soybeans caused several companies to switch to import of soya and finding alternative ingredients. The current situation presents both a challenge and an opportunity.

Over the past year we worked hard to achieve strong business momentum. This has resulted in higher sales and revenue. This record sales performance validates the Company's long-term strategies, financial discipline and focus on profitability.

29+ Years of progress in aquafeed and its exports...



29

**29+
YEARS**



**22+
EXPORTED
COUNTRIES**



**DIRECT EMPLOYEES
+
INDIRECT EMPLOYEES**



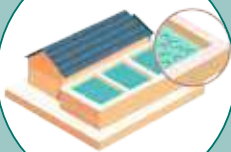
**16,000 +
FARMERS
NETWORK**



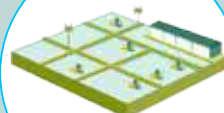
**5 SHRIMP
FEED UNITS
6,00,000 TPA**



**2 SHRIMP
PROCESSING
UNITS 22,000 TPA**



**600 MILLION
PL HATCHERY**



FARMS





Our Operations...

...encompass the
entire spectrum of
Shrimp Culture

Avanti is an integrated
seafood company offering end-to-end
solutions in the aquaculture industry.

- SHRIMP FEED
- SHRIMP HATCHERY
- SHRIMP PROCESSING
- POWER

We are a trusted friend to aqua-farmers all
over the country.

We are constantly striving to further
strengthen our relationship with them.

Our gas-based and hydel power projects are
also a source of sustained profit for us.



Supplying high quality feed to farmers across India

Avanti delivers scientifically formulated and nutritionally well-balanced shrimp feed to our farmers. Currently, we operate five feed manufacturing units, all of which are BAP and ISO certified with a combined production capacity of 6,00,000 MT. Our highly equipped testing labs ensure quality of feed, and our technical teams assist farmers across India with aquaculture practices, seed selection and seed quality analysis.

FEED

**6,00,000 MT
Production
Capacity**

**5 Feed
Manufacturing
Units**



Manamei



Prostar



Profeed

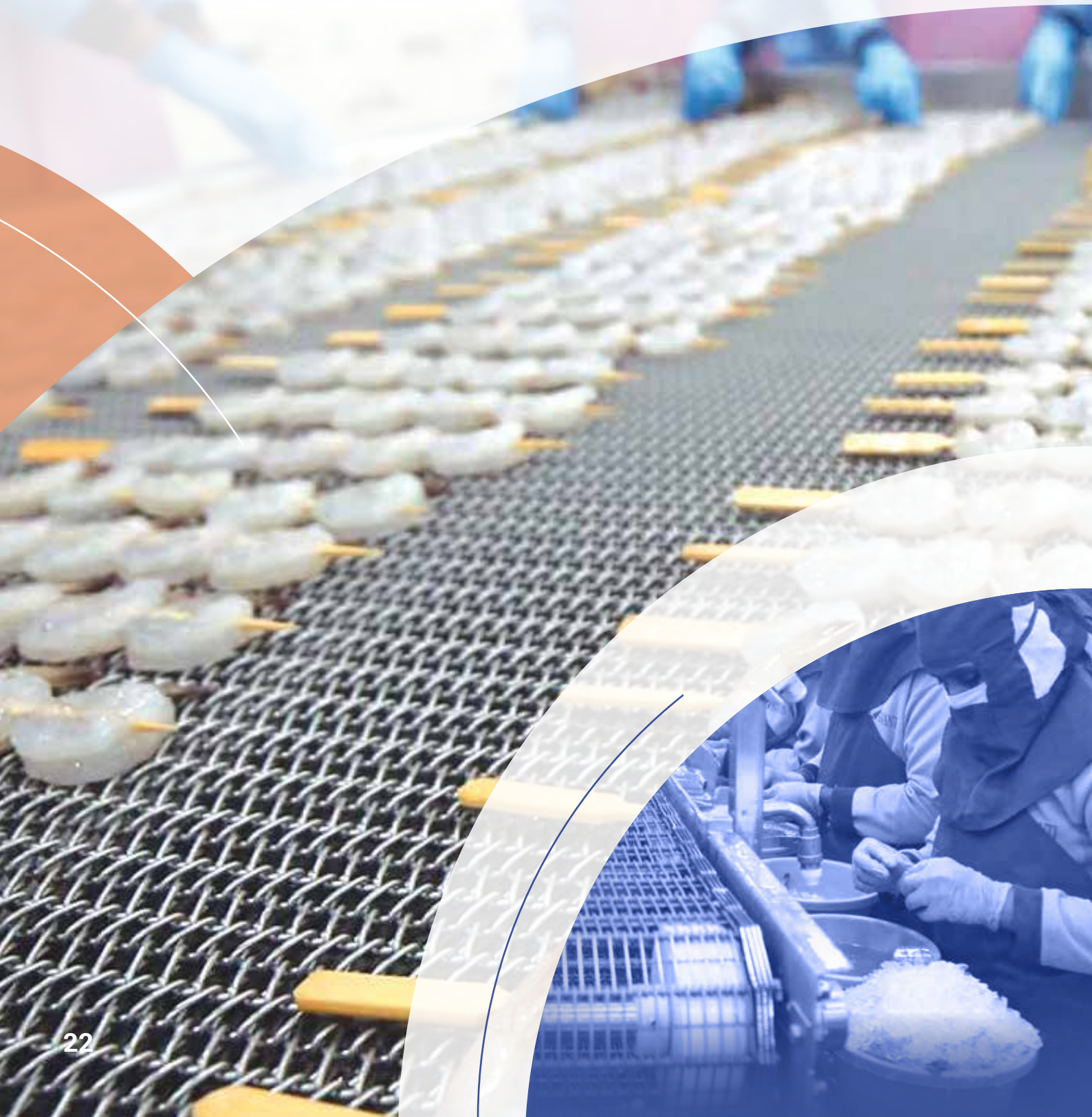


Titan



Delivering quality seafood products to the world

Avanti Frozen Foods Private Limited or AFFPL is a subsidiary of Avanti Feeds. The company was established in 2015 and is supported by the technical expertise, R&D and quality systems of Thai Union Group (TUG). Avanti Frozen has two highly advanced shrimp processing & export facilities, modern in-house labs and international food safety standards. The facilities have a total capacity of 22000 MT and provide products for global markets in Europe, USA, Japan, Korea, China, Russia, Canada and the Middle East. As Avanti's shrimp processing division, AFFPL delivers a fully traceable, farm-to-fork supply chain solution with a wide range of offerings such as raw, cooked and value-added shrimp products.





FROZEN FOODS



Capacity
22000MT



Our Portfolio of products



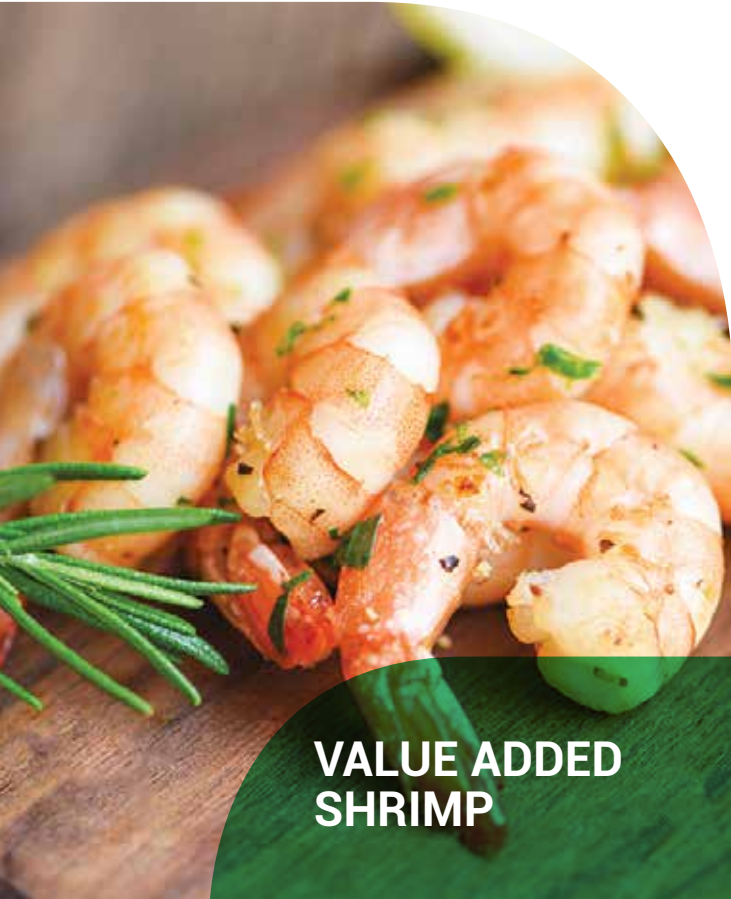
RAW SHRIMP

- Head-on
- Headless, Easy peel
- Raw Peeled & Deveined, Tail-on
- Raw Peeled & Deveined, Tail-off
- Butterfly Cut, Peeled & Deveined, Tail-on
- Pin Deveined

- Head-on
- Headless, Easy peel
- Raw Peeled & Deveined, Tail-on
- Raw Peeled & Deveined, Tail-off
- Butterfly Cut, Peeled & Deveined, Tail-on
- Pin Deveined

COOKED SHRIMP





VALUE ADDED SHRIMP

- Marinated products
- Breaded products
- Skewers
- Shrimp Rings

Our Brands stand out in the market

One supply chain

End-to-end certifications

Transported, processed and stored in controlled temperatures

Full traceability

Approved by USFDA, EU, Korean FDA, Japan and Canada



Providing healthy inputs to our farmers

In addition to our strong farmer base, extensive dealership network, aqua feed, farms and frozen exports, we have established a state-of-the-art hatchery division in Visakhapatnam district.

The facility is situated in Gudiwada village of S. Rayavaram Mandal and has a total capacity of 600 million seeds.

Avanti is devoted to supply of good quality seed with the best suited inputs, disease monitoring and biosecurity measures. Hatchery is well equipped with machines for seawater filtration and purification, culture and rearing systems and an in-house laboratory. The hatchery division ensures good quality disease free post larvae to get highly successful crop to our farmers, thereby promoting sustainable farming.



HATCHERY



BIOSECURITY, MICROBIOLOGY AND RT-PCR LAB

Avanti's hatcheries are safeguarded by stringent biosecurity measures. SPF status needs to be retained from the brood stock import to the post-larvae production and till the shrimp seeds reach the farm. This is achieved through periodic and systematic screening of all inputs subject to risk. There is also strict implementation of restricted staff movement in the intersections. Moreover, the facility is completely secured with standardised systems and protocols in order to prevent any breach of biosecurity.



Total Capacity
600 Million
Post Larvae per annum



POWER

The Power projects that propel our growth.

As a measure of Avanti's vision to promote EHS (Environment, Health & Safety) initiatives the company has invested in alternate power source projects.

These power projects also enable the company to shore up the bottom line.





WINDMILL PROJECT

3.2 MW
Windmill Project
Chitradurg (Karnataka)
Power generated :
48.09 Lakh units
in FY 22

GAS POWER PROJECT

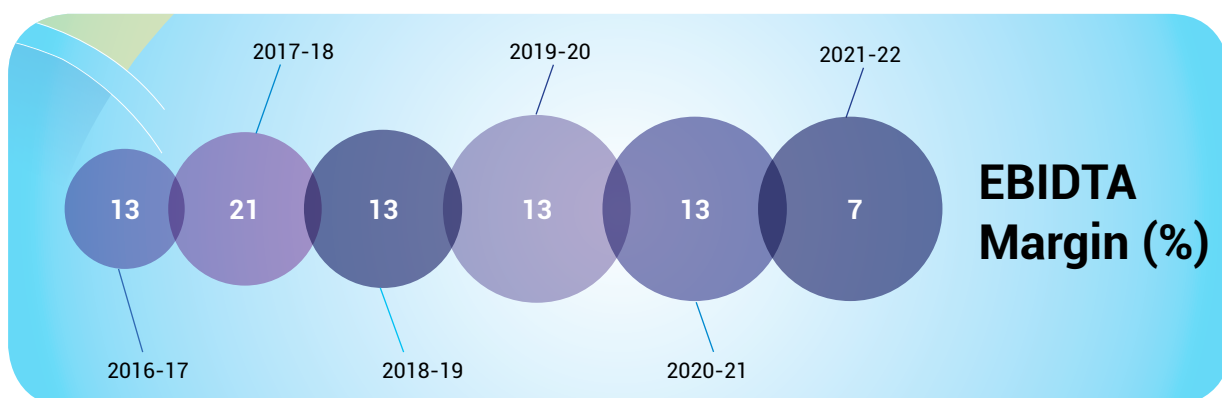
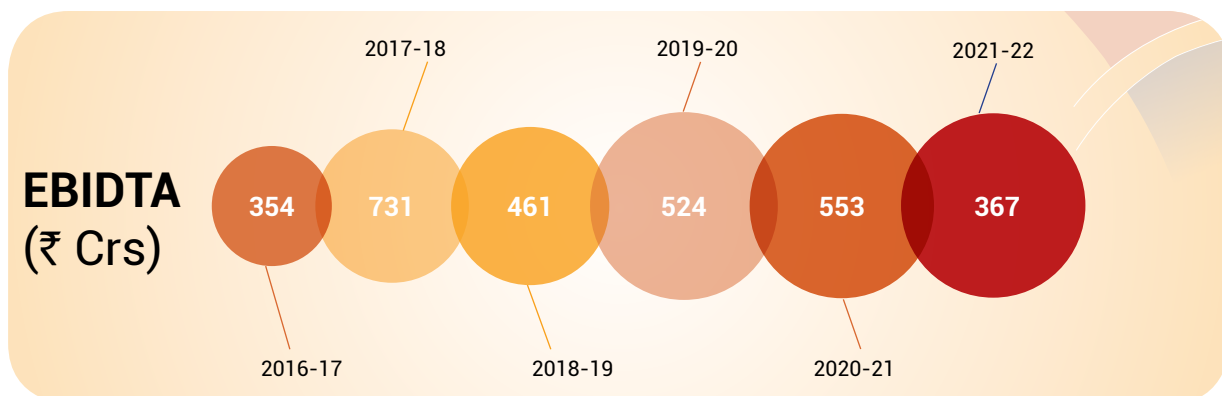
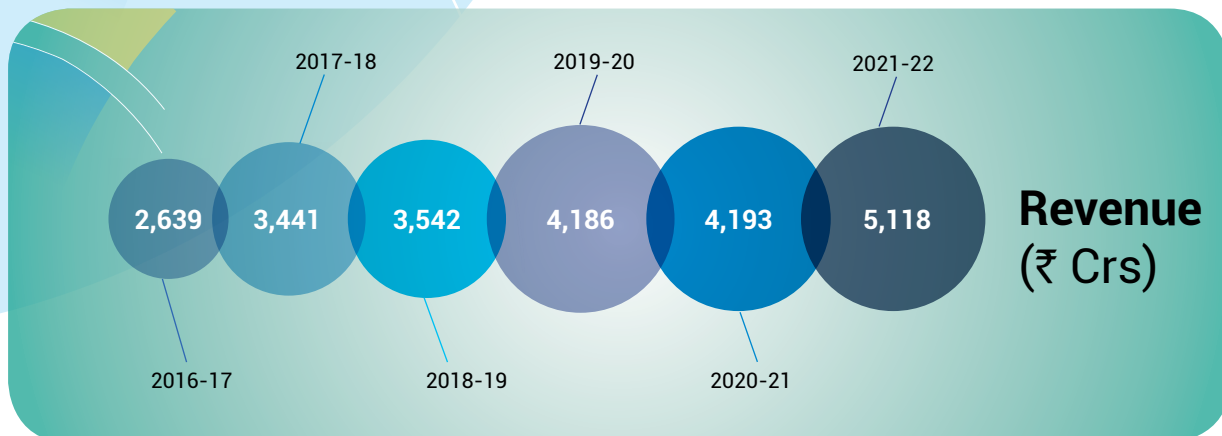
Avanti holds 49.99% equity in Srivathsa Power Projects (P) Ltd., which runs a 17.2 MW gas-based independent power project in Andhra Pradesh
Power generated :
216.1 Lakh units
in FY22

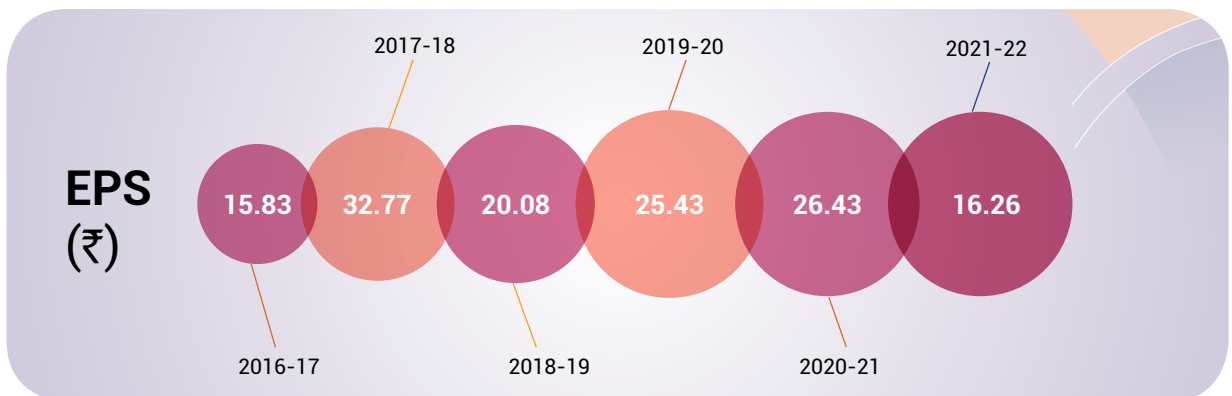
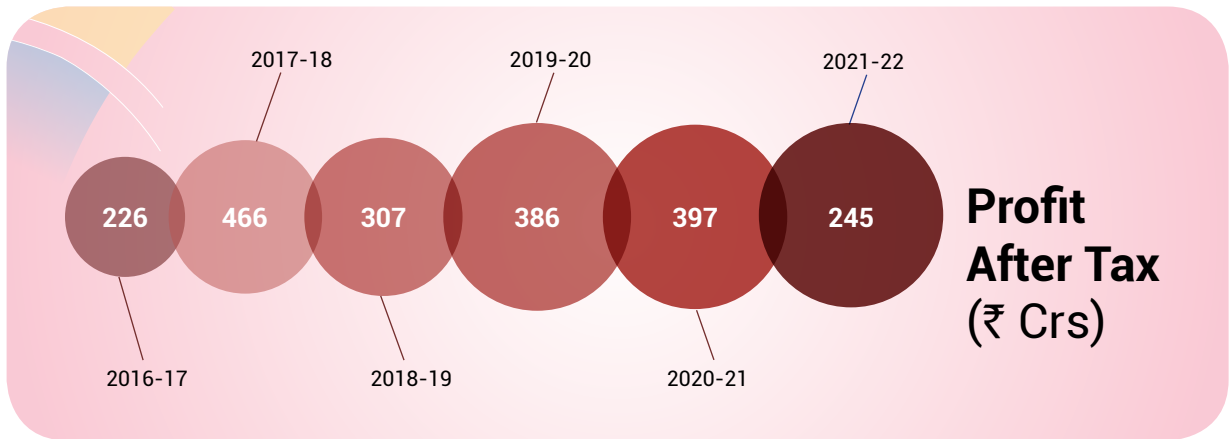
HYDEL POWER PROJECT

Avanti holds 25.88% equity in Patikari Power (P) Ltd., which runs a 16 MW hydel power project in Himachal Pradesh
Power generated :
581.40 Lakhs units
during FY 22



Performance Highlights



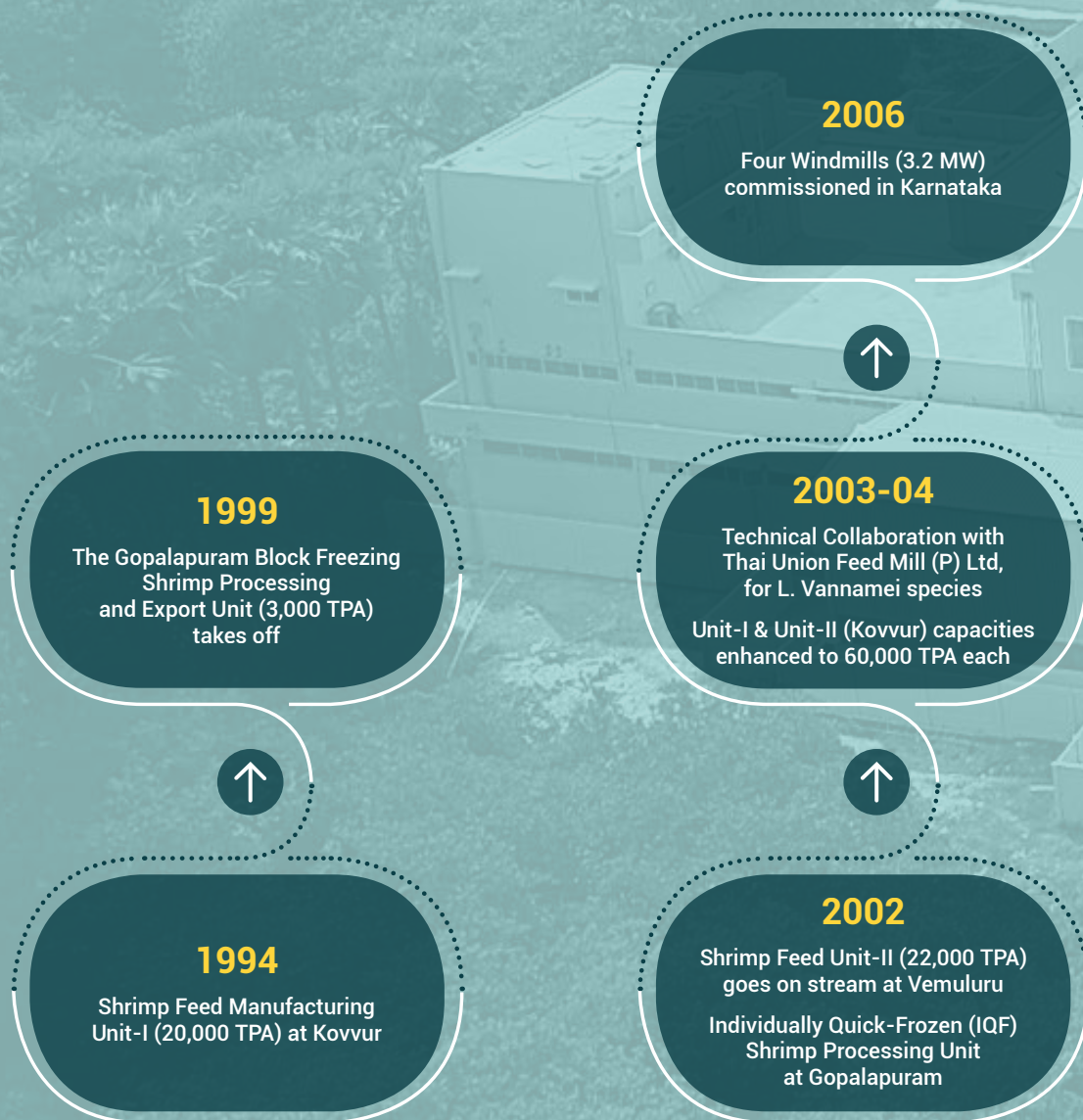


Key Ratios

	2017-18	2018-19	2019-20	2020-21	2021-22
ROCE (%)	63	34	33	20	12
ROE (%)	41	23	24	20	12
Net Debt to Equity	0	0	0	0	0
Inventory Days	67	60	52	63	67
Receivable days	4	5	6	7	7



Our Journey of Progress...



2021

Expansion of hatchery division to 600 mn PL



2020

Hatchery division with 400 mn PL capacity at Gudiwada



2019

This was our year of staying strong, and growing stronger...



2018

Doubled the feed manufacturing capacity at Unit-IV to 3,50,000 MT PA

AFFPL commissions state-of-the-art shrimp processing & export plant (15000 TPA) at Yerravaram.



2017

Commissioned Unit-IV shrimp feed manufacturing plant with a capacity 1,75,000 MT per annum

2016

Shrimp processing and exports business divested to AFFPL to secure global recognition



2014

Shrimp feed manufacturing Unit-III (70,000 TPA capacity) at Kovvur



2012

Our third shrimp feed plant (60,000 TPA capacity) at Pardi

Shrimp processing capacity at our Gopalapuram IQF Unit is augmented to 7,000 TPA



2009

Introduced cost-effective P. Vannamei shrimp culture, making Indian aquaculture globally competitive



Recognitions that Inspire us to do better...



1

BEST CEO AGRICULTURE AND ALLIED	
Total Income/ 3-yr CAGR	₹32,25.1 cr / 8.03%
PRIT/ 3-yr CAGR	₹378.17 cr / 5.86%
PAT/ 3-yr CAGR	₹285.98 cr / 13.34%
3-yr Average TSR	-39.07
Average Market Cap Y-o-Y Growth*	33.61
ROE/ ROCE	25.29% / 33.44%
CASH/ DEBT	₹188.7 cr/ Nil
Net Profit Margin	-9.04%

*For Oct 2019-Sept 2020: Standalone data; Total income, PRIT & PAT net of extraordinary items;

2



3



4



5

1. Fortune 500 India's Largest Corporations
2. India's Best CEO for 2020
3. India's Most Trusted CEO in 2018
4. Forbes India Leadership Awards Fila - 2017
5. Forbes Asia's 200 Best Under A Billion

Certifications



No haram product or procedure is used during the food's manufacturing or processing.



To nodal agency to validate the catch certificate for exporting seafood to EU countries per the EU Regulation 1005/2008.



Certifies that the Feed manufacturing for aquaculture animals for domestic and export.



Certified for meeting the requirements for seafood processing.



Products comply with the requirements of the MSC Chain of Custody Standard (COC).



Global Food Safety Initiative (GFSI) recognized standard for auditing food manufacturers.



Certified for compliance with GAA/BAP plant standard.



FSSC 22000

Internationally accepted certification scheme based on ISO 22000 sector – specific PRP and FSSC additional requirements.



Certified for meeting the requirements of the Global Standard for Food Safety.



International standard defining the requirements for effective control of food safety.



A global benchmark in customer satisfaction, product quality and a significant reduction in defect levels.



Certification to establish eligibility for participation in the Voluntary Qualified Importer Program (VQIP)



Certification to apply for getting the certificate that the available sold food is safe for human consumption.



The leading standard set for aquaculture seafood.



Avanti has the best interests of the Farmers at heart

Avanti looks after the shrimp farmers by producing best quality shrimp feed, measured by the feed conversion ratio. Yield is the most important thing for shrimp farmers, so they eagerly seek the best feed.

Even the best shrimp feed in the world will yield meagre results if it is not handled, stored and used properly. We enable optimization of feed utilization by close collaboration with the shrimp farmer for feed formulation, logistics, storage and feeding management. This is complemented by the technical support the Company offers.

Farmers have to check the water and soil parameters and growth factor of the shrimp on a daily basis. We regularly monitor through our technical teams visiting the farmers and help them to monitor these factors.

What the Farmers say about us...



Aadhina Venkatarao
Kadavakuduru

I am an Avanti Feed user since last 7 years. I like Avanti feeds because I get good FCR and good yield.



Nadimpalli Subbaraju
Kodurupadu

The technical service offered by Avanti Feeds is the best. The technician visits my farm regularly and if I face any problem he offers an effective solution. I suggest my neighbouring farmers to use Avanti feeds, so that they also get the best feed and best service.



Byreddy
Nattarameswaram

I am getting continuous success using Avanti Feeds. The feed quality is very good and very consistent in its performance.



Bacchula Srinivas
Pandilapalli

The quality of feed supplied by Avanti is the best. I started using Avanti feeds five years ago and I am extremely happy with the results.



Bacchula Srinivas
Pandilapalli

I am the earliest farmer in our area and I was using a different brand feed. After seeing the success of my neighboring farmer, who was using Avanti, I also started using Avanti. Now I am a satisfied and loyal customer to Avanti.



G Srinu
Siripalli

Avanti's technical service is very good. I use the service of their technical team as well as the Avanti Aqua Lab, Amalapuram. I get latest techniques and ideas from Avanti team from time to time.



Grandhi Teja
Jayavijaya Aqua farm

My farm is giving successful results since I started using Avanti Feeds 3 years ago. My FCR has improved as well as profitability. Avanti has provided a farm technician and he stays in my farm and takes care of my ponds.



Mohanrajugaru
SSR farm, Cherukumilli

I am using all new technology in shrimp farming like Central Drainage System, Nursery rearing and small ponds. Avanti technicians guide me to adapt latest innovations to get better results.



Perugu Ramesh
Pandilapalli

My farm is 15 acres and started farming in two acres. I got continuous success using Avanti Feeds and today my success is because of good service and good quality of Avanti.



Perugu Venkaiah
Vetapalem

I always recommend Avanti Feeds to all my friends and family members who are into aquaculture. I have used several feeds but ultimately Avanti Feeds gave me best results and profits.



Society at the core of all that we do...

Avanti Foundation

Avanti Foundation is a Charitable Trust established for undertaking CSR activities of Avanti Group. The Foundation's objective is to undertake various initiatives in health, education, environment, infrastructure and sports, especially in rural areas.



Rural Development

Several initiatives to reduce the effects of industrialisation on soil, environment and natural habitat:

- Establishment of the Sujalam Safalam Jal Abhiyan 2021 at Paadi villages by pond excavation.
- Development of Green Belt with extensive plantations on village roads and highways.
- Water treatment and safe drinking water.
- Rural roads development.



Education

Programs to empower young individuals through education oriented initiatives in the rural sector:

- Establishment of AU Avanti Skill Development Center at Vishakhapatnam in collaboration with Andhra University.
- Running of an under-graduate and post-graduate college with a total of 1750 students (60% women) of commerce and science streams.
- Setting up of Mid Day Meal Kitchen in Podagatlapalli, East Godavari for catering to schools in East and West Godavari districts.





- Distribution of Face Shields, Sanitizers, Thermometer, Pulse oximeters, Vaporizers and Medicines to Front-line Warriors at Kovvur.
- Contributing financially to District and State Government in undertaking various COVID Relief Activities.
- Setting up of Oxygen Plant at Government General Hospital, Vijayawada in partnership with Siddhartha Medical College Allumini and at Sri Padmavathi Medical College for Women Hospital - Tirupati, in partnership with ACT Grants.
- Setting up of operation theatre VIIRD.

Health

Contributions in the form of infrastructure, hospital equipment and medical camps to stamp out hunger, poverty and malnutrition.

- Free medical and eye checkup camps at Kovvur.
- Contributions to Hrudaya Cure Heart Foundation, a charity that provides medical care to infants with heart diseases from marginalised sections of the society in Andhra Pradesh and Telangana.
- Development of Government Hospital in Kovvur.
- Supplying medicines and oxygen concentrators for COVID patients in East Godavari Districts, Andhra Pradesh, Seafood Association, Andhra Pradesh, Government Hospital, Kovvur.
- Distribution of masks in rural areas of Andhra Pradesh, Gujarat, Odisha and Tamil Nadu.



Sports

Efforts to promote sporting habits in children and young adults in rural areas that surround our facilities:

- Sponsorship of world ranking Snooker tournament at Visakhapatnam, Federation Cup Volleyball Championship at Bhimavaram, Andhra Pradesh.
- Organisation of coaching camps and tournaments for Volleyball, Badminton and Cricket in and around Kovvur.
- Promoting Badminton through Gopichand Academy.
- Village Cricket Tournament at Kosamba, Gujarat.





AFL Marketing Strategy Meet



**Statutory Reports
2021-22**

Corporate Information

Board of Directors

A. Indra Kumar
Chairman & Managing Director

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

A. Venkata Sanjeev
Executive Director

N. Ram Prasad

J. V Ramudu

Bunluesak Sorajjakit

Wai Yat Paco Lee

N. V. D. S Raju

K. Kiranmayee

R. Karikal Valaven, IAS

V. Narsi Reddy

B. V Kumar
Retired w.e.f. 01st August, 2021

M. S. P Rao
Retired w.e.f. 01st August, 2021

K. Rama Mohana Rao
Retired w.e.f. 01st August, 2021

Statutory Auditors

Tukaram & Co LLP
Chartered Accountants
Address: #3-6-69, Flat No. 209 & 409
Venkatarama Towers
Opp: Talwalkars, Basheerbagh
Hyderabad – 500029
Telangana State, India.

Bankers

State Bank of India
HDFC Bank Ltd.

Registrar & Transfer Agent (RTA)

KFin Technologies Limited
(Unit: Avanti Feeds Limited)
Address: Selenium Building, Tower B
Plot No. 31-32, Financial District
Nanakramguda, Serilingampally
Hyderabad – 500032
Telangana State, India.
Tel: 1800 309 4001
e-mail address: einward.ris@kfintech.com

Registered Office

Address: Flat No.103, Ground Floor
"R" Square, Pandurangapuram
Visakhapatnam - 530003
Andhra Pradesh, India.

Corporate Office

Address: G-2, Concorde Apartments, 6-3-658
Somajiguda, Hyderabad - 500082.
Telangana State, India.

Website: www.avantifeeds.com
CIN:L16001AP1993PLC095778

Tel: 040-233 102 60/61
e-mail address: investors@avantifeeds.com



BOARD'S REPORT

Dear Members,

Your Directors have pleasure in presenting the 29th Annual Report together with the Audited Financial Statements of your Company and its subsidiary for the year ended 31st March, 2022.

1. Financial Summary

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

(₹ in Lakhs)

Particulars	Financial Year ended			
	Standalone		Consolidated	
	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021
Total Revenue	4,04,754.95	3,24,250.80	5,03,595.71	4,10,056.19
Profit / (Loss) Before Interest, Depreciation & Tax (PBITDA)	28,652.72	42,601.03	36,669.59	55,227.60
Finance Charges	114.97	49.13	200.95	168.40
Depreciation	2,110.01	2,132.60	4,079.32	4,092.69
Provision for Income Tax (including for earlier years)	6,502.24	9,882.21	7,866.62	11,229.40
Net Profit / (Loss) After Tax	19,925.50	30,537.09	24,522.70	39,737.11
Profit / (Loss) brought forward from previous year	1,28,898.07	1,01,028.45	1,53,693.88	1,21,440.48
Profit / (Loss) carried to Balance Sheet	1,37,679.51	1,28,898.07	1,66,163.93	1,53,693.88

2. Summary of Operations & State of Company's Affairs

Despite a few worries at the beginning of FY 2021-22, when the COVID 'Second Wave' again slowed down the industry, your company stood the year well and managed to put in a Satisfactory performance. Despite all the odds faced during the year our financial performance is marginally lower than that of Pervious Year.

The profit for the year under consideration i.e. FY 2021-22, before depreciation, finance charges and tax is ₹28,652.72 Lakhs as compared to a profit of ₹42,601.03 Lakhs in the previous financial year i.e., FY 2020-21. The profit for the year after tax is ₹19,925.50 Lakhs as against a profit of ₹30,537.09 Lakhs during the previous financial year.

Your Company reported 5,40,889 MTs sales of Shrimp Feed during FY 2021-22 as compared to 4,73,449 MTs Shrimp Feed sales in the immediately preceding FY 2020-21, an increase of 14% in volume.

The Four Windmills of your Company located in Karnataka State with a total capacity of 3.2 MWs have generated 48.09 Lakh units as against 44.73 Lakh units in the previous year. The power generated during the year was sold to Karnataka Power Transmission Corporation Limited (KPTCL) under the Power Purchase Agreement (PPA).

There have been no material changes and commitments, which affect the financial position of the

Company which have occurred between the end of the financial year to which the financial statements relate and the dates of this report.

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.

Expansion of new Feed Plant:

During the year, the Company started the expansion by setting up a new plant for manufacture of Shrimp Feed at Bandapuram, Andhra Pradesh with an installed capacity of 1,75,000 MT per annum, at an estimated CAPEX of ₹125 Crores. The expansion is expected to be completed and commissioned by June '22.

3. Impact of COVID-19 on the Business

The Company has taken into account the possible impact of COVID-19 in preparation of the audited financial statements including its assessment of recoverable value of its assets based on internal and external information for the year ended 31st March, 2022. Based on the assessment done by the management of the Company, there is not much impact of COVID-19 on the results for the year ended 31st March, 2022. The Company will be closely monitoring any material changes to future economic conditions.

4. Survey & Search by Income Tax Department

In November'19, The Income Tax Department., Hyderabad conducted Search / Survey, on the premises of the Company and its subsidiary (i.e., Avanti Frozen Foods Private Limited). Consequent to search & seizure, during the year, the Income Tax Department has completed the assessments for the entire block period consisting from the Assessment- year 2014-15 to 2019-2020 by accepting the Income as per the returns filed u/s 153A of the Income Tax Act,1961.

5. Share Capital

During the year under review, there is no change in the share capital of the Company. As on 31st March, 2022 the authorized capital of the Company is ₹1,585 Lakhs divided into 15,85,00,000 equity shares of ₹1/- each and the paid-up capital is ₹1,362.46 Lakhs divided into 13,62,45,630 equity shares of ₹1/- each.

6. Reserves

During the year under review, an amount of ₹2,500 Lakhs were transferred to Reserves out of the current year profits.

7. Dividend

Your Directors recommend a dividend of ₹6.25 (Rupees Six & Twenty Five paise only) per equity share of ₹1/- each fully paid for the FY 2021-22. The dividend, if declared by the members at the ensuing 29th Annual General Meeting will be paid within the timeline as prescribed under the Companies Act, 2013 ("the Act") subject to deduction of tax at source as applicable.

The dividend, if approved, would result in a cash outflow of approximately ₹8,515.35 Lakhs resulting in a dividend payout of 42.74% of the standalone profits of the Company.

Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") the Company has formulated a Policy on Dividend Distribution which is disseminated on the Company's website at www.avantifeeds.com.

8. Alteration of Articles of Association

During the year under review, your Company has altered its Articles of Association two times as follows:

1. The Company has amended its Article 72 and Article 116 of the Articles of Association of the Company vide Special Resolution passed at the 28th Annual General Meeting held on 14th August, 2021.



2. Adopted New set of Articles of Association as per the Provisions of the Companies Act, 2013 vide Special Resolution passed at the Extraordinary General Meeting held on 23rd March, 2022.

9. Composition of the Board as on 31st March, 2022 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 & Compliance Officer
3	Sri N. Ram Prasad	Director
4	Sri A. Venkata Sanjeev	Executive Director
5	Sri J. V Ramudu	Chairman of the Board & Independent Director
6	Mr. Bunluesak Sorajjakit	Director
7	Mr. Wai Yat Paco Lee	Director
8	Smt. K. Kiranmayee	Independent Woman Director
9	Sri N. V. D. S Raju	Independent Director
10	Sri V. Narsi Reddy	Independent Director
11	Sri R. Karikal Valaven, IAS	Nominee Director (Nominee of Andhra Pradesh Industrial Development Corporation Limited – represented as an equity investor)

Note: Sri B. V Kumar, Sri M. S. P Rao and Sri K. Rama Mohana Rao, Independent Directors of the Company retired on 1st August, 2021 on completion of their 2nd term as Independent Directors of the Company.

9.1 Number of Meetings of the Board

During the year under review, the Board met Six (6) times. The details are as under:

SL. No.	Date of Board Meeting	No of Directors Attended
1	28 th May, 2021	13
2	22 nd June, 2021	13
3	12 th August, 2021	10
4	25 th September, 2021	11
5	12 th November, 2021	10
6	12 th February, 2022	10

10. Committees of the Board

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

11. Familiarization Programme for Independent Directors

All Independent Directors are familiarised with the operations and functioning of the Company on an ongoing basis. The details of the training and familiarisation programme are provided in the Corporate Governance Report and is available on the website of the Company at www.avantifeeds.com.

12. Statement of Declaration given by Independent Directors

As required under Section 149 of the Act, the Independent Directors have submitted the declaration affirming that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulation 25 of Listing Regulations. In the opinion of the Board, the Independent Directors of the Company possess necessary expertise, integrity and experience.

The Independent Directors of the Company have confirmed that they have registered themselves with the Indian Institute of Corporate Affairs (IICA) and have included their names in the databank of Independent Directors.

13. Separate Meeting of Independent Director

A separate meeting of Independent Directors was held on 9th April, 2022 to review the performance of the Non-Independent Directors and the Board as a whole, to review the performance of Chairperson of the Company and assess the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties. All the Independent Directors were present at the meeting.

14. Changes in Directors and Key Managerial Personnel

During the year under review, Sri B. V Kumar, Sri M. S. P Rao and Sri K. Rama Mohana Rao, Independent Directors of the Company retired on 1st August, 2021 on completion of their 2nd term as Independent Directors of the Company.

Re-appointment of Sri A. Indra Kumar as Chairman & Managing Director.

During the year, the Nomination & Remuneration Committee and the Board recommended and approved the re-appointment of Sri A. Indra Kumar as Chairman & Managing Director of the Company for a further period of five (5) years w.e.f. 1st July, 2021 and remuneration payable to him and the members of the Company re-appointed Sri A. Indra Kumar as Chairman & Managing Director by passing a special resolution in the 28th Annual General Meeting held on 14th August, 2021.

Appointment of Independent Director.

Sri V. Narsi Reddy, was appointed as an Independent Director of the company for a period of 5 years w.e.f. 12th November, 2020 in the 28th Annual General Meeting held on 14th August, 2021.

Re-appointment of Sri C. Ramachandra Rao as Joint Managing Director, CS & CFO:

During the year, in the Extraordinary General Meeting held on 23rd March, 2022, the Shareholders approved the re-appointment Sri C. Ramachandra Rao as Joint Managing Director, CS & CFO of the Company along the remuneration for a further period of 5 years w.e.f. 1st April, 2022.

Retirement of Directors

In terms of Article 80 and 87 of the Articles of Association of the Company, Sri N. Ram Prasad and Mr. Bunluesak Sorajjakit, Directors retire by rotation at the ensuing Annual General Meeting ("AGM") and being eligible offer themselves for re-appointment. Nomination & Remuneration Committee and the Board recommended their re-appointment for approval of the members at the ensuing AGM.

Key Managerial Personnel ("KMP") of the Company:

Sri A. Indra Kumar, Chairman and Managing Director, Sri C. Ramachandra Rao, Joint Managing Director, Company Secretary and Chief Financial Officer, and Sri A. Venkata Sanjeev, Executive Director are the KMPs of the Company. During the year, there was no change in the KMPs of the Company.

Apart from aforesaid changes, there are no changes in Directors and Key Managerial Personnel of the Company. Details of Directors, Key Managerial Personnel and composition of various Committees of the Board are provided in the Corporate Governance Report forming part of this report.

15. Policy on Directors Appointment and Remuneration

The Company's policy on Directors' Appointment and Remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the Corporate Governance Report forming part of this Report and is also available on www.avantifeeds.com.



16. Transfer of Unpaid / Unclaimed Dividend to IEPF

Pursuant to the provisions of Section 124(5) of the Act, as amended, read with Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2014 dividend which remain unpaid or unclaimed for a period of 7 consecutive years will be transferred to the Investor Education and Protection Fund of the Central Government.

Shareholders who have not encashed their dividend warrant(s) within 7 years from the date of the declaration of dividend, are requested to make their claim(s) immediately to the Registrar & Transfer Agents i.e., KFin Technologies Limited (Formerly KFin Technologies Private Limited), Hyderabad or to the Company at its Corporate Office. The unclaimed dividend for the financial year 2014-15 will be transferred to IEPF within the time limits as prescribed under the provisions of the Act.

The following table provides the details of years for which unclaimed dividend(s) and their corresponding shares would become eligible to be transferred to the IEPF on the dates mentioned below:

SL. No.	Year	Date of declaration	Dividend per share (₹)	Face Value of equity share (₹)	Due date for transfer	Amount of Unpaid Dividend as on 31.03.2022 (in ₹)
1	2014-15	08.08.2015	27.50	10.00	11.09.2022	21,76,412
2	2015-16	13.08.2016	7.00	2.00	17.09.2023	27,15,909
3	2016-17	12.08.2017	9.00	2.00	15.09.2024	33,25,761
4	2017-18	07.08.2018	6.00	1.00	10.09.2025	52,54,032
5	2018-19	09.08.2019	4.00	1.00	12.09.2026	23,82,812
6	2019-20*	24.02.2020	*5.00	1.00	30.03.2027	31,93,090
7	2019-20	29.08.2020	0.10	1.00	02.10.2028	1,27,052
8	2020-21	14.08.2021	6.25	1.00	17.09.2028	18,26,040

*Interim Dividend.

Sri C. Ramachandra Rao, Joint Managing Director, Company Secretary & CFO is the Nodal Officer for the purpose of IEPF Rules.

17. Transfer of Shares to IEPF

As per Section 124(6) of the Act, all shares in respect of which dividend has not been paid or claimed for seven (7) consecutive years or more shall be transferred by the Company to Investor Education and Protection Fund of the Central Government. During the year under review, 31,500 equity shares of ₹1/- each were transferred to IEPF which pertains to unclaimed dividend for FY 2013-14.

18. Annual Return

Pursuant to the provisions of Section 92(3) and Section 134(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Annual Return of the Company as on 31st March, 2022 is available on the Company's website and can be accessed at www.avantifeeds.com.

19. Loans, Guarantees or Investments

Pursuant to provisions of Section 186 of the Act, read with Companies (Meetings of Board and its Powers) Rules, 2014, the particulars of loans given, guarantees provided and investments made by the Company during the year FY 2021-22 are disclosed in the notes to Financial Statements which forms part of this report.

The Loans given, Guarantees provided and Investments made as on 31st March, 2022 are as under:

a)	Loans	₹Nil
b)	Guarantees	₹Nil
c)	Investments	₹92,904.08 Lakhs
Total		₹92,904.08 Lakhs

20. Particulars of Contracts or arrangements with Related Parties

All contracts / arrangements / transactions entered by the Company during the FY with related parties were in its ordinary course of business and are on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions or which is required to be reported in **Form No. AOC-2** in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

However, the details of all the related party transactions are disclosed in the notes to the Financial Statements.

The Company formulated a Policy on dealing with Related Party Transactions. The policy is placed at the Company's website: www.avantifeeds.com.

21. Board Evaluation

Pursuant to the provisions of the Act, and Listing Regulations, the Board has carried out evaluation of the Board as a whole, its committees and the directors individually. The manner in which the evaluation was carried out is reported in the Report on Corporate Governance which forms part of this Report.

22. Corporate Social Responsibility

As per the Section 135(5) of the Act, the Company shall ensure that an amount of 2% of the average Net Profits of the Company made during the three immediately preceding financial years shall be spent towards Corporate Social Responsibility activities. For the FY 2021-22, the amount to be spent towards CSR activities works out to ₹683.31 Lakhs. The Company has spent ₹683.31 Lakhs towards the CSR activities in the FY 2021-22.

The Annual Report on CSR activities in terms of the requirements of Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed at **Annexure-1**, which forms part of this Report.

23. Corporate Governance

Report on the Corporate Governance together with a Certificate from Independent auditors on compliance with conditions of Corporate Governance as stipulated under Listing Regulations forms part of this report.

24. Risk Management Policy

In terms of the requirement of Section 134(3)(n) of the Act, the Company has developed and implemented the Risk Management Policy. The Company has constituted Risk Management Committee which frames, implements and monitors Risk Management Plan and lays down procedures to inform the Board on the risk assessment and risk minimization procedures much before it was introduced as a Statutory Compliance.

The Risk Management Committee is in compliance with the provisions of Regulation 21 of Listing Regulations. The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Regulation 21 of Listing Regulations.

The Risk Management Committee has additional oversight in the area of risk management. Major risks identified by the business and functions are systematically addressed through mitigating actions on a continuing basis.



The Board oversees Company's processes for determining risk tolerance and review management's action and comparison of overall risk tolerance to established levels. The framework is designed to enable risks to be identified, assessed and mitigated appropriately. Major risks identified by the businesses and functions are systematically addressed through appropriate actions on a continuous basis.

25. Whistle Blower Policy

The Company has established a Whistle Blower Policy for Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy and Code of Conduct to regulate, monitor and report trading by Insiders. The practice of Whistle Blower Policy is overseen by the Audit Committee and no employee has been denied access to the Committee. The Whistle Blower Policy is available at the Company's website at www.avantifeeds.com.

26. Maintenance of Cost Records

The Company has maintained the Cost records as required to be maintained under Section 148(1) of the Act.

27. Subsidiaries and Associate Companies

Report on the Performance of Subsidiaries and Associates

The report on the business of the Subsidiaries and Associate companies as on 31st March, 2022 are as follows:

27.1 Subsidiaries:

1. Avanti Frozen Foods Private Limited ("AFFPL"):

During the year, AFFPL has reported a turnover of ₹99,004.79 Lakhs and the profit before tax is ₹7,270.43 Lakhs. The Profit after tax reported by AFFPL is ₹5,906.05 Lakhs for the FY 2021-22.

The Financial Statements along with Secretarial Audit Report of the AFFPL are placed on the website of the Company at www.avantifeeds.com.

The Secretarial Audit report of AFFPL as required under regulation 24A of the Listing Regulations, is provided as a separate annexure forming part of this report. Further, the annual report is being sent to the members excluding the aforesaid annexure. The same is available for inspection and any member interested in obtaining a copy of the same may write to the company.

2. Avanti Frozen Foods INC. – Step down subsidiary:

Avanti Frozen Foods INC. (USA), a step down subsidiary of the Company and a wholly owned subsidiary of Avanti Frozen Foods Private Limited was incorporated on 22nd April, 2019 in the State of Delaware in USA. During the year, AFF INC reported turnover of ₹158.91 Lakhs and profit before tax is ₹7.11 Lakhs. The Profit after tax reported by AFF INC is ₹7.11 Lakhs for the FY 2021-22.

27.2 The consolidated financial statements of the Company and its subsidiaries prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with relevant Rules, form part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

27.3 The Annual financial statements of the subsidiary including step down subsidiary and related detailed information will be kept at the Registered Office and Corporate Office of the Company and also at the Registered Offices of the respective subsidiaries and also available on the website of the Company, www.avantifeeds.com.

27.4 The Company has adopted a Policy for determining Material subsidiaries in terms of Regulation 16(1)(c) of Listing Regulations. The Policy approved by the Board is available on the website of the Company at www.avantifeeds.com.

27.5 Joint Ventures:

During the year under review there were no Joint Ventures.

27.6 Associate Companies:

1. Srivathsa Power Projects Private Limited ("SPPPL"):

SPPPL is a 17.02 MW gas based independent power project situated in Andhra Pradesh in which company holds 49.99% of equity shares.

During the FY 2021-22, the gas supplied by GAIL was only 24,900 SCMD as against the nominated quota of 25,592 SCMD stated to be due to non-availability of APM-Gas. As a result, the power generation was limited to 216.10 Lakhs units as against generation capacity of 1,100.00 Lakhs units. During the year 2021-22 Plant operated for 8 months, the Company reported a turnover of ₹1,181.28 Lakhs and a loss of ₹2,186.26 Lakhs after charging interest and depreciation, as per audited financials.

SPPPL has entered its Power Purchase Agreement (PPA) with AP Transco on 1st January, 2021. w.e.f. 5th January, 2021 SPPPL is supplying power to AFL (the Company) under open access permission given by AP Transco. The cost of power supplied by SPPPL to AFL is at arm's length.

2. Patikari Power Private Limited ("PPPL"):

The Company holds 25.88% equity shares in PPPL which has a 16 MW Hydel Power Project in Himachal Pradesh. During the FY 2021-22 as per audited financials the Company generated ₹581.40 Lakhs saleable energy units, yielding a gross sales income of ₹1,307.59 Lakhs which resulted in a net profit of ₹957.41 Lakhs after charging interest, depreciation and tax. The Company has declared dividend of ₹1.25 per equity shares for the FY 2021-22, subject to approval of the shareholders.

27.7 Names of companies which have become or ceased to be, its Subsidiaries, joint ventures or Associate companies:

There were no companies which have become or ceased to be Joint Ventures or associate companies.

27.8 Statement containing salient features of financial statements of subsidiaries and associates.

Pursuant to Section 129(3) of the Act, the statement containing the salient features of the financial statements of Company's subsidiary and associate companies is enclosed at **Annexure-2** of Board's Report.

28. Management Discussion & Analysis

A Report on Management Discussion & Analysis (MDA) forms part of the Annual Report as per the requirements of Regulation 34 of Listing Regulations is enclosed at **Annexure-3**.

29. Business Responsibility Report

The Business Responsibility Report (BRR) of your Company for the FY 2021-22 forms part of this Annual Report is enclosed at **Annexure-4**.

30. Listing at Stock Exchanges

The equity shares of your Company continue to be listed and traded on the BSE Limited and National Stock Exchange of India Limited. The Annual Listing fee for the FY 2022-23 has been paid to both the Stock Exchanges.

31. Internal Controls Systems and Adequacy

The Company has in place an adequate system of internal controls. The details of the internal controls System are given in the Management Discussion and Analysis Report which forms part of the Board's Report.

The internal financial controls with reference to the Financial Statements for the Financial Year ended 31st March, 2022 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, internal audit etc.



32. Internal audit

In terms of Section 138 of the Act, and the relevant Rules, during the financial year, the Company re-appointed M/s. Manohar Chowdhry & Associates, Chartered Accountants as Independent Internal Auditors of the Company for a further period of three years. The Internal Auditor directly reports to the Audit Committee.

33. Independent Auditors, their Report and Notes to Financial Statements

The Members of the Company at the 24th AGM held on 12th August, 2017 appointed M/s. Tukaram & Co. LLP, Chartered Accountants (Firm Registration No. 004436S/S200135), Hyderabad, as the Independent Auditors of the Company for a first term of five years to hold office from the conclusion of 24th AGM till the conclusion of the 29th AGM.

The Audit Committee and Board considered, recommend and approved the re-appointment of M/s. Tukaram & Co. LLP, Chartered Accountants (Firm Registration No. 004436S/S200135) as the Independent Auditor of the company for a further term of five (5) years from the conclusion of 29th AGM till the conclusion of 34th AGM to be held in the year 2027, subject to the approval of the Shareholders in the ensuing 29th AGM.

The report of the Independent Auditors along with notes and Schedules are annexed to this Report.

There were no qualifications, reservations or adverse remarks or disclaimers made by Independent Auditors i.e. Tukaram & Co., LLP, Chartered Accountants, Hyderabad, in their report.

34. Compliance with Secretarial Standards

The Company complies with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

35. Secretarial audit

In terms of Section 204 of the Act, and the Rules made thereunder, M/s. V. Bhaskara Rao & Co., Hyderabad, Practicing Company Secretaries have been appointed as the Secretarial Auditors of the Company for the FY 2021-22. The report of the Secretarial Auditor is annexed to this Report. There were no qualifications, reservations or adverse remarks or disclaimers made by the Secretarial Auditors.

36. Annual Secretarial Compliance Report

The Annual Secretarial Compliance Report for the FY ended 31st March, 2022, on compliance of all applicable SEBI Regulations and circulars / guidelines, issued by M/s. V. Bhaskara Rao & Co., Company Secretaries, was submitted to BSE Limited and National Stock Exchange of India Limited.

37. Director's Responsibility Statement

Pursuant to the requirement Section 134(3)(c) of the Act, 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 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.

38. 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	Arranged L.D.R (Light Dependent Resistor) Control system to Plant and Street lighting to switch ON / OFF Lighting in auto mode depend on "sun" Light intensity. Dumping Blower shoot altered and connected with Hammer Mill Blower (I10) and succeed process operation. Permanently Switched off Dumping Blower
(ii)	The steps taken by the Company for utilizing alternate sources of energy	We have installed VFD to all bucket elevators to save the energy during the year. Company Installed 40KW Roof Top Solar Panels on factory godowns.
(iii)	The capital investment on energy conservation Equipment's	Solar Power Plant ₹16.5 Lakhs VFD's ₹7.00 Lakhs

b) Technology absorption: Not applicable.

c) Foreign Exchange Earnings and Outgo:

During the year under review, the details of Foreign Exchange Earnings and outgo are as under:

Inflow - ₹345.63 Lakhs

Outflow - ₹22,251.78 Lakhs

39. Public Deposits

The Company has not accepted any Public Deposits from public and as such no principal or interest on deposits from public outstanding as on date of the Balance Sheet.

40. Significant and Material Orders Passed by the Regulators

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

41. 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.

42. Particulars of Employees

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in **Annexure-5** of this report.

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules forms part of this Report. Having regard to the provisions of the second proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such information may write to the Company at investors@avantifeeds.com.

43. Policy 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.

During the FY ended 31st March, 2022, the Company has not received any complaints pertaining to Sexual harassment of Women at the Workplace. The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

44. General

Your Directors state that no disclosure or reporting is required in respect of the following matters as there were no transactions on these matters during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except Employees' Stock Options Schemes referred to in this Report.
- the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.
- No instances of frauds reported by Auditors under Section 143(12) of the Act.
- There are no proceeding pending under the Insolvency and Bankruptcy Code, 2016.
- There was no instance of one time settlement with any Bank or Financial Institution.

Acknowledgements

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

Place : Hyderabad
Date : 12th May, 2022

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

Annexure - 1

THE ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31ST DAY OF MARCH, 2022

[Pursuant to Section 135 of the Companies Act, 2013 & Rule 8 of Companies
(Corporate Social Responsibility Policy) Rules, 2014 made thereunder]

1	Brief outline on CSR Policy of the Company.	The Company has its CSR Policy within broad scope laid down in Schedule VII to the Act, as projects / programmes / activities, excluding activities in its normal course of business.			
Composition of CSR Committee: As on 31 st March, 2022					
	SL. No.	Name of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
2	1	Sri A. Indra Kumar	Chairman / Chairman and Managing Director	4	4
	2	Sri N. Ram Prasad	Member / Non-Executive Director	4	4
	3	Smt K. Kiranmayee	Member / Independent Director	4	4
	4	Sri C. Ramachandra Rao	Member / Joint Managing Director, Company Secretary & CFO	4	4
	5	Sri B. V Kumar*	Member / Independent Director	4	1
3	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.	http://www.avantifeeds.com			
4	Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).	Not Applicable			
5	Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.				
	SL. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)	
	1	2018-19	Not Applicable	Not Applicable	
	2	2019-20	Not Applicable	Not Applicable	
	3	2020-21	Not Applicable	Not Applicable	
	Total	Not Applicable	Not Applicable		
6	Average net profit of the company as per Section 135(5).	₹ 341,64,83,369/-			
7	A	Two percent of average net profit of the company as per Section 135(5).	₹ 6,83,29,667/-		
	B	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil		
	C	Amount required to be set off for the financial year, if any	Nil		
	D	Total CSR obligation for the financial year (7A+7B-7C).	₹6,83,29,667/-		

* Retired w.e.f 1st August, 2021



(1) SL. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local Area (Yes/No)	(5) Location of the project		(6) Amount spent for the Project	(7) Mode of Implementation Direct (Yes/No)	(8) Mode of implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
4	Donation for Pond Excavation under Sujalam Sufalam Jal Abhayan	Rural development projects	No	Gujarat	Valsad	1,22,120	Yes	NA	NA
5	Donation for Road repairing work, Gudiwada	Rural development projects	Yes	Andhra Pradesh	Krishna	31,179	Yes	NA	NA
6	VIRRD Hospital, Dwaraka Tirumala	Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care" and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Andhra Pradesh	West Godavari	1,65,05,975	No	Avanti Foundation	CSR000033339
7	AU-Avanti Aquaculture Skill Development Center (Marine Living Resources)	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	No	Andhra Pradesh	Visakhapatnam	1,86,00,728	No	Avanti Foundation	CSR000033339
8	AU-Avanti Aquaculture Skill Development Center (Marine Living Resources)-Recurring	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	No	Andhra Pradesh	Visakhapatnam	6,84,895	No	Avanti Foundation	CSR000033339
9	Social Service Center, Kovvur	Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care" and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Andhra Pradesh	West Godavari	35,21,500	No	Avanti Foundation	CSR000033339



(1) SL. No.	(2) Name of the Project	(3) Item from the list of activities in Schedule VII to the Act	(4) Local Area (Yes/No)	(5) Location of the project		(6) Amount spent for the Project	(7) Mode of Implementation Direct (Yes/No)	(8) Mode of implementation – Through Implementing Agency	
				State	District			Name	CSR Registration Number
10	Donated of Tractor to Grampanchayat (GP), Vemuluru	Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care" and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Andhra Pradesh	West Godavari	7,76,385	No	Avanti Foundation	CSR000003339
11	Donated medical equipment to Govt. Hospital, Kovvur	Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care" and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Andhra Pradesh	West Godavari	15,91,079	No	Avanti Foundation	CSR000003339
12	Set up a diagnostic Center and doctor consultation services in Kovvur	Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care" and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	Yes	Andhra Pradesh	West Godavari	1,48,381	No	Avanti Foundation	CSR000003339
13	Donation for Prevention & Safety of COVID- 19	Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care" and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	No	All over India including local area		85,75,036	No	Avanti Foundation	CSR000003339
14	Setting up a Hospital in Kovvuru	Eradicating hunger, poverty and malnutrition, "promoting health care including preventive health care" and sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water.	No	Andhra Pradesh	West Godavari	1,35,141	No	Avanti Foundation	CSR000003339
Total						6,83,29,667			

d)	Amount spent in Administrative Overheads	Nil
e)	Amount spent on Impact Assessment, if applicable	Not Applicable
f)	Total amount spent for the Financial Year (8b+8c+8d+8e)	₹6,83,29,667/-
g)	Excess amount for set off, if any	

SL. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per Section 135(5)	₹6,83,29,667/-
(ii)	Total amount spent for the Financial Year	₹6,83,29,667/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL

a) Details of Unspent CSR amount for the preceding three financial years:

SL. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding Financial Years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of Transfer	
1	2018-19	Nil	Nil	NA	Nil	NA	Nil
2	2019-20	NA	Nil	NA	Nil	NA	Nil
3	2020-21	Nil	Nil	NA	Nil	NA	Nil
	Total	Nil	Nil	NA	Nil	NA	Nil

Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total Amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project Completed / Ongoing
1	NA	NA	NA	NA	NA	NA	NA	NA
	NA	NA	NA	NA	NA	NA	NA	NA

10	In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).		
	(a)	Date of creation or acquisition of the capital asset(s).	Not Applicable
	(b)	Amount of CSR spent for creation or acquisition of capital asset.	Not Applicable
	(c)	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
	(d)	Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Not Applicable
11	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5).		Not Applicable

For and on behalf of the Board
AVANTI FEEDS LIMITED

A. Indra Kumar
DIN: 00190168

Chairman & Managing Director
Chairman of the CSR Committee

Place : Hyderabad
Date : 12th May, 2022



Annexure - 2

Form No. AOC-1

[Pursuant to first provision to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014]

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

Part "A": Subsidiary

(₹in Lakhs)

Name of the subsidiary	Avanti Frozen Foods Private Limited	Avanti Frozen Foods INC (Step down subsidiary)
1. Reporting period for the subsidiary concerned, if different from the holding Company's reporting period.	-Not applicable-	-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-	-Not applicable-
3. Share capital	₹1,001.67	₹0.07
4. Reserves & Surplus	₹61,443.58	₹(142.88)
5. Total Assets	₹68,637.86	₹539.72
6. Total Liabilities	₹6,192.61	₹682.53
7. Investments	₹9,223.20	Nil
8. Turnover	₹99,004.79	₹158.91
9. Profit before Taxation	₹7,270.43	₹7.11
10. Provision for Taxation	₹1,364.38	Nil
11. Profit after Taxation	₹5,906.05	₹7.11
12. Proposed Dividend	50%	Nil
13. % of shareholding	60%	60%

Part "B": Associates

(₹in Lakhs)

Name of Associates	Srivathsa Power Projects Private Limited	Patikari Power Private Limited
1. Latest audited Balance Sheet Date	31.03.2022	31.03.2022
2. Shares of Associate held by the Company on the year end	1,66,93,630	1,06,45,200
Amount of Investment in Associates	₹1,669.36	₹1,064.52
Extent of Holding %	49.99%	25.89%
Description of how there is significant influence	Two directors nominated	Two directors nominated
3. Reason why the associate is not consolidated	Not Applicable	Not Applicable
4. Net worth attributable to Shareholding as per latest audited Balance Sheet	₹851.41	₹1344.22
5. Profit / (Loss) for the year		
i. Considered in Consolidation	₹(1,090.67)	₹142.22
ii. Not Considered in Consolidation	NIL	NIL

For and on behalf of the Board
AVANTI FEEDS LIMITED

Place : Hyderabad
Date : 12th May, 2022

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

Annexure - 3

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

Global Economy

The Global economy has just started showing signs of recovery from the challenges and effects of Covid-19 during 2020 & 2021 that the world has been hit by the worst humanitarian crisis of the recent past and change in regime in Afghanistan closely followed by the unprecedented war in Ukraine, causing serious set back in global economic growth. Added to this increased inflation due to slower economic growth will result in increased fuel and food prices globally.

Global growth is projected to slow from an estimated 6.1 percent in 2021 to 3.6 percent in 2022 and 2023 and a forecast to decline to about 3.3 percent over the medium term. IMF with the help of developed countries is making multilateral efforts to respond to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change, and end the pandemic and war.

At this juncture, during first half of 2022, inflation all over the World started showing up throwing monetary prices out of gear. As a cascading effect of high inflation, the growth of economy is hindered resulting in threat of resources in coming years.

Global Aquaculture Demand and Production

Shrimp is considered a healthy alternative to red meat in providing nutrition. The global Shrimp market for shrimp has been witnessing a positive growth year after year. Several ready to cook and ready to eat products are available for consumption. These products are gaining popularity in several countries such as the United States, Europe and Japan which is contributing for expanding the consumer base.

While traditional market for high Shrimp consumption such as US, Europe & Japan keep growing year after year, the relating lower consumption markets such as China, India, etc., have increased their consumption significantly.

The global shrimp market reached a value of US\$ 62.8 billion in 2021. Looking forward, the market is projected to reach US\$ 84.2 billion by 2027, exhibiting a CAGR of 4.8% during 2022-2027.

The Shrimp consumption demand is expected to grow by 4-5%. US is a major market for consumption of Shrimp and now China along with other Asian Countries is also growing up.

The Indian Scenario

India is one of the major producers, processors and exporter of Shrimp in the world. As India has a long coast line and climatic conditions are ideally suited for Shrimp Culture. India has a large land favoring farming community in undertaking Shrimp Culture.

The main Shrimp production in India is Vanamei, accounting for 90% of total production. The recovery from the impact of COVID-19 which affected global economy during the past two years has significantly improved which



is perceivable in the growth of the global economy. The Shrimp production in 2021 has registered significant improvement over 2020 and expected to improve further in 2022.

It is estimated that India would be able to produce 8.5 Lakhs MT of Shrimps with an estimated consumption of about 13 to 14 Lakhs MT of Shrimp Feed.

The Shrimp culture in India commenced with a sound note in the year 2022 in early February under favorable climatic conditions, availability of seed in time, stable farm gate prices and export prices. The production during the main season in 2022 is expected to be significantly higher than corresponding season in 2021.

Shrimp Feed Consumption

The Shrimp Feed consumption in India increased to 12 Lakhs MTs in FY 22 as compared to 10.50 Lakhs MTs in FY 21. It is expected that the consumption would further increase to 14 Lakhs MTs in FY 23, an increase of 17%.

The Company's feed sales during the FY 22 was about 5.41 Lakh MTs as compared to 4.73 Lakhs MTs in FY 21. It is estimated that feed sales during FY 23 would be around 5.80 Lakhs MTs, an increase of 7%. The Company is expected to maintain its market share at 48% - 50%.

Increasing Cost of Raw Materials

One of the significant feature of Feed business is that the Raw Material prices such as fish meal, Soyabean Meal, Wheat flour, Vitamins & Minerals premix, packing materials etc; have been increasing significantly year after year with limitation in increasing the finished product i.e Shrimp Feed price. The Feed price, almost determines the cost of production and Shrimp and profitability to the Shrimp culture depends on Farmgate price of Shrimp, which again depends on global Shrimp export prices.

The Shrimp purchase price Farmgate Price by the processor depends on global Shrimp price which is volatile.

The sustenance of the farmer depends on balancing between Feed price and farmgate price. In order to ensure sustainable growth of the Shrimp Culture in the Country, feed producers can pass on the Cost in case of feed only to a limited extent, absorbing the balance.

Shrimp Processing & Export

The Shrimp production and export from India increased to 7.50 Lakhs MTs in FY 22 as compared to 6.50 Lakhs MTs in FY 21. It is estimated that the shrimp production would further increase to 8.50 Lakhs MTs in FY 23, an increase of 13%.

The Company's Shrimp exports during the FY 22 was about 12,836 MTs as compared to 11,518 MTs in FY 21. It is estimated for the FY 23 shrimp exports by the Company would be around 14,500 MTs, an increase of 13%.

Strengths, Weaknesses, Opportunities and Threats

Strengths

It may not be out of place to mention that with 29 years of proven track record, Avanti is an acknowledged pioneer in the Indian shrimp industry. It has gained technical expertise in developing need-based feed formulation to suit various climatic and other conditions of Shrimp culture, with assured yield to farmers. Avanti's collaboration with Thai Union Group, a multinational Company engaged in Global Sea Food Industry has further strengthen Avanti's capabilities often bring into India, global technological developments in Shrimp culture, Feed manufacture, Shrimp processing etc.

With its strong, PAN-India Feed dealership network with channel partners coupled with processing units and Hatchery. Avanti caters comprehensively to the farmers' every requirement. To keep pace with the industry's ever-changing needs, Avanti is in continuous R&D collaboration with the Thai Union Group. Avanti also has the capacity to rapidly scale up its production with high-value capital-expenditure (CAPEX) investments.

Avanti has always maintained great rapport with aqua-farmers supporting the farmers with its strong, qualified and experienced technical staff making available their services 24/7 to the farmers.

In FY 2022, it not only retained its customer-base, but also added new farmers and new areas to its countrywide

sales network. This has enabled the company to sustain its strong 48%+ market share in India in Shrimp feed, and keep itself poised to consolidate its position even further. The Shrimp processing and export, subsidiary, is expected to record significant growth in expenses both traditional and Value Added Products. The processing facilities are being expanded with focus on cooked products.

The Company plans to grow strategically by exploring new export markets for both Shrimp Feed and Export of Shrimps.

Weaknesses

Notwithstanding its steady year-on-year growth, the Indian aquaculture industry continues to grapple with challenges like inadequate infrastructure facilities, particularly 1) Unregulated input raw material costs, 2) Power supply to aquaculture farms, 3) Lack of adequate cold chain to store produce, 4) Increasing Ocean Freight and 5) Affordable financial support to aqua-farmers.

Despite several challenges being faced, the aquaculture industry is making continuous and consistent efforts to overcome the weaknesses by suitable actions by the governments and other stakeholders.

The Government of India has introduced "Productivity Limited incentive Scheme" for marine products industry by incentivizing increased sales year after year. Avanti Frozen Foods has been sanctioned this incentive scheme. Further, the Government of India is also extending grant in aid for new processors for technical civil works and plant and machinery upto 35% of the Cost with a cap of ₹10 Crores.

The Company is confident that these weaknesses can be overcome with sustained efforts.

Opportunities

The world over, seafood demand and market have been growing steadily. The fact, backed up by scientific finds that seafood offers better nutrition with excellent protein content and white meat is safer than red meat, is also pushing up its consumption. By adopting a planned development model, India can create excellent opportunities for itself in the seafood industry. The Ministry of Commerce, Government of India and The Marine Products Export Development Authority (MPEDA) has drawn up a plan to achieve marine products export of Rupees One Lakh Crore by 2025.

When the going gets tough, the tough gets going. The Company's performance during the year bears its testimony to this fighting spirit. Faced with many headwinds that faced us during 2021 from increasing raw material cost to ocean freights, a sequential improvement can be seen in the top line of the Company.

On the positive side, product innovations, new distribution channels, e-commerce and home deliveries, and the shortening of supply chains that have coincided with this upheaval are likely to benefit the seafood industry for many years to come.

Threats

Aquaculture is heavily dependent on climatic conditions; floods, cyclones and other natural calamities can wreak havoc on the industry. Shrimp farming has two major seasons in India; the summer crop (March-July) accounts for 60% production, while the winter crop (July-November) accounts for the rest. India's heavy dependence on imported Specific Pathogen-Free (SPF) Vannamei brood-stock will have a long-term impact if embargos on international cargo movements continue. Other areas of concern are 1) volatility of international prices of shrimps, 2) fluctuating foreign exchange rates, 3) Increasing Raw Material Costs, 4) Increasing Ocean Freight and 5) the US Anti-Dumping Duty.

However, exploring the opportunities in 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.

Future Outlook for India's Aquaculture Sector

The outlook for Indian Aqua Culture Sector is promising and expected to recover significantly in FY 2022-23. The fact that the main season of Shrimp culture took off well in Jan/Feb '22 and progressed steadily registering considerable growth in Shrimp production during first half of 2022 over corresponding period of 2021 indicates



the positive growth of Shrimp culture sector in FY 22-23. USA continues to be the major importer of processed shrimps from India constituting as much as 70% -75% in value terms of Indian Shrimp exports. The demand for Shrimps consumption is growing in USA and other markets year after year.

India still has a long coast line ideally suited for Shrimp culture which provides potential opportunities for increasing Shrimp culture in future. The Government of India and the State Governments have also recognized Shrimp culture sector for focusing on development. The Aquaculture sector therefore is poised for a sustainable growth in future. India was the highest supplier of Shrimps to USA during Jan-Dec 2021.

Power

The Company has investment in the following power projects:

(a) The 3.2 MW Wind Mill Project in Chitradurg, Karnataka State installed in the year 2005 is operational and has generated 44.73 Lakhs units during the year.

(b) **Srivathsa Power Projects Private Limited**

Srivathsa Power Projects Private Limited, is a 17.2 MW gas based independent power project situated in Andhra Pradesh in which company holds 49.99% of equity shares.

During the FY 2021-22, the gas supplied by GAIL was only 24900 SCMD as against the nominated quota of 65,000 SCMD stated to be due to non-availability of APM-Gas. As a result, the power generation was limited to 216.10 lakhs units as against generation capacity of 1,100.00 Lakhs units.

During the FY 2021-22 Plant operated for 8 months, the Company reported a turnover of ₹1181.28 Lakhs and a loss of ₹218.26 Lakhs after charging interest and depreciation, as per audited financials

(c) **Patikari Power Private Limited**

The Company holds 25.88% equity shares in Patikari Power Private Limited which has a 16 MW Hydel Power Project in Himachal Pradesh. During the FY 2021-22, as per audited financials the Company generated 581.40 Lakhs saleable energy units, yielding a gross sales income of ₹1,307.59 Lakhs which resulted in a net profit of ₹ 957.41 Lakhs 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.

The Company has engaged an Independent Chartered Accountant firm as Internal Auditor responsible to ensure compliance of all the statutory requirements by the Company. The finance department in co-ordination with Internal Auditor is also responsible for periodical risk appraisal, internal as well as external, of all the functional departments in the organization is being taken up. 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

(i) **Operational Performance**

The financial statements have been prepared in compliance with the requirement of the Companies Act, 2013 and Indian Accounting Standards in India. During the year under review, your company reported profit of ₹26,427.74 Lakhs before tax adjustments as compared to profit of ₹40,419.31 Lakhs in the previous year.

(ii) **Segment-wise Performance**

The segment-wise performance of the Company during the FY 2021-22 is disclosed in the Notes to Accounts at Schedule No. 34.

Key Financial Ratios

Pursuant to Schedule V(B) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	2022	2021
Operating Profit Margin (%)	5.04%	10.48%
Net Profit Margin (%)	4.92%	9.42%
Debtors Turnover – (No of times)	25.44	18.41
Inventory Turnover	7.86	9.48
Current Ratio	5.07	5.69
Return on Net worth (%)	12.78%	22.60%

Notes:

1. Debtors Turnover ratio has been computed for both years on the basis of Gross Sales Value (net of rebates and discounts) instead of Gross Revenue.
2. Net Profit Margin and Return on Net worth ratios have been computed based on Profit After Tax (before exceptional items).
3. Interest Coverage Ratio and Debt Equity ratio are not relevant for the Company as it has negligible debt.

Human Resources / Industrial Relations

The process of Shrimp Feed production involves specialization in procurement of suitable raw materials, feed formulation, production to suit the needs of Shrimp Culture, which needs qualified and trained staff for these operations. The marketing staff has to be well trained in techniques of shrimp culture to assist to the farmers. In this direction, the Company imparts expert training in the respective field and develops Human Resource capabilities. The periodical trainings, incentives, increments and other welfare measures ensure healthy industrial relations. The total number of employees as on 31st March, 2022 is 1,162 employees.

For and on behalf of the Board
AVANTI FEEDS LIMITED

Place : Hyderabad
Date : 12th May, 2022

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director



Annexure - 4

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1. Corporate Identity Number (CIN) of the Company : L16001AP1993PLC095778
2. Name of the Company : Avanti Feeds Limited
3. Registered address : Flat No. 103, Ground Floor, R Square, Pandurangapuram, Visakhapatnam - 530003, Andhra Pradesh, India.

Corporate Office Address : G-2, Concorde Apartments, 6-3-658, Somajiguda, Hyderabad-500082, Telangana State, India
4. Website : www.avantifeeds.com
5. E-mail id : investors@avantifeeds.com
6. Financial Year reported : 2021-22
7. Sector(s) that the Company is engaged in (industrial activity code-wise)
 - a) 23099031 Shrimp Feed
 - b) 85023100 Power from wind mills
8. List three key products/services that the Company manufactures/provides (as in balance sheet)
 - a) Shrimp Feed
 - b) Power from Wind mills
 - c) Hatchery
9. Total number of locations where business activity is undertaken by the Company
 - i. Number of International Locations: NIL
 - ii. Number of National Locations: Five (5) Shrimp Feed manufacturing plants, One (1) Hatchery and one (1) Wind Power Generation having 3.2 MWs capacity and two (2) offices.
10. Markets served by the Company – Local / State / National / International:
National: The Company's Shrimp Feed is marketed in the states of Andhra Pradesh, Tamil Nadu, Gujarat, West Bengal, Odisha, Maharashtra, Karnataka and Goa through its extensive dealer network.
International: Bangladesh and Sri Lanka through dealer.

Section B: Financial Details of the Company

1. Paid up Capital (INR): 1,362.46 Lakhs
2. Total Turnover (INR): 4,04,754.95 Lakhs
3. Total profit after taxes (INR): 19,925.50 Lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%).
The Company has spent ₹683.31 Lakhs towards CSR in the FY 2021-22 and this is 2% of profit after tax.
5. List of activities in which expenditure in 4 above has been incurred:-
 - a. Promoting education by improving infrastructure in schools in rural areas.
 - b. Contribution to trust(s) for providing quality education to disadvantaged girl children from marginalized and economically poor families.

- c. Donation to trust towards medical and health activities.
- d. Promoting Environmental Sustainability.
- e. Promoting sports among youth.
- f. Contribution to Old Age Home to take care of inmates who are old and deserved.
- g. Relief to COVID-19 affected people and frontline workers.

Section C: Other Details

1. *Does the Company have any Subsidiary Company / Companies?*
Yes. Company has one subsidiary and 1 step down subsidiary
 - 1) Avanti Frozen Foods Private Ltd.,
 - 2) Avanti Frozen Foods INC. (step down subsidiary)
2. *Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent company? If then indicate the number of such subsidiary company(s).*
No. Avanti Frozen Foods Private Ltd., takes up CSR activities on its own.
Avanti Frozen Foods INC. - Not applicable
3. *Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? [percentage of such entity/entities? 30%, 30-60%].*

The major entities that the Company does business with consist of significant number of raw materials suppliers for feed business and Shrimp processing and dealers, distributors and farmers in the case of feed business and overseas importers of Shrimps for Shrimp processing business.

The suppliers of raw materials support the Company by strictly adhering to the quality standards of raw materials, committed delivery schedules enabling the Company to honour its commitments to its Customers i.e. dealers and distributors of feed. Similarly, in the case of processing the Company procures its raw Shrimps requirements from Shrimp farmers with stringent quality of Shrimps such as non-presence of Antibiotic traces in Shrimps to cater to the conditions of overseas customers. Thus these channel partners participate in BR initiatives of the Company.

Section D: BR Information

1. Details of Director / Directors responsible for BR
 - a) Details of the Director / Directors responsible for implementation of the BR policy / policies
 - DIN : 00190168
 - Name : Sri A. Indra Kumar
 - Designation : Chairman & Managing Director
 - b) Details of the BR head

SL. No.	Particulars	Details
1	DIN	00026010
2	Name	Sri C. Ramachandra Rao
3	Designation	Joint Managing Director, Company Secretary, CFO & Compliance Officer
4	Telephone number	040-23310260/61
5	e-mail id	avantih@avantifeeds.com / investors@avantifeeds.com



2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

(a) Details of Compliance:

SL. No.	Questions	P	P	P	P	P	P	P	P	
		1	2	3	4	5	6	7	8	9
1	Do you have a policy / policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in Consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify?	The Policy conforms to the National Voluntary Guidelines on Social Environmental and Economic Responsibilities of Business issued by Ministry of Corporate Affairs (MCA).								
4	Has the policy being approved by the Board If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	www.avantifeeds.com								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the company have in-house structure to implement the policy / policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance Redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy / policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent Audit / evaluation of the working of this policy by an internal or external agency?	N	N	N	N	N	N	N	N	N

(b) If answer to SL. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

SL. No.	Questions	P	P	P	P	P	P	P	P	
		1	2	3	4	5	6	7	8	9
1	The company has not understood the Principles	NA	NA	NA	NA	NA	NA	NA	NA	NA
2	The company is not at a stage where it finds itself in a position to formulate and Implement the policies on specified principles	NA	NA	NA	NA	NA	NA	NA	NA	NA
3	The company does not have financial or manpower resources available for the task	NA	NA	NA	NA	NA	NA	NA	NA	NA
4	It is planned to be done within next 6 Months	NA	NA	NA	NA	NA	NA	NA	NA	NA
5	It is planned to be done within the next 1 Year	NA	NA	NA	NA	NA	NA	NA	NA	NA
6	Any other reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

Governance related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:- Yearly once.
- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Business Responsibility Report is published along with Annual Report.

Section E: Principle-wise performance

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

Yes, the Company has a code of conduct applicable for all the executive and field staff of the Company irrespective of their designation or nature of job. The group Companies have also a similar code of conduct for their employees. As regards the joint ventures, the code of conduct of the Company does not extend to them. However, they do have their own code of conduct applicable to their organisations. The channel partners such as suppliers, distributors, contractors etc., are obliged to fall in line with the code of conduct of the Company concern in respect of their dealing with the Company.

There are no complaints received during the year relating to ethics, bribery or corruption from any stakeholders.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? Are of, in about 50 words or so.

The Company has in place SOP for dealing with the complaints from the stakeholders in respect of each of its activities. For instance, there is SOP to deal with complaints on feed quality and performance which requires that the complaints should be addressed within 48 hours. Similarly, in the case of complaints from raw material suppliers, same should be addressed within 72 hours of receiving the material and quality check or payment. In respect of complaints from investors the Company has Stakeholder Relationship Committee to address and resolved the complaints. Since there are several types of complaints and separate complaint addressing mechanism, operating throughout the year it can be stated that almost all the complaints are properly addressed and resolved during the financial year. To be precise the total complaint received is 338 and all of them have been resolved.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.

- i) Shrimp Feed: The Company manufactures Shrimp Feed by using natural ingredients like, Soya Bean Meal, wheat flour, sterilized fish meal, phospholipids, minerals & vitamins. In our production process we do not use any chemicals or antibiotic. Our feed manufacturing process or design does not create environmental concerns.

- ii) Power generation from Wind Mills: The Company owns 3.2 MW wind mills in Chitradurga in Karnataka, India. This is non-conventional and renewable source of energy produced and sold to BESCO.

- iii) Shrimp Processing (Subsidiary Company): The cultures raw Shrimps are purchased from Shrimp farms implementing Best Aquaculture Practice (BAP) such as proper pond management, Bio security measures, non usage of antibiotics or any prohibited chemical during the culture etc.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- i. Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?

- ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Feed

The major raw materials are fish meal, Soyabean meal, wheat flour and others are fish oil soya lecithin, vitamin and minerals premixes. The major raw materials are sourced through natural availability such as fish, Soyabean and wheat. Fish oil and Soya lecithin or the associated products of fish and Soyabean respectively. Vitamins and premixes are available through organic or inorganic sources.

The required water is used from ground water and water supplied by the Government. The power consumed is from government supply, under open access procurement from associate Company (gas based), partially through diesel Generators when others sources of supply is not available.



Shrimp Processing:

The raw material for Shrimp processing cultured raw Shrimps from the farmers.

The water required for processing is drawn from ground water and partially from government supply of water.

The source of power consumed is from government supply partially through diesel Generators when others sources of supply is not available.

3. Does the company have procedures in place for sustainable sourcing (including transportation)?
- i. If yes, what percentage of your inputs was sourced sustainably?
- A. The water sourcing is from ground water and partially through government supply. The sustainability of ground water is ensure by having adequate rain harvest facility and in respect of government supply by following prescribed norms of the government for water supply.
- B. The major raw materials, as stated earlier, are from natural sources. The Company has SOP in place to identify and register potential vendors for supply of raw materials like fish meal, Soyabean meal, wheat flour etc. The Company undertakes periodical review of such vendors to ensure sustainable supply.
- C. Power: As stated earlier, major source of power supply is from the Government. The Company has long-term approvals for supply of power by the government. In the event of failure / non-availability of supply of power from the government, the company has stand by diesel Generators to provide uninterrupted power supply for operations of the Company.
4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?
- The Company encourages and develops local manufacturers and small enterprises for supply of various locally available goods. The Company also gives priority to local service providers from obtaining various support services in its offices and plants.
5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%).
- The products which can be recycled including waste is less than 5% of the production.

Principle 3

1. Please indicate the Total number of employees: 1162 employees. (PY 1092)
2. Please indicate the Total number of employees hired on temporary/contractual/casual basis: 158 employees (PY 63)
3. Please indicate the number of permanent women employees: 32 employees (PY 20)
4. Please indicate the Number of permanent employees with disabilities: 3 employees (PY 2)
5. Do you have an employee association that is recognized by management.: No.
6. What percentage of your permanent employees is members of this recognized employee association?
Not applicable.
7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

SL. No.	Category	No of Complaints filed during the financial year	No of Complaints pending as on end of the financial year
1	Child labour / forced labour / involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?
- a) Permanent Employees : 68%
- b) Permanent Women Employees : 71%
- c) Casual / Temporary / Contractual Employees : 80%
- d) Employees with Disabilities : NA

Principle 4:

1. Has the company mapped its internal and external stakeholders?

Yes, the Company mapped its internal and external stakeholders as follows:

- Employees
- Customers
- Dealers
- Suppliers
- Shareholders
- Bankers
- Regulatory Authorities
- Members of the Society

The Company strives to be transparent in its communications and continual improvement. Company engages with the identified stakeholders on an ongoing basis through constructive consultation process and follows a timely feedback and response to ensure that stakeholder remains informed.

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized Stakeholders.

The Company engages with stakeholders and is sensitive towards their needs and expectations. The Company focuses on being responsive, proactive and transparent.

The Company continuously reviews and identifies disadvantaged, vulnerable and marginalized stakeholders and proposes to take initiative based on the need of such stakeholders.

3. Are there any special initiatives taken by the company to engage with the dis-advantaged, vulnerable and marginalized stakeholders.

Company undertakes various social initiatives in the villages in the vicinity of factories. These activities vary from time to time and are often implemented in consultation with such stakeholders.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

The Company's policy on human rights presently covers the Company and its subsidiaries.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

There are no complaints regarding human rights violation from any quarter during the Financial Year 2021-22.

Principle 6

1. Does the policy related to Principle 6 cover only the company or extends to the Group /Joint Ventures / Suppliers / Contractors / NGOs / Others.

The Company's policy on environment covers the Company and its subsidiaries.

2. Does the company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc.?

The Company has a well laid down energy strategies / initiatives to address global environmental issues such as climatic change, global warming etc.

The Company has five (5) Shrimp Feed manufacturing, two (2) Shrimp Processing, One (1) Hatchery to produce Shrimp larvae and a Shrimp culture farm.

The Feed manufacturing facilities have been installed with energy conservation and efficiency enhancement equipment. The Company undertakes periodical energy audit to ensure that these equipment are operational and yielding the desired results. Similarly, the Shrimp processing facilities, Hatchery and Farm also follow the same practice.



All these facilities have solar lights and solar energy supported devices wherever possible. In addition the Company has wind mills for power generation at Chitradurga.

Further, to conserve and recharge ground water, all the manufacturing units are equipped with Rain water harvesting systems.

There is no Air pollution by any of the facilities of the Company. However, the processed water which does not contain any hazardous chemicals, treated in the effluent treatment plant(s) and used for in-house plantation. The facilities adhere strictly to the pollution control norms as prescribed by the Government Pollution Control Board.

To increase greenery, company has done an extensive plantation in its factories and also planted trees in the nearby vicinity and villages. The Company is also encouraging nearby villages to plant trees by providing saplings and tree guards for all such initiatives.

As part of regular education / training sessions are conducted for the farmers on best practices in Shrimp farming, the Company undertakes training of farmers on Waste Management and filtration of sediments from water before releasing it to the exit drain. Post culture harvest farmer is trained by the Company's technical team to do proper water treatment and all solid waste is drained and disposed so as to maintain the ocean sustainability.

3. Does the company identify and assess potential environmental risks?

It is part of Company's environmental policy to assess, periodically, any potential environmental risk and take appropriate steps to address such risks.

4. Does the company have any project related to Clean Development Mechanism (CDM)?

The Company, after assessing the emission of Green House gases by the facilities of the Company, considers that the Company is not obligated to undertake CDM mechanism.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy etc.

As stated earlier, the Company undertakes to adopt and implement clean technology, energy efficient equipment processes from time to time depending upon the circumstances and feasibility.

6. Are the Emissions / Waste generated by the company within the permissible limits given by CPCB / SPCB for the financial year being reported?

All the factories of the Company comply with the prescribed emission norms of State Pollution Control Boards and during the Financial Year 2021-22 the emissions and waste generated by the Company are within the permissible limits given by SPCB.

7. Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

No show-cause or legal notices from the Pollution Control authorities are pending as at the end of Financial Year 2021-22.

Principle 7

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is a member of Federation of Indian Chambers of Commerce and Industry, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, the Andhra Pradesh Chambers of Commerce & Industry Federation, Indian Wind Power Association, Compound Livestock Feed Manufacturers Association of India, and Federation of Indian Export Organization.

2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others).

The Company has been representing the issues relating to the Aquaculture industry such as sustainable growth and steps to be taken by the Governments in consultation with stakeholders, in various forums

organised by the above mentioned Trade Associations. Some of the issues which have been taken up by the Company are as under:

- i) Implementation of Best Aquaculture Practices (BAP) at different stages of Aqua culture such as Hatchery, Shrimp culture, Feed production and Processing of Shrimps. The Company has evolved the SOPs for implementation of BAP in association with the Trade organisation and stakeholders.
- ii) The Company undertakes imparting training to Shrimp farmers through its network of qualified, experienced and trained technical staff to ensure implementation of BAP such as pond preparation, feeding of Shrimps, health management to get optimum yields.
- iii) The Company has been associated actively with the MPEDA by CMD as Chairman of AP region, assisting the Ministries of Commerce and Fisheries, MPEDA, CAA, EIA, EIC, State Governments in framing the regulatory procedures to be followed by the Aquaculture industry.
- iv) The Company actively associates with the Government of India in formulating the regulations for export of Aquaculture products by participating in Bi-lateral negotiations with other countries.
- v) In a nut shell, the company plays a compressive role in sustainable development of Aquaculture industries.

Principle 8

1. Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.

A. Shrimp Feed

Your Company's policy has always been an inclusive growth and equitable development of the rural masses, in general, small and medium Shrimp farmers in specific. In the supply channel, the Company has small and medium sized dealers for distribution of feed.

The Company involves to a great extent in supporting the Shrimp farmer to carry on Shrimp farming successfully by assisting him in Shrimp pond preparation, selection of good seed, adoption of Best Aquaculture Practices (BAP) to enable the farmers to get best results in Shrimp farming. The Company has more than 20,000 small and medium Shrimp farmers spread over PAN-India depending solely on Shrimp culture for their livelihood.

In addition, the Company takes initiatives to develop new areas for undertaking Shrimp culture situated all along coast line by educating and training enterprising youth among fisherman and other communities residing along the coast line. This initiative provides rural employment.

The Company also undertakes educating and training enterprising youth to undertake dealership/ distribution of feed and to earn their livelihood.

B. Shrimp Processing

The Subsidiary, Avanti Frozen Foods Private Limited (AFFPL), engaged in Shrimp processing procures a significant volume of raw Shrimps from small and medium farmers. Being a market leader of Shrimp Feed business in India the Company established a well-connected network between Shrimp Feed, Shrimp farmer and Shrimp processing and provides a kind of compressive services of supplying good larvae, support during Shrimp culture and procurement of the produce i.e. Shrimp which ultimately aims at wellbeing of the Shrimp farmer.

2. Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organization?

All the programmes are undertaken through in-house. However, recently the Company along with its subsidiary and Associate companies formed a Trust, mainly to implement CSR activities of these Companies. This Trust has started an Aquaculture Skill Development Centre in association with Andhra University, AP to impart skills relating to Aquaculture such as Shrimp farming. Through this organisation the company undertakes class room and practical training to youth interested in chosen Shrimp culture as their livelihood. It also provides updation of technological advancement in Shrimp culture activities across the globe to make the benefit of advancement at the door step in Indian Shrimp farmer. This organisation also provides job opportunities in the field of Aquaculture such as Hatchery, Feed manufacturing plants, Processing plants etc.



3. Have you done any impact assessment of your initiative?

Yes, the projects have been extremely useful to the Shrimp farmers in improving their skills and also provide job opportunities.

4. What is your company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken?

The Company has been directly as well as through its Charitable institution established for CSR activities contributing to community development projects. Details given in Report on CSR Expenditure annexed to Board's Report.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

The above stated community activities are taken up in consultation with village elders and residents. They are periodically reviewed for effective functioning and mid-course correction is made as and when needed.

Principle 9

1. What percentage of customer complaints/ consumer cases are pending as at the end of financial year?

The Company has a robust system to track customer feedback by an on field technical audit team "Technical After Sales Service". During the year Company received 34 customer complaints, out of which none are pending for resolution as at the year end.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws?

Yes, the Company has displayed all the mandatory information on the product labels as per the local laws. Over and above the same the product labels are designed to make customers aware of the feed requirement of the Shrimps at different stages of cultivation and storage practices to be adopted for greater efficacy of the Feed.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on end of financial year.

There are no cases filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as at end of financial year 2021-22.

4. Did your company carry out any consumer survey / consumer satisfaction trends?

Yes, every year at the end of Shrimp crop season, customer satisfaction survey is conducted in many of the key market areas and steps are taken to improve the quality of Feed and technical services based on the findings of these surveys. Further at the end of farmers meet undertaken regularly throughout the year, by the Company, feedback on performance of the feed, quality of services rendered by the Technical Staff are ascertain along with suggestion for improvement and these suggestions are taken up seriously and solution evolved for improvement. Such a feedback is obtained from the dealers also for formulating strategies of the Company for future. The Company believes that the satisfaction of the Customer is of the paramount importance.

For and on behalf of the Board
AVANTI FEEDS LIMITED

Place : Hyderabad
Date : 12th May, 2022

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

Annexure - 5

Statement of disclosure of remuneration under Section 197 of the Companies Act, 2013 and rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

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 : 329 : 1 C. Ramachandra Rao : 256 : 1 A. Venkata Sanjeev : 21 : 1
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 : - 37.19% C. Ramachandra Rao : - 30.84% A. Venkata Sanjeev : 18.30%
The percentage increase in the median remuneration of employees in the financial year;	7.68%
The number of permanent employees on the rolls of Company;	1,162 employees
a) average percentile increase already made in the salaries of employees other than the b) managerial personnel in the last financial year c) its comparison with the percentile increase in the managerial remuneration d) justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	11.52% Managerial Remuneration decreased by less than 34% because: i) A part of managerial remuneration is based on Profits of the Company ii) The PBT of the Company decreased by 34.62% as compared to previous year.
Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes.

For and on behalf of the Board
AVANTI FEEDS LIMITED

Place : Hyderabad
Date : 12th May, 2022

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director



REPORT ON CORPORATE GOVERNANCE

A Report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("Listing Regulations") for the Financial Year 2021-22 is given herein below:

1. Company's Philosophy on Governance

At Avanti, Corporate Governance has been an intrinsic part of our fiduciary responsibility as a responsible corporate citizen. Corporate Governance is about commitment to values and ethical business conduct. Our 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 performance, ownership and governance of the Company is an important part of Corporate Governance. The Board extends its fiduciary responsibilities in the widest sense of the term and also endeavours to enhance long term shareholder value by serving and protecting the interests of all the stakeholders.

2. Board of Directors

The Board of Directors of the Company comprises of an optimum combination of Executive and Non-Executive Directors including one Independent Woman Director, in line with the provisions of the Companies Act, 2013 (hereinafter referred to as "the Act") and the Listing Regulations. The chairperson of the Board of Directors is a Non-Executive Independent Director where in one third of the Board of Directors comprises of Independent Directors. The Board comprises of a Nominee Director from APIDC.

The functions, responsibility, role and accountability of the Board are well defined. The detailed reports of the Company's 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, Joint Managing Director and Executive Director subject to the overall supervision and control of the Board of Directors.

2.01. The names and categories of the Directors on the Board, their attendance at Board Meetings held during FY 2021-22 and at the 28th Annual General Meeting ("AGM") and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited companies as on 31st March, 2022 are given below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act. For the purpose of determination of limit of the Board Committees, Chairmanship and Membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations.



SL. No.	Name of Director / Director Identification Number (DIN)	Category*	Number of Board Meeting(s) Held	Number of Board Meeting(s) entitled to attend	Number of Board Meeting(s) Attended	Attendance in Last AGM held on 14 th August, 2021	Directorship (s) in Other Public Companies	Number of Committee Position(s) Held in Other Public Companies		Name of the other Listed Entities for Directorship	Category in other listed Companies
								Chairman	Member		
1	Sri A. Indra Kumar DIN: 00190168	Chairman & Managing Director – Promoter	6	6	6	Yes	3	-	1	Nava Bharat Ventures Limited	Independent Director
2	Sri C. Ramachandra Rao DIN:00026010	Joint Managing Director, Company Secretary, CFO & Compliance Officer	6	6	6	Yes	1	-	1	-	-
3	Sri N. Ram Prasad DIN: 00145558	NED	6	6	6	Yes	1	-	-	-	-
4	Sri A. Venkata Sanjeev DIN: 07717691	ED	6	6	6	Yes	-	-	-	-	-
5	Sri J.V Ramudu DIN: 03055480	NED / ID & Chairman of the Board	6	6	6	Yes	2	1	2	Suven Pharmaceuticals Limited Krishna Institute of Medical Sciences Limited (KIMS)	Non-Executive Director
6	Mr. Bunluesak Sorajjakit DIN: 02822828	NED	6	6	6	Yes	1	-	-	-	-
7	Mr. Wai Yat Paco Lee DIN: 02931372	NED	6	6	6	Yes	1	-	-	-	-
8	Smt K. Kiranmayee DIN:07117423	NED / IWD	6	6	6	Yes	-	-	-	-	-
9	Sri N.V.D.S. Raju DIN:05183133	NED / ID	6	6	6	Yes	1	-	-	-	-
10	Sri V. Narsi Reddy DIN: 08685359	NED / ID	6	6	6	Yes	1	-	2	-	-
11	Sri R. Karikal Valven, IAS DIN: 01519945 Nominee of A.P.I.D.C – represented as Equity Investor	ND	6	6	1	No	14	-	-	The Andhra Petrochemicals Limited	-
12	Sri B.V. Kumar* DIN: 005521139	NED / ID	6	2	2	No*	-	-	-	-	-
13	Sri M.S.P. Rao* DIN:00482071	NED / ID	6	2	2	No*	3	-	1	-	-
14	Sri K. Rama Mohana Rao* DIN: 02384687	NED / ID	6	2	2	No*	1	-	1	-	-

Executive Director (ED), Non-Executive Director (NED), Independent Director (ID), Independent Women Director (IWD), and Nominee Director (ND).

* Retired w.e.f 1st August, 2021.

None of the Directors on the Board:

- Holds directorships in more than ten public companies;
 - Serves as Director or as Independent Directors (ID) in more than seven listed entities; and
 - Who are the Executive Directors, can serves as IDs in more than three listed entities.
- Necessary disclosures have been obtained from the Directors regarding their Directorship(s) and have been taken on record by the Board.

2.02. Disclosure of relationship between Directors inter-se

1. Sri N. Ram Prasad, Director is spouse of Sri A. Indra Kumar's sister.
2. Sri A. Venkata Sanjeev is a son of Sri A. Indra Kumar, Chairman & Managing Director.
3. None of the other Directors are related to any other Director on the Board.

2.03. Details of Meetings of Board of Directors held during the Financial Year 2021-22

Six (6) Meetings of Board of Directors were held during the Financial Year 2021-22. The time gap between two consecutive Board Meetings not exceeded by more than one hundred and twenty days (120 days). Meetings were held during FY 2021-22 are as follows:

SL. No.	Date of Board Meeting
1	28 th May, 2021
2	22 nd June, 2021
3	12 th August, 2021
4	25 th September, 2021
5	12 th November, 2021
6	12 th February, 2022

The necessary quorum was present for all the meetings. Due to the exceptional circumstances caused by the COVID-19 pandemic and consequent relaxations granted by MCA and SEBI, all Board Meetings in FY 2021-22 were held through Video Conferencing ("VC").

2.04. Independent Directors

The Board consists of four (4) Independent Directors i.e., Sri J. V Ramudu, Sri N. V. D. S Raju, and Sri V. Narsi Reddy and Smt. K. Kiranmayee. All Independent Directors possess the requisite qualifications and are very experienced in their own fields. The letter(s) of appointment of the above Independent Directors were issued by the Company on their appointment and the same are disseminated on the website of the Company i.e. www.avantifeeds.com.

2.05. Criteria of Independence of Independent Directors

The Independent Directors have furnished a declaration that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

Based on the declarations received from the Independent Directors, in the opinion of the Board, the Independent Directors fulfil conditions as laid down under Section 149(6) of the Act and Regulation 16(1)(b) and other applicable Regulations and that they are independent of the management.

Further, the Independent Directors have included their names in the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs (IICA) in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

No Independent Director has resigned from the Directorship of the Company before the expiry of their term of appointment during the FY ended 31st March, 2022.

2.06. 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 Directors are also provided with quarterly update on relevant statutory changes, and important amendments. The details of the familiarization programme held on 22nd January, 2022 is disseminated on the website of the Company at www.avantifeeds.com.

2.07. A matrix setting out the skills / expertise / competence of the Board of Directors is as under:

In terms of the requirement of the Listing Regulations, the Board has identified the following skills / expertise / competencies, fundamental for the effective functioning of the Company, which are currently available with the Board along with the names of the Directors, who have such skill / expertise / competence are as follows:-

SL. No.	Name of the Director	Skills / Expertise / Competence of the Directors				
		Technical	Financial	Administrative / HR	Legal	Aquaculture
1	Sri A. Indra Kumar	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
2	Sri C. Ramachandra Rao		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
3	Sri N. Ram Prasad	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
4	Sri J. V. Ramudu		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
5	Sri A. Venkata Sanjeev	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		
6	Mr. Bunluesak Sorajjakit	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
7	Mr. Wai Yat Paco Lee		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
8	Sri N.V.D.S Raju		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
9	Smt K. Kiranmayee			<input checked="" type="checkbox"/>		
10	Sri R. Karikal Valaven (Nominee of A.P.I.D.C – represented as Equity Investor)		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
11	Sri V. Narsi Reddy		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

3. Changes in Directors

The changes in the Directors during the year under review are disclosed in the Board's Report.

4. Audit Committee

4.01. Composition & Attendance at the Meeting

The Audit Committee comprises entirely of Independent Directors. All members of the Audit Committee are financially literate and bring in expertise in their respective fields. The Company Secretary acts as secretary of the Audit Committee. The permanent invitees include Managing Director, Chief Financial Officer, and representatives of Independent Auditors, internal auditors and such other executives of the Company.

During the financial year 2021-22, the Committee met five times on (i) 28th May, 2021, (ii) 18th June, 2021, (iii) 12th August, 2021, (iv) 12th November, 2021 and (v) 8th February, 2022 and the time gap between two Audit Committee meetings not exceeded by more than one hundred and twenty days (120 days). Due to exceptional circumstances caused by COVID-19 pandemic, all committee meetings were held through video conferencing. The Chairman attended the Annual General Meeting for the FY 2021-22 to answer shareholders' queries.

The composition of the Audit Committee and details of meetings attended by the Members during the Financial Year ended 31st March, 2022 are as follows:



SL. No.	Name	Category	Designation	No. of Meetings Held	No. of Meetings Attended
1	Sri N. V. D. S Raju	Independent Director	Chairman	5	5
2	Sri J. V Ramudu	Independent Director	Member	5	5
3	Sri V. Narsi Reddy#	Independent Director	Member	5	3
4	Sri B. V Kumar*	Independent Director	Ex-Chairman	5	2
5	Sri M. S. P Rao*	Independent Director	Member	5	2
6	Sri K. Rama Mohana Rao*	Independent Director	Member	5	2
7	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & CFO	Company Secretary & Compliance Officer	5	5

*Retired w.e.f 1st August, 2021

#Inducted w.e.f 2nd August, 2021

During the year, the Audit Committee was re-constituted by way of a Resolution by Circulation passed on 2nd August, 2021.

4.02. Brief description of terms of reference

In addition to the matters provided in the Listing Regulations and Section 177 of the Act, the Audit Committee reviews reports of the Internal Auditor, meets Independent Auditors as and when required and discuss their findings, suggestions, observations and other related matters. It also reviews major accounting policies followed by the Company. The Board of Directors has constituted and entrusted the Audit Committee with the responsibility to supervise these processes and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting. The constitution of the Audit Committee also meets with the requirements of Section 177 of the Act and the Listing Regulations. The Audit Committee comprises entirely of Independent Directors.

4.03. 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 FY 2021-22, before it was placed before 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.

5. Nomination & Remuneration Committee

5.01. Composition & Attendance at the Meeting

The Nomination and Remuneration Committee comprises of four Directors, majority of them are Independent Directors. During the period under review, the Nomination and Remuneration Committee met two times on 17th June, 2021 and 8th February, 2022.

The composition of the Nomination and Remuneration Committee and details of meetings attended by the Members during the Financial Year ended 31st March, 2022 are as follows:

SL. No.	Name	Category	Designation	No. of Meetings held	No. of Meetings attended
1	Sri A. Indra Kumar	Chairman & Managing Director	Member	2	2
2	Sri J. V Ramudu	Independent Director	Member	2	2
3	Sri V. Narsi Reddy [#]	Independent Director	Member	2	1
4	Sri B. V Kumar [*]	Independent Director	Ex-Chairman	2	1
5	Sri K. Rama Mohana Rao [*]	Independent Director	Member	2	1
6	Sri N. V. D. S. Raju [#]	Independent Director	Member	2	1
7	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & CFO	Compliance Officer	2	2

^{*}Retired w.e.f 1st August, 2021

[#]Inducted w.e.f. 2nd August, 2021

During the year the Nomination and Remuneration Committee was re-constituted by way of a Resolution by Circulation passed on 2nd August, 2021.

5.02. Brief Description of terms of reference

- 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;
- For every appointment of an Independent Director, the Board shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required for an Independent Director.
- For the purpose of identifying suitable candidates, the Committee may:
 - a. use the services of external agencies, if required;
 - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. consider the time commitments of the candidates
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria as laid down and recommend to the Board their appointment and removal.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation.
- Recommend to the Board, all remuneration, in whatever form, payable to senior management

5.03. Performance Evaluation Criteria for Directors

The Nomination and Remuneration Committee at its meeting held on 25th March, 2017 decided to implement an internal assessment method of evaluation and formulated criteria for evaluation of Directors, Committees and Board taking in to account the criteria indicated by SEBI in its Guidance Note circulated on 5th January, 2017.



6. Evaluation

6.01. Nomination & Remuneration Committee

Pursuant to the provisions of the Act, and of the Listing Regulations, as amended from time to time, the Nomination and Remuneration Committee evaluated the performance of the Directors on 11th May, 2022 on the basis of criteria for evaluation of Directors formulated by it. The evaluation of the other Directors was made on the basis of structured questionnaire taking into account the indicative criteria prescribed by SEBI in its Guidance Note. The criteria inter alia include Qualification, experience, knowledge and competency, ability to function as a team, availability and attendance etc. The Director being evaluated did not participate in the evaluation process.

6.02. Separate Meeting of Independent Directors

A separate Meeting of the Independent Directors without the attendance of Non-Independent Directors and members of the management was held on 9th April, 2022. The Independent Directors (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.

The evaluation was made on the basis of structured questionnaire taking into account the indicative criteria prescribed by SEBI in its Guidance Note. The criteria inter alia include Qualification, experience, knowledge and competency, ability to function as a team, availability and attendance etc. The Independent Directors evaluated the performance of non- Independent Directors Chairman and the Board.

6.03. Evaluation by Board

The Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. The evaluation was made on the basis of structured questionnaire taking into account the indicative criteria prescribed by SEBI in its Guidance Note. The criteria inter alia include Qualification, experience, knowledge and competency, ability to function as a team, availability and attendance etc.

7. Remuneration of Directors

7.01. 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 disseminated on website of the Company at www.avantifeeds.com.

7.02. Non-Executive Directors' Compensation & Disclosures

The Non-Executive Directors are entitled for (i) Sitting fee of ₹40,000/- (Rupees Forty thousand only) and (ii) reimbursement of travel and accommodation and other expenses incurred by them, for attending Board / Committee Meetings. During the FY 2021-22, the Members at their EGM held on 23rd March, 2022, approved the payment of fixed amount of commission for the services rendered by the Non Executive Director.

7.03. 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 disseminated on the website of the Company at www.avantifeeds.com. The Policy on Board diversity of the Company was reviewed by the Nomination and Remuneration Committee and is disseminated on the website of the Company at www.avantifeeds.com.

7.04. Details of remuneration paid / payable to the Non-Executive Directors for the financial year 2021-22 and the shares held by them are as follows:

SL. No.	Name	No. of Equity Shares	Sitting Fees ₹ in Lakhs	Commission ₹ in Lakhs
1	Sri J. V Ramudu	--	5.60	25.00
2	Sri N. Ram Prasad (On behalf of HUF)	2,29,701	5.60	10.00
3	Sri N. V. D. S Raju	--	7.20	15.00
4	Mr. Bunluesak Sorajjakit	--	2.40	10.00 [#]
5	Mr. Wai Yat Paco Lee	--	2.40	10.00 [#]
6	Smt. K. Kiranmayee	5,550	6.80	10.00
7	Sri R. Karikal Valaven, IAS	--	0.40	10.00 [#]
8	Sri V. Narsi Reddy	--	4.40	10.00
9	Sri B. V Kumar*	--	2.80	--
10	Sri M. S. P Rao*	--	2.00	--
11	Sri K. Rama Mohana Rao*	--	2.80	--
Total		2,35,251	42.40	100.00

*Retired w.e.f. 1st August, 2021

[#]Commission payable to the Thai Union Group PCL and APIDC, as directors are representative from the respective Company.

Notes:

There are no material pecuniary relationships or transactions of the Non-Executive Directors with the Company, except those disclosed in the Annual Report, if any.

The Company has not issued any Stock Option to its Non-Executive Independent Directors.

7.05 The remuneration paid / payable to the Chairman & Managing Director; Joint Managing Director, Company Secretary & CFO and Executive Director of the Company for the year ended 31st March, 2022 is as under:

(₹in Lakhs)

Details	Sri A. Indra Kumar, CMD	Sri C. Ramachandra Rao, JMD, CS & CFO	Sri A. Venkata Sanjeev, ED
Salary	372.76	196.08	65.27
Ex-gratia	43.34	22.80	7.59
Superannuation	--	--	5.68
Perks	5.33	--	--
Commission on Profits	801.01	733.51	--
Total	1222.44	952.39	78.54

Service Contracts, Severance Fees and Notice Period: The tenure of the office of Chairman & Managing Director, Joint Managing Director and Whole time Directors is five (5) years from respective dates of their appointment(s) and the notice period for terminating the service contract of Managing Director, Joint Managing Director and Whole-Time Director (ED) is based on the Company's HR Policy. Further, there is no separate provision for payment of severance fees.

The Company had not granted any Employee Stock Option to any Directors. Hence, the disclosure of the same is not applicable.



8. Corporate Social Responsibility Committee

8.01. Composition & Attendance at the Meeting

The Corporate Social Responsibility Committee comprises of four Directors with one being the Independent Director. During the period under review, the Corporate Social Responsibility Committee met four times on 21st June, 2021, 25th September, 2021, 11th November, 2021 and 8th February, 2022.

The composition of the Corporate Social Responsibility Committee and details of meetings attended by the Members during the FY ended 31st March, 2022 are as under:

SL. No.	Name	Category	Designation	No. of meetings held	No. of Meetings attended
1	Sri A. Indra Kumar	Chairman & Managing Director	Chairman	4	4
2	Sri N. Ram Prasad	Independent Director	Member	4	4
3	Smt K. Kiranmayee	Independent Director	Member	4	4
4	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & CFO	Member & Compliance Officer	4	4
5	Sri B. V Kumar*	Independent Director	Member	4	1

*Retired w.e.f 1st August, 2021.

8.02. Brief description of terms of reference

The terms of reference of the Corporate Social Responsibility Committee are as prescribed under the Act, and the Rules framed thereunder, and it discharges such other functions as may be delegated by the Board of Directors from time to time. The role of the Committee includes formulating and recommending to the Board of Directors a Corporate Social Responsibility ("CSR") Policy indicating the activities to be undertaken by the Company as specified in the Act, recommending the amount of expenditure to be incurred on such activities and monitoring the CSR Policy of the Company from time to time. The Corporate Social Responsibility Committee also reviews periodically the progress of CSR projects / programs / activities undertaken by the Company.

The Committee is primarily responsible for formulating and recommending to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR activities.

8.03. CSR Policy

The Company's CSR Policy is disseminated at the website of the Company www.avantifeeds.com.

9. Stakeholders Relationship Committee

9.01. Composition & Attendance at the Meeting

The Stakeholders Relationship Committee comprises of three directors with two being the Independent Directors. The Chairman of the Stakeholders Relationship Committee was present at the last Annual General Meeting of the Company. During the period under review, the Stakeholders Relationship Committee met four times on 22nd June, 2021, 10th August, 2021, 11th November, 2021 and 8th February, 2022.

The composition of the Stakeholders Relationship Committee and details of meetings attended by the Members during the Financial Year ended 31st March, 2022 are as follows:

SL. No.	Name	Category	Designation	No. of Meetings held	No. of Meetings attended
1	Sri N. Ram Prasad	Non-Executive Director	Chairman	4	4
2	Smt. K. Kiranmayee	Independent Director	Member	4	4
3	Sri N. V. D. S Raju*	Independent Director	Member	4	3
4	Sri K. Rama Mohana Rao#	Independent Director	Member	4	1
5	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & CFO	Company Secretary & Compliance Officer	4	4

* Inducted w.e.f 2nd August, 2021

Retired w.e.f 1st August, 2021

During the year, the Stakeholder Relationship Committee was re-constituted by way of a Resolution by Circulation passed on 2nd August, 2021.

9.02. Brief description of terms of reference

The Stakeholders Relationship Committee is empowered to perform the functions of the Board relating to handling of stakeholders' queries and grievances. It primarily focuses on to:

1. consider and resolve the grievances of shareholders of the Company with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend, etc;
2. evaluate performance and service standards of the Registrar and Share Transfer Agent of the Company;
3. provide guidance and make recommendations to improve investor service levels for the investors;
4. review of measures taken for effective exercise of voting rights by shareholders.

9.03. Details of shareholders' requests / complaints received and resolved during the year ended 31st March, 2022 are as under:

- a. No. of requests / complaints Received : 113
- b. No. of requests / complaints Resolved : 113
- c. No. of requests / complaints : NIL
not solved to the satisfaction of the Shareholders
- d. No. of pending requests / complaints : NIL

Name, designation, and address of Compliance Officer

Sri C. Ramachandra Rao

Company Secretary and Compliance officer

Avanti Feeds Limited

Reg. Office: Flat No. 103, Ground Floor, "R" Square Pandurangapuram, Vishakhapatnam, Andhra Pradesh - 530003, India.

Corp. Office: G-2, Concorde Apartments, House No.6-3-658, Somajiguda, Hyderabad, Telangana State - 500082, India.

Telephone: 040-23310260/61 | e-mail: investors@avantifeeds.com

10. Risk Management Committee

10.01. Composition & Attendance at the Meeting

The Risk Management Committee comprises of five directors with two being the Independent Directors. During the period under review, the Risk Management Committee met two times on 21st June, 2021 and 11th November, 2021.

The composition of the Risk Management Committee and details of meetings attended by the Members during the Financial Year ended 31st March, 2022 are as follows:



SL. No.	Name	Category	Designation	No. of Meetings held	No. of Meetings attended
1	Sri A. Indra Kumar	Chairman & Managing Director	Chairman	2	2
2	Sri N. V. D. S Raju	Independent Director	Member	2	2
3	Smt. K. Kiranmayee	Independent Director	Member	2	2
4	Sri A. Venkata Sanjeev	Executive Director	Member	2	2
5	Sri C. Ramachandra Rao	Joint Managing Director, Company Secretary & CFO	Member & Compliance Officer	2	2

10.02 Terms of Reference

1. To identify and assess all the risks that the organization faces and establish a risk management framework capable of addressing those risks.
2. To oversee in conjunction with the Board risks such as strategic, financial, market, Foreign exchange, security, IT, legal, regulatory, reputational and other risks.
3. To monitor and review the risk management plan of the Company including cyber security.

11. General Body Meetings

11.01. Annual General Meeting (AGM)

The details of Annual General Meetings held in last 3 years along with the details of the Special Resolutions, as more particularly set out in the notices of the respective AGMs and passed by the members are as follows:-

No. of AGM / Financial Year	Day, Date, Time and Location	Special Resolution(s) passed
28 th AGM 2020-21	Saturday, 14 th August, 2021 at 11:00 A.M (IST) through Video conferencing (VC) / other Audio Visual Means (OAVM)	<ol style="list-style-type: none"> 1. Amendment to Articles of Association of the Company. 2. Re-appointment of Sri A. Indra Kumar, CMD for a period of five (5) years.
27 th AGM 2019-20	Saturday, 29 th August, 2020 at 11:00 A.M (IST) through Video conferencing (VC) / other Audio Visual Means (OAVM)	No special resolution passed
26 th AGM 2018-19	Friday, 9 th August, 2019 at 11:00 A.M (IST) at Vedika Hall, Hotel Daspalla, Jagdamba Junction, Visakhapatnam - 530020. Andhra Pradesh	<ol style="list-style-type: none"> 1. Appointment of Sri A. Venkata Sanjeev as Whole-time director designated as Executive Director. 2. Payment of remuneration to Executive Directors who are Promoters or members of the Promoter Group in excess of the limits prescribed under SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018. 3. Re-appointment of Sri A. V Achar as Independent Director. 4. Re-appointment of Sri B. V Kumar as Independent Director. 5. Re-appointment of Sri M. S. P Rao as Independent Director. 6. Re-appointment of Sri K. Rama Mohana Rao as Independent Director. 7. Re-appointment of Sri N. V. D. S Raju as Independent Director. 8. Re-appointment of Smt. K. Kiranmayee as Independent Director.

11.02. Extraordinary General Meeting (EGM)

During the year one (1) Extraordinary General Meeting was held on 23rd March, 2022. The details of the Special Resolutions, as more particularly set out in the notice of the EGM and passed by the members are as follows:-

No. of EGM / Financial Year	Day, Date & Time	Special Resolution Passed
EGM During the year 2021-22	Wednesday, 23 rd March, 2022 at 11:00 A.M (IST) through Video conferencing (VC) / other Audio Visual Means (OAVM)	<ol style="list-style-type: none">1. To adopt a new set of Articles of Association of the Company as per the provisions of the Companies Act, 2013.2. To Increase Overall Maximum Managerial Remuneration payable from 11% to 16% of the net profits of the Company.3. Payment of Commission to Non-Executive Directors of the Company for a period of five years.4. Re-Appointment of Sri C. Ramachandra Rao, as Joint Managing Director, Company Secretary and Chief Financial Officer of the Company for a further period of five (5) years w.e.f. 1st April, 2022.

12. Postal Ballot Resolutions

12.01. Details of Postal Ballot Resolutions passed during the FY 2021-22.

There were no Postal Ballot Resolutions passed during the FY 2021-22.

12.02. Whether any Special Resolution to be passed through postal ballot – Nil.

12.03 Procedure for Postal Ballot – Not Applicable.

13. Means of Communication

SL. No.	Description	Remarks
1	Quarterly results	The quarterly results of the Company are submitted to the Stock Exchanges in accordance with the requirements of the Listing Regulations.
2	Newspapers wherein results are normally published	Quarterly / Half Yearly / Annual Audited Results are generally published in widely circulated newspapers viz., Financial Express (English daily) and Andhra Prabha (Regional Newspaper – Telugu Daily).
3	Website where the results are displayed	www. avantifeeds.com
4	Whether the website also display official news releases	Yes. Official news releases, if any, are displayed on the Company's website: www.avantifeeds.com .
5	Presentations made to institutional investors or to analysts	Yes. The presentations, if any, are placed on the Company's website: www.avantifeeds.com .

14. Credit Rating

During the year under review, India Ratings & Research Private Limited (the 'India Ratings'), Affirmed the Credit rating as under:

SL. No.	Details	Rating Affirmed
1	Avanti Feeds Ltd – Long Term Issuer Rating	IND AA(-) Stable
2	Fund Based Working Capital Limits ₹50 Crores	IND AA(-) Stable
3	Non-Fund Based Working Capital Limits ₹42.79 Crores	IND A1+



15. General Shareholders' Information

29 th Annual General Meeting for the Financial Year 2021-22	
Day & Date	Friday, 12 th August, 2022
Time	11:00 A.M (IST)
Venue	Video Conference (VC) / Other Audio-Visual Means (OAVM)
Dates of Book closure	8 th August, 2022 to 12 th August, 2022 (Both days inclusive)
Registered office	Flat No. 103, Ground Floor, "R" Square Pandurangapuram, Vishakhapatnam, Andhra Pradesh - 530003.
Registrar and Transfer Agent	KFin Technologies Limited Selenium Building Tower B, Plot No. 31-32, Financial District Nanakramguda, Serilingampally, Hyderabad – 500032 Telangana State, India. Tel: 1800 309 4001 e-mail address: einward.ris@kfintech.com Website: https://www.kfintech.com and / or https://ris.kfintech.com/
Whether the securities are suspended from trading during the year 2021-22	The equity shares of the Company were not suspended at any point of time during the year 2021-22 and also till the date of the Report.
Dividend payment date	The Board, at its meeting held on 12 th May 2022, recommended a Dividend of ₹6.25 (Rupees Six & Twenty Five Paise only) per equity share of ₹1/- each fully paid for the FY 2021-22. On approval of the members, the Dividend will be paid within the timelines prescribed, under the Companies Act, 2013.
Financial Calendar for the year 2022-23 (tentative)	First Quarter Results – By 14 th August, 2022. Second Quarter / Half Year Results – By 14 th November, 2022 Third Quarter / Nine Months Results – By 14 th February, 2023 Fourth Quarter / Year end Results – By 30 th May, 2023.
CIN	L16001AP1993PLC095778
Name and address of Stock Exchange(s) at which the equity shares are listed and confirmation about payment of annual listing fee to each of such Stock Exchanges	The Company's Shares are listed on BSE and National Stock Exchange of India Ltd. The Address of these Exchanges is as under: 1. BSE Limited, 1 st Floor, New Trading Ring, Rotunda Building, Dalaal Street, Mumbai - 400 001. 2. National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (East), Mumbai - 400 051. The Company has duly paid the Listing fees for the year 2022-23 to BSE Limited (Bombay Stock Exchange) and National Stock Exchange of India Ltd where the shares of the Company are Listed.
Stock Code	BSE Limited (BSE) : 512573 National Stock Exchange India Limited (NSE): AVANTIFEED NSDL / CSDL ISIN : INE871C01038

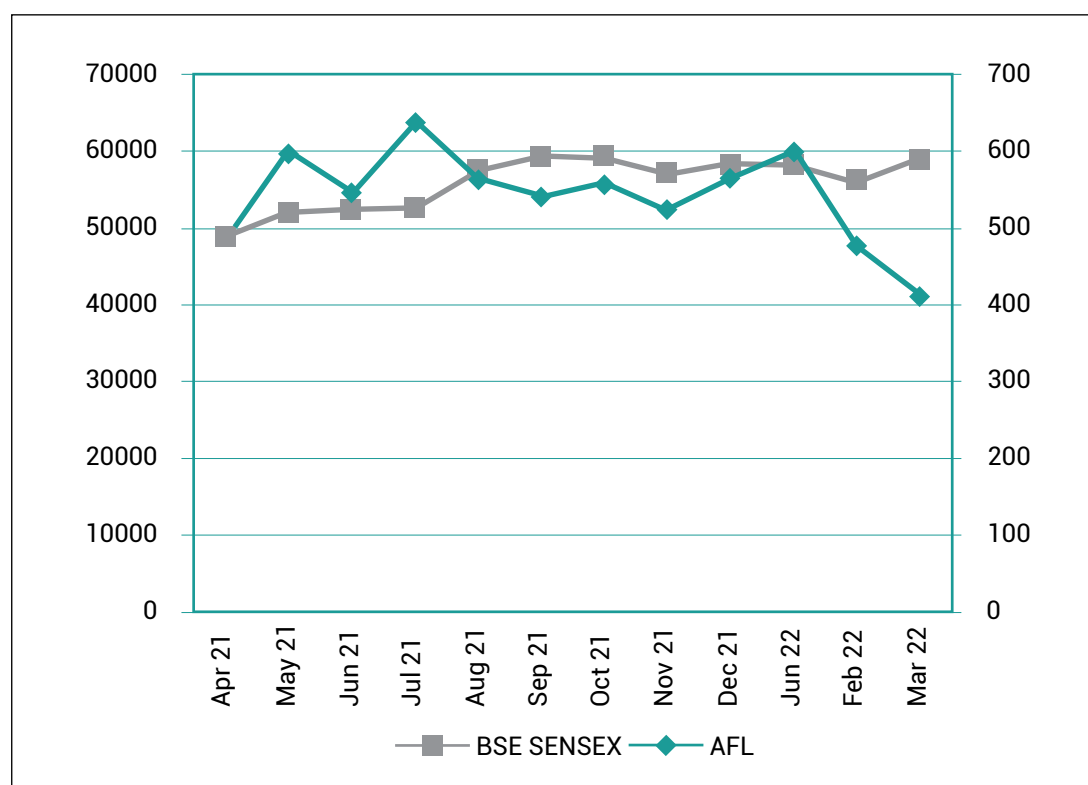
16. Market Price Data

The monthly high and low prices of your Company's share at BSE and NSE for the year ended 31st March, 2022 are as under:

Month	BSE		BSE Sensex	Market Price – Closing (₹)	NSE		NIFTY 50	Market Price – Closing (₹)
	High	Low			High	Low		
Apr-21	522.50	417.10	48782.36	487.15	524.00	417.40	14631.10	486.80
May-21	617.95	469.65	51937.44	596.35	617.00	468.20	15582.80	595.85
Jun-21	619.95	525.55	52482.71	545.60	620.00	525.50	15721.50	545.85
Jul-21	675.00	544.60	52586.84	636.05	674.85	544.80	15763.05	635.35
Aug-21	673.00	524.35	57552.39	562.40	673.80	524.00	17132.20	562.60
Sep-21	577.00	538.10	59126.36	539.35	577.85	538.25	17618.15	539.15
Oct-21	590.50	528.10	59306.93	556.00	591.40	535.00	17671.65	556.80
Nov-21	591.00	493.05	57064.87	524.60	592.15	491.35	16983.20	524.90
Dec-21	573.00	517.20	58253.82	564.80	573.50	516.35	17354.05	564.75
Jan-22	638.00	557.45	58014.17	598.10	638.80	557.70	17339.85	598.00
Feb-22	615.00	462.00	56247.28	477.45	615.00	450.90	16793.90	477.50
Mar-22	490.00	410.30	58568.51	412.60	485.00	410.00	17464.75	412.35

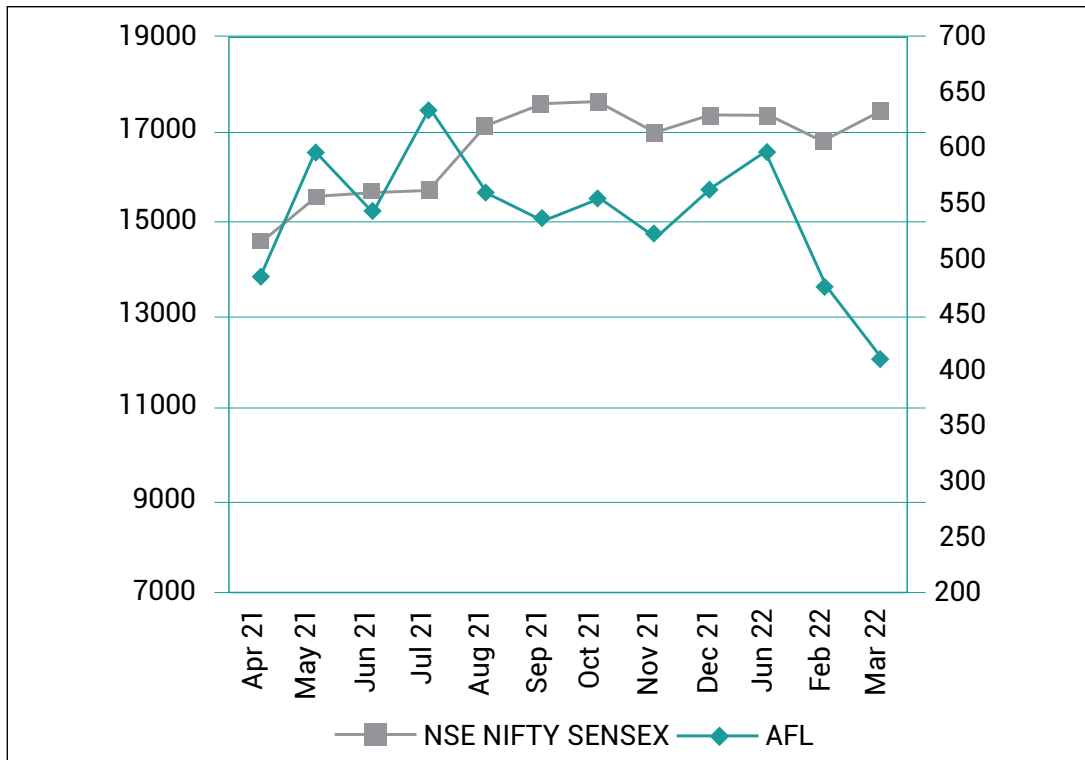
Price Movement Graph (BSE)

1st April, 2021 to 31st March, 2022 (Equity share of ₹1/- each)



Price Movement Graph (NSE)

1st April, 2021 to 31st March, 2022 (Equity share of ₹1/- each)



17. Share Transfer System

All transfers received are electronically processed and approved by the Share Allotment and Transfer Committee which normally meets once in a fortnight (if any) or more depending upon the volume of transfers. The summary of transfers, transmissions etc., are placed before every Board Meeting and Stakeholders Relationship Committee Meeting. The Company obtains, from Sri V. Bhaskara Rao, Practicing Company Secretary, Hyderabad, yearly Certificate of Compliance with share transfer formalities as required under Regulation 40(9) of the Listing Regulations, and filed a copy of the said Certificate with BSE Ltd and National Stock Exchange of India Ltd.

18. Scores

SEBI vide Circular No. CIR/OIAE/2/2011 dt. 3rd June, 2011 informed the Company that 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. KFin Technologies Limited, Gachibowli, Hyderabad. For any clarification / complaint, shareholders may contact:

Name : Sri Rajeev Kumar

Designation : Manager, KFin Technologies Limited

E-mail id : einward.ris@kfintech.com

Tele. No. : 1800-309-4001

19. Distribution Schedule as on 31st March, 2022

The details of Distribution Schedule of equity shares as on 31st March, 2022 are as under:

SL. No.	Category (Shares)	No. of Holders	% To Holders	No. of Shares	% To Equity
1	1 - 5000	1,07,274	99.53	1,21,82,683	8.94
2	5001 - 10000	215	0.20	15,68,974	1.15
3	10001 - 20000	129	0.12	17,73,492	1.30
4	20001 - 30000	42	0.04	10,52,151	0.77
5	30001 - 40000	19	0.02	6,69,225	0.49
6	40001 - 50000	17	0.02	7,68,411	0.56
7	50001 - 100000	21	0.02	14,34,485	1.05
8	100001 and above	62	0.06	11,67,96,209	85.72
	TOTAL	1,07,779	100.00	13,62,45,630	100.00

20. Dematerialization of Shares and Liquidity

The details of dematerialization of shares as on 31st March, 2022 is as under:

SL. No.	Description	No of Holders	Equity Shares of ₹1/- each	% To Equity
1	CDSL	68,589	73,97,005	5.43
2	NSDL	38,845	12,76,17,889	93.67
3	Physical	345	12,30,736	0.90
	Total	1,07,779	13,62,45,630	100.00

The Company has entered into a tripartite agreement with NSDL and CDSL to establish electronic connectivity through Company's Electronic Registrar i.e. KFin Technologies Ltd., Hyderabad and facilitate scrip less trading. Trading in the equity shares of the Company shall be in dematerialized form for all investors. Investors are therefore advised to open a demat account with the Depository participant of their choice, if not already done, to trade in the equity shares of the Company. The list of depository participants is available with NSDL and CDSL.

21. Reconciliation of Share Capital and Dematerialization of Shares

A quarterly audit was conducted by Sri V. Bhaskara Rao, Practicing 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 31st March, 2022, 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. 13,50,14,894 equity shares of ₹1/- (Rupees One only) representing 99.10% (Previous year 13,49,24,774 equity shares of ₹1/- each representing 99.03%) of the paid-up equity capital of the Company have been dematerialized as on 31st March, 2022. Pursuant to Reg.40(9) of the Listing Regulations, certificates have been issued on annual basis by Sri V. Bhaskara Rao, Practicing Company Secretary certifying due compliance of share transfer formalities by the Company and the Certificates filed by the Company with the BSE Ltd and National Stock Exchange of India Ltd.

22. Outstanding GDRs or ADRs or warrants or convertible instruments

There were no Outstanding Global Depository Receipts or American Depository Receipts or Warrants or any convertible instruments during the FY 2021-22.



23. Commodity Price Risk or Foreign Exchange Risk and hedging activities

The major raw materials for Shrimp Feed manufacturing are fish meal, soya DOC (De-oiled Cake) and wheat flour. Company has a policy of planning for raw material requirement for coming 3 months based on estimated sales. Accordingly, raw materials like fish meal and soya DOC are procured after considering the availability of these raw materials as both the raw materials are seasonal products. Wheat Flour having very low shelf life being perishable is purchased regularly. However, as a policy Company does not to keep more than 90 days of stock of any indigenously available raw materials. This ensures availability of raw material for the culture season and ensures price stability during negative raw material price movements.

24. Plant Locations

The Shrimp Feed Production Plants at Kovvur, Vemuluru and Bandapuram West Godavari District of Andhra Pradesh and Plant at Valsad, Balda Village, Pardi Tq., Gujarat are ISO 9001:2015 (for Quality Management Systems) and certified for implementing Best Aqua Culture Practices (BAP) by Global Aquaculture Alliance, USA and Shrimp Hatchery in Visakhapatnam.

Shrimp Feed Plant – I No.15-11-24, Kovvur - 534350, West Godavari District, Andhra Pradesh.	Shrimp Feed Plant – II Vemuluru, Kovvur - 534350, West Godavari District, Andhra Pradesh.
Shrimp Feed Plant – III No.15-11-24, Kovvur - 534350, West Godavari District, Andhra Pradesh.	Shrimp Feed Plant – IV Bandapuram Village, West Godavari District, Andhra Pradesh.
Shrimp Feed Plant - V Survey No. 1789 & 1802, Pardi-Nashik Road, Balda Village, Pardi Taluk, Valsad District, Gujarat - 396125.	Shrimp Hatchery R. SY. No. 209 & 208/2, Gudivada Village, S. Rayavaram Mandal, Visakhapatnam District - 531083, Andhra Pradesh.
Wheat Flour Plant No.15-11-24, Kovvur - 534350, West Godavari District, Andhra Pradesh.	Wind Mill Lakkihalli Village, Hiriyur Taluk, Chitradurga District, Karnataka State.

25. Registered Office and Corporate Office

The address of the Registered Office and Corporate office is as under:

Registered Office

Flat No: 103, Ground Floor,
"R" Square, Pandurangapuram, Visakhapatnam - 530003, Andhra Pradesh, India.

Corporate Office & address for correspondence

G-2, Concorde Apartments, 6-3-658, Somajiguda, Hyderabad - 500082,
Telangana State, India.

26. Other Disclosures

SL. No.	Details	Remarks
1	Disclosure on materially significant Related Party Transactions.	There are no materially significant transactions with the related parties. The Related Party Transactions Policy as approved by the Board is uploaded on the Company's website at www.avantifeeds.com .
2	Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by Stock Exchange(s) or the Board or any Statutory Authority on any matter related to Capital markets during last 3 years.	No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last 3 years.
3	Details of establishment of Vigil Mechanism, Whistle Blower Policy and affirmation.	The Company established a mechanism for employees to report concerns about unethical behaviour, actual or suspected fraud or violation of code of conduct or ethics policy and code of conduct to regulate, monitor and report trading by Insiders. 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 is disseminated on the website of the Company at www.avantifeeds.com .
4	Inter Relationships between Directors and Key Managerial personnel of the Company.	Sri N. Ram Prasad, Director is the spouse of Sri A. Indra Kumar's (Chairman & Managing Director) Sister. Sri A. Venkata Sanjeev, Executive Director is the son of Sri A. Indra Kumar, Chairman & Managing Director. None of the Other Directors related to anyone of the Board of Directors.
5	Compliance of SEBI (LODR) Regulations, 2015.	Mandatory Requirements: It is confirmed that the Company has complied with the requirements under Regulation 17 to 27 and Reg. 46(2) (b) to (i) of the SEBI (LODR) Reg., 2015. Non-Mandatory Requirements: The Company has adopted the following non-mandatory (i.e. Discretionary) Requirements of Part-E of Schedule-II of SEBI (LODR) Reg., 2015: Audit Qualifications: The Company is in the regime of unqualified financial statements. Reporting of Internal Auditor: The Internal Auditor directly reports to the Audit Committee.
6	Web-link where details of familiarization programme imparted to Independent Directors is disclosed.	www.avantifeeds.com



SL. No.	Details	Remarks
7	Web-link where policy determining the material subsidiaries is disclosed.	www.avantifeeds.com
8	Web-link where policy on dealing with Related Party Transactions is disclosed.	www.avantifeeds.com
9	Disclosure of commodity price risks and commodity hedging activities.	Nil
10	Web link where the dividend distribution policy of the Company is disseminated.	www.avantifeeds.com
11	Disclosure of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Reg.32(7A).	Not Applicable
12	Where the Board had not accepted any recommendation of any Committee of the Board is mandatorily required, in the relevant financial year, details and the reasons for such non-acceptance.	The Board has accepted the recommendations of all the Committees during the FY 2021-22.
13	Total fee for all services paid by the listed entity and its subsidiaries to the Statutory Auditor.	M/s Tukaram & Co., LLP, Chartered Accountants, are the Independent Auditors only for Avanti Feeds Limited. The remuneration paid to Tukaram & Co LLP for the company is as under: Audit Fee ₹23.60 Lakhs plus applicable taxes and out of pocket expenses.
14	Disclosures in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.	No. of complaints filed during the Financial Year 2021-22: NIL. No. of complaints disposed of during the Financial Year 2021-22: NIL. No. of complaints pending as on 31 st March, 2022: NIL.
15	Certificate from a Company Secretary in practice that none of Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board / Ministry of Corporate Affairs or any such statutory authority.	Sri V. Bhaskara Rao, Practicing Company Secretary Hyderabad has issued a Certificate confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by SEBI, Ministry of Corporate Affairs or any such statutory authority.
16	Disclosure by AFL and AFFPL in connection with Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.	NIL. AFFPL has given Loan to its subsidiary Company i.e. AFF INC.

27. Disclosure in respect of demat suspense account / unclaimed suspense account as on 31st March, 2022.

- | | |
|---|-----|
| a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year | NIL |
| b) Number of shareholders who approached the Company for transfer of shares from suspense account during the year. | NIL |
| c) Number of shareholders to whom shares were transferred from suspense account during the year. | NIL |

- | | |
|--|-----|
| d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the Year. | NIL |
| e) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares | NIL |

28. Code for prohibition of Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations 2015, the Company has adopted code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. Further the Company has also adopted Code of conduct to Regulate, Monitor and Report Trading by Insiders.

29. 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 on the Company's financial statements for the year under review.

30. Management Discussion and Analysis Report

The Management Discussion and Analysis Report is enclosed at **Annexure 3** which forms part of this Report.

31. Business Responsibility Report

The Business Responsibility Report in terms of Regulations is enclosed at **Annexure 4** which forms part of this Report.

32. Scheduling and Selection of Agenda items for Board Meetings

- 30.1. 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.
- 30.2. The minimum information placed before the Board is as per the schedule II (Part-A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and 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 transfers 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.

33. Orderly 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.

34. Compliance Certificate from the Independent Auditors

The Compliance certificate from M/s. Tukaram & Co., LLP, Chartered Accountants, Hyderabad, Independent Auditors of the Company on Compliance of conditions of Corporate Governance is annexed.

35. Subsidiary Companies

The Company has two subsidiaries companies, including one step down subsidiary Viz., Avanti Frozen Foods Pvt. Ltd. and Avanti Frozen Foods Inc. (step down subsidiary). Avanti Frozen Foods Pvt. Ltd., is a material subsidiary of the Company in terms of Listing Regulations.



A separate note regarding details of operations of subsidiaries is included in Board's Report.

In terms of Reg.24(1) of Listing Regulations, the Company during the year appointed Sri N.V.D.S. Raju, Independent Director of the Company in place of the Retiring Independent Director Sri K. Rama Mohana Rao, as Director on the Board of Avanti Frozen Foods Pvt Ltd material subsidiary of the Company.

The minutes of the meetings of the Board of Directors of Subsidiaries along with a report on the significant transactions with the subsidiaries during the year 2021-22 are placed before the meetings of the Audit Committee once in a quarter. The Company has formulated a policy for determining the Material subsidiary and the policy is disseminated on the website of the Company at www.avantifeeds.com.

36. 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. 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 31st March, 2022, as envisaged in Reg.26(3) of Listing Regulations.

For and on behalf of the Board
AVANTI FEEDS LIMITED

Place : Hyderabad
Date : 12th May, 2022

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

COMPLIANCE CERTIFICATE

MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

We, A. Indra Kumar, Chairman & Managing Director and C. Ramachandra Rao, Joint Managing Director, Company Secretary & 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, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:
 - i) Significant changes in internal controls 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.

A. Indra Kumar
Chairman & Managing Director
DIN: 00190168

C. Ramachandra Rao
Joint Managing Director,
Company Secretary & CFO
DIN: 00026010

Place : Hyderabad
Date : 12th May, 2022



INDEPENDENT AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of AVANTI FEEDS LIMITED

1. We, M/s. TUKARAM & CO LLP, Chartered Accountants, the Statutory Auditors of Avanti Feeds Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31st March, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the SEBI Listing Regulations during the year ended 31st March, 2022.
8. We 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 TUKARAM & CO LLP

Chartered Accountants

ICAI Firm Registration No: 004436S / S200135

(K. Rajender Reddy)

Partner

Membership No.231384

UDIN: 22231834AIYGQB8162

Place : Hyderabad

Date : 12th May, 2022

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

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

To,
The Members of
Avanti Feeds Limited
CIN: L16001AP1993PLC095778
Flat No. 103, Ground Floor,
"R" Square, Pandurangapuram
Visakhapatnam,
Andhra Pradesh - 530003.

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, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic. We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018: Not Applicable to the Company during the Audit period.
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 which was replaced by the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; Not Applicable to the Company during the Audit period.



- f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 which was replaced by the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; Not Applicable to the Company during the Audit period.
 - g. 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;
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 which was replaced by the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; Not Applicable to the Company during the Audit period and
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable to the Company during the Audit period.
- (vi) Other applicable Acts
- (a) The Factories Act, 1948
 - (b) The Industrial Disputes Act, 1947
 - (c) The Payment of Wages Act, 1936
 - (d) The Minimum Wages Act, 1948
 - (e) The Employee State Insurance Act, 1948
 - (f) The Employees Provident Funds and Miscellaneous Provisions Act, 1952
 - (g) The Payment of Bonus Act, 1965
 - (h) The Payment of Gratuity Act, 1972
 - (i) The Contract Labour (Regulation & Abolition) Act, 1970
 - (j) The Maternity Benefit Act, 1961
 - (k) The Child Labour (Prohibition & Regulation) Act, 1986
 - (l) The Industrial Employment (Standing Order) Act, 1946
 - (m) The Employee Compensation Act, 1923
 - (n) The Apprentices Act, 1961
 - (o) Equal Remuneration Act, 1976
 - (p) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956
 - (q) The Trade Marks Act, 1999
 - (r) The Customs Act, 1962
 - (s) Shops and Establishment Act, 1988
 - (t) The Water (Prevention and control of pollution) Act, 1974
 - (u) The Air (Prevention and control of pollution) Act, 1981
 - (v) The Environment Protection Act, 1986 and rules made there under
 - (w) The Explosive Act, 1884
 - (x) The Indian Boilers Act, 1923
 - (y) The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013
 - (z) Hazardous Waste (Management and Handling and transboundary Movement) Rules, 2008
 - (aa) Food Safety and Standards Act, 2006
 - (bb) The Biological Diversity Act, 2002
 - (cc) The Indian Stamp Act, 1899
 - (dd) The Registration Act, 1908
 - (ee) AP Fire Safety Act, 1999 and Rules 2006
 - (ff) The Legal Metrology Act, 2009
 - (gg) The Andhra Pradesh Animal Feed (Regulation of Manufacture, Quality Control, Sale and Distribution) Act, 2020

We have relied on the representations made by the Company, its officers and reports of Internal Auditors for systems and mechanism framed by the Company for compliances under other acts, Laws and regulations applicable to the Company as mentioned above.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI).
- (ii) The Listing Agreements entered by the Company with BSE Ltd. and National Stock Exchange of India Ltd.

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, and 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.

The decisions at the Board Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be and there were no members dissenting the resolution(s) during the year under review.

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.

We further report that, the compliance by the Company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that, as informed, the Company has responded appropriately to notices/queries received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that, during the audit period the company has carried the following transactions/actions bearing on the company affairs in pursuance of above applicable acts, rules and regulations etc.

1. During the year under review, the Company has filed an application with BSE Limited and National Stock Exchange India Limited for re-classification of a few Shareholders in the "Promoter Category" to "Public Category" on 22nd July, 2021. The application is still under progress with the above mentioned authorities as on the date of this report.
2. During the year under review, Sri B. V. Kumar, Sri M. S. P Rao and Sri K. Rama Mohana Rao, Independent Directors of the Company retired on 1st August, 2021 on completion of their 2nd term as Independent Directors of the Company.
3. During the period under review, the Company has Appointed Sri Jasthi Venkata Ramudu, Independent Director as Chairman of the Board w.e.f. 1st July, 2021 to comply with Regulation 17 (1B) of the SEBI (LODR) Regulations, 2015.
4. The Company has amended its Article 72 and Article 116 of the Articles of Association of the Company vide Special Resolution passed at the Annual General Meeting held on 14th August, 2021.
5. Also the Company has Re-Appointed Sri Alluri Indra Kumar, as Chairman and Managing Director for a further period of Five (5) years w.e.f. 1st July, 2021 by way of a Special Resolution duly passed at the 28th Annual General Meeting held on 14th August, 2021.
6. The Company has appointed Sri Vangala Narsi Reddy (DIN: 08685359), as an Independent Director in the 28th Annual General Meeting held 14th August, 2021.



7. The Company has carried out the below Special Businesses by way of passing special resolutions in the Extraordinary General Meeting held on 23rd March, 2022.
- (a) Adopted New set of Articles of Association as per the Provisions of the Companies Act, 2013.
 - (b) Increased overall Maximum Managerial Remuneration payable from 11% to 16% of the net profits of the Company.
 - (c) Payment of Commission to Non-executive Directors of the Company for a period of Five (5) years.
 - (d) Re-Appointment of Sri C. Ramachandra Rao, as Joint Managing Director, Company Secretary and Chief Financial Officer of the Company for a further period of Five(5) years w.e.f. 1st April, 2022.

V. Bhaskara Rao and Co
Company Secretaries

V. Bhaskara Rao
Proprietor
FCS No.5939, CP No.4182
Peer Review No. 670/2020
UDIN: F005939D000300387

Place : Hyderabad
Date : 12th May, 2022

This Report is to be read with our letter of even date which is given as Annexure-A and forms an integral part of this report.

'ANNEXURE- A'

To,
The Members of
Avanti Feeds Limited
CIN: L16001AP1993PLC095778
Flat No. 103, Ground Floor,
"R" Square Pandurangapuram
Visakhapatnam,
Andhra Pradesh - 530003.

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

1. Maintenance of secretarial records 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
Peer Review No. 670/2020
UDIN: F005939D000300387

Place : Hyderabad
Date : 12th May, 2022



**Standalone Financials
2021-22**

INDEPENDENT AUDITORS' REPORT

To the Members of
Avanti Feeds Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Avanti Feeds Limited ("the Company") which comprise the Balance Sheet as at 31st March, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



SL. No	Key Audit Matters	Auditor's Response
1.	<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of Ind AS 115 "Revenue from Contracts with Customers" (revenue accounting standard)</p> <p>The application of the accounting standard involves certain key judgements relating to identification of the contract with a customer, identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized when a performance obligation is satisfied. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p>Refer Notes 2.4.c and 21 to the Stand-alone Financial Statements</p>	<p>We assessed the Company's process to identify the impact of the revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> • We assessed the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the relevant accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures: <ul style="list-style-type: none"> • Read, analyzed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. • Samples in respect of revenue recorded upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services, were tested using a combination of DCs, Sales orders, weighment slips and non-returnable gate passes including customer acceptances, subsequent invoicing and historical trend of collections and disputes. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. <p>We reviewed the collation of information and the logic of the report generated from the IT system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>

SL. No	Key Audit Matters	Auditor's Response
2.	<p>The Company enters into various financial instruments such as investments in quoted and unquoted equity instruments, quoted mutual funds and quoted non-convertible debentures. As at 31st March, 2022, financial instruments carried at fair value through profit and loss totaled ₹67,097.43 Lakhs (current investments of ₹67,095.27 Lakhs and non-current investments of ₹2.16 Lakhs) as disclosed in Note 6 to the Standalone Financial Statements. These financial instruments are recorded at fair value as required by the relevant accounting standard. We have focused on this area due to the complexities associated with the valuation and accounting for these financial instruments.</p>	<p>Our procedures included but were not limited to:</p> <ul style="list-style-type: none"> • Obtaining an understanding of the internal risk management procedures and the systems and controls associated with the origination and maintenance of complete and accurate information relating to financial instruments; • We also tested on a sample basis the existence and valuation of such financial instruments as at 31st March, 2022. Our audit procedures focused on the integrity of the valuation models and the incorporation of the contract terms and the key assumptions, including future price assumptions and discount rates; and • Obtaining an understanding of key financial instrument contract terms to assess the appropriateness of accounting reflected in the financial report. <p>We have also assessed the appropriateness of the disclosures included in Note 37 to the Standalone Financial Statements.</p>
3.	<p>Inventory valuation and existence</p> <p>At the balance sheet date, the value of inventory amounted to ₹71,467.25 Lakhs representing 36.85% of total assets. Inventories were considered as key audit matter due to the size of the balance and because inventory valuation involves management judgment.</p> <p>As described in Note 2.4.j of the financial statements, inventories are carried at the lower of cost and net realizable value on a weighted average basis.</p> <p>The Company has segment specific procedures for identifying risk for obsolescence and measuring inventories at the lower of cost and net realizable value.</p>	<p>To address the risk for material error on inventories, our audit procedures included amongst others:</p> <ul style="list-style-type: none"> • Assessing the compliance of Company's accounting policies over inventory with applicable accounting standards. • Observed the stock take process at Factory locations during the year and at the end of the year and undertook our test counts where ever necessary. • Compared the Quantities we counted with Quantities recorded. • Analyzing, the Inventory Ageing reports and Net realizable value of inventories <p>Tested that inventory on hand at the end of the period was recorded at the lower of cost and net realizable value by testing a sample of inventory items to the most recent selling price.</p>

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Shareholder's Information, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.



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 Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("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", 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 including other comprehensive income, the statement of changes in equity and the statement of cash flows 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 Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, 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 Standalone Financial Statements- Refer Note 30 to the financial statements



- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
c) Based on the audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
b) The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend

For TUKARAM & CO LLP

Chartered Accountants

ICAI Firm Registration No: 004436S / S200135

(K. Rajender Reddy)

Partner

Membership No: 231834

UDIN: 22231834AIYFWQ7464

Place : Hyderabad

Date : 12th May, 2022

“Annexure – A” to the Auditors’ Report

The Annexure referred to in Independent Auditors’ Report to the members of the Company on the Standalone Financial Statements for the year ended 31st March, 2022, we report that:

Re: Avanti Feeds Limited (‘the Company’)

- i. In respect of the Company’s Property, Plant and Equipment (including right-of-use assets) and Intangible Assets:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - (B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) As explained to us, the management has physically verified a substantial portion of the Property, Plant and Equipment 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 Property, Plant and Equipment as compared to the books of account were not material and have been properly dealt with in the books of accounts.
 - (c) In our opinion and according to the information and explanations given to us, all the title deeds of immovable properties are held in the name of the Company. In respect of immovable properties of land and buildings that have been taken on lease and disclosed as asset in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.
 - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - (a) According to the information and explanations given to us, the inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable and the coverage and procedure of such verification by the management is appropriate. The discrepancies identified during such verification were not more than 10% in the aggregate for each class of inventory as compared to the books of account.
 - (b) The Company has been sanctioned working capital limits in excess of five crore rupees from banks on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- iii. According to the information and explanations given to us, in our opinion, the investments made by the Company are prima facie not prejudicial to the interest of the Company.

The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, reporting under clause 3(iii)(a) to 3(iii)(f) are not applicable.
- iv. There are no loans, guarantees and security in respect of which provisions of Sections 185 of the Act are applicable. Investments in respect of which provisions of Section 186 of the Act are applicable, have been complied with by the Company.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of Section 73 and 76 or any other relevant provisions of the Act and the rules framed there under. Hence, reporting under clause 3(v) of the Order is not applicable.



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, related to generation of electricity 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, goods and service tax, value added tax, duty of customs, cess and other statutory dues applicable to it. 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, there are no dues of provident fund, employees state insurance, goods and service tax, cess and other statutory dues which have not been deposited on account of any dispute. The details of dues of value added tax, duty of customs and Income Tax that have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of the Dues	Amount '₹' in Lakhs	Period to which the amount relates	Forum where dispute is pending
Madhya Pradesh VAT Act, 2002	Sales tax (MP VAT demand for soya transactions in 2005-06)	29.22	2005-2006	High Court of Madhya Pradesh
Customs Act, 1962	Customs duty	60.82	2009 -2010 to 2011-2012	CESTAT, Chennai
Income Tax Act, 1961	Income Tax	12.23	2013-2014	Commissioner Appeals, Income Tax, Hyderabad

viii. According to information and explanation given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- ix. (a) 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 repayment of loans or other borrowings or in the payment of interest thereon to banks. There are no dues to financial institutions or government.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates. The Company does not have any joint venture.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries or associates and hence reporting under clause 3(ix)(f) of the Order is not applicable.

- x. (a) According to the information and explanations given to us, the Company has not raised any money during the year by way of public offer (including debt instruments) and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) 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 by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of Section 143 of the Act has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and up to the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios disclosed in Note 41 to the Standalone financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based



on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. In our opinion and according to the information and explanations given to us, there is no unspent amount towards Corporate Social Responsibility under sub-section (5) of Section 135 of the said Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- xxi. There have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements. Accordingly, reporting under clause 3(xxi) of the Order is not applicable for the year.

For TUKARAM & CO LLP

Chartered Accountants

ICAI Firm Registration No: 004436S / S200135

(K. Rajender Reddy)

Partner

Membership No: 231834

UDIN: 22231834AIYFWQ7464

Place : Hyderabad

Date : 12th May, 2022

Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

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

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For TUKARAM & CO LLP

Chartered Accountants

ICAI Firm Registration No: 004436S / S200135

(K. Rajender Reddy)

Partner

Membership No: 231834

UDIN: 22231834AIYFWQ7464

Place : Hyderabad

Date : 12th May, 2022

Balance Sheet as at 31st March, 2022

(All amounts in Lakhs in Indian Rupees, unless otherwise stated)

Particulars	Note No.	As at 31 st March, 2022	As at 31 st March, 2021
ASSETS			
Non-current Assets			
Property, Plant and Equipment	3	14,622.48	15,586.59
Capital work-in-progress	3	2,312.85	12.26
Intangible assets	4	7.15	11.27
Right-of-use Assets	5(a)	177.95	132.05
Financial assets			
Investments	6(a)	20,702.54	19,703.81
Loans	7(a)	60.81	72.97
Other financial assets	8	645.08	570.88
Non-current tax assets (net)	20(b)	1,642.37	1,589.54
Other non-current assets	9 (a)	779.52	2.94
Total Non-current Assets		40,950.75	37,682.31
Current Assets			
Inventories	10 (a)	71,467.25	31,333.73
Biological Assets	10 (b)	84.14	66.25
Financial assets			
Investments	6(b)	72,201.54	99,530.76
Trade receivables			
Billed	11(a)	2,197.83	2,033.65
Unbilled	11(b)	6.57	6.61
Cash and cash equivalents	12(a)	4,995.61	3,376.30
Other bank balances	12(b)	912.39	1,342.56
Loans	7(b)	82.31	95.29
Other current assets	9(b)	1,042.76	1,451.93
Total Current Assets		1,52,990.40	1,39,237.08
Total Assets		1,93,941.15	1,76,919.39
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	1,362.46	1,362.46
Other equity	14	1,60,245.23	1,48,963.79
Total Equity		1,61,607.69	1,50,326.25
Liabilities			
Non-current Liabilities			
Financial Liabilities			
Lease Liabilities	5(b)(i)	110.89	90.19
Other financial liabilities	15(a)	372.00	372.00
Provisions	16(a)	-	-
Deferred tax liabilities (net)	20(a)	1,658.83	1,655.59
Total non-current liabilities		2,141.72	2,117.78
Current liabilities			
Financial liabilities			
Borrowings	18	-	-
Lease Liabilities	5(b)(ii)	74.83	37.59
Trade payables:			
i) Total outstanding dues of Micro enterprises and small enterprises	19	1,881.58	1,444.64
ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises	19	23,828.61	19,909.83
Other financial liabilities	15(b)	355.87	211.06
Other current liabilities	17	3,984.13	2,703.24
Provisions	16(b)	66.72	169.00
Total Current Liabilities		30,191.74	24,475.36
Notes forming part of the Financial Statements	1-43		
Total Equity and Liabilities		1,93,941.15	1,76,919.39

The accompanying notes are an integral part of the Financial Statements
As per our Report of even date

for TUKARAM & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 004436S / S200135

(K. Rajender Reddy)
Partner
Membership No. 231834

Place : Hyderabad
Date : 12th May, 2022

For and on behalf of the Board of Directors
AVANTI FEEDS LIMITED

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

C. Ramachandra Rao
DIN:00026010
Jt. Managing Director,
Company Secretary & CFO

N. Ram Prasad
DIN:00145558
Director



Statement of Profit & Loss for the year ended 31st March, 2022

(All amounts in Lakhs in Indian Rupees, unless otherwise stated)

Particulars	Note No.	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
Income			
Revenue from operations	21	4,04,754.95	3,24,250.80
Other Income (net)	22	6,045.82	6,436.85
Total Income		4,10,800.77	3,30,687.65
Expenses			
Cost of materials consumed	23	3,54,577.88	2,61,521.49
Purchase of bearer biological assets	23	123.11	108.26
Changes in inventories of Finished Goods, Work-In-Progress & Biological assets	24	2,081.90	511.58
Employee benefits expense	25	10,007.82	10,359.19
Finance costs	26	114.97	49.13
Depreciation and amortization expenses	27	2,110.01	2,132.60
Other expenses	28	15,357.34	15,586.10
Total expenses		3,84,373.03	2,90,268.35
Profit before tax		26,427.74	40,419.30
Tax Expense			
Current tax	20(c)	6,499.00	10,052.01
Deferred tax	20(c)	3.24	(169.80)
Total tax expenses		6,502.24	9,882.21
Profit for the year		19,925.50	30,537.09
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Premeasurement of the defined benefit plans		(128.71)	(31.24)
Total comprehensive income for the period (Comprising Profit and other Comprehensive Income for the period)		19,796.79	30,505.85
Earnings per equity share (EPS)			
(Equity shares, par value of ₹1/- each)			
Basic and diluted EPS (in ₹)			
Basic	29	14.62	22.41
Diluted	29	14.62	22.41

The accompanying notes are an integral part of the Financial Statements
As per our Report of even date

for **TUKARAM & CO. LLP**

Chartered Accountants

ICAI Firm Registration No. 004436S / S200135

(K. Rajender Reddy)

Partner

Membership No. 231834

Place: Hyderabad

Date : 12th May, 2022

For and on behalf of the Board of Directors
AVANTI FEEDS LIMITED

A. Indra Kumar

DIN: 00190168

Chairman & Managing Director

C. Ramachandra Rao

DIN:00026010

Jt. Managing Director,

Company Secretary & CFO

N. Ram Prasad

DIN:00145558

Director

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

(All amounts in Lakhs in Indian Rupees, unless otherwise stated)

a. Equity Share Capital

Particulars	Number of Shares	Amount
Balance at 1st April, 2020	13,62,45,630	1,362.46
Changes in equity share capital during the year	-	-
Changes in equity share capital due to prior period errors	-	-
Balance at 31st March, 2021	13,62,45,630	1,362.46
Changes in equity share capital during the year	-	-
Changes in equity share capital due to prior period errors	-	-
Balance at 31st March, 2022	13,62,45,630	1,362.46

b. Other Equity

Particulars	Reserves and Surplus			
	General reserve	Securities premium	Retained earnings	Total
Balance at 1st April, 2020	17,565.72	-	1,01,028.47	1,18,594.19
Profit for the year	-	-	30,537.09	30,537.09
Other comprehensive income	-	-	(31.24)	(31.24)
Dividends (including corporate dividend tax)	-	-	(136.25)	(136.25)
Transfer from retained earnings to general reserve	2,500.00	-	(2,500.00)	-
Balance at 31st March, 2021	20,065.72	-	1,28,898.07	1,48,963.79
Profit for the year	-	-	19,925.50	19,925.50
Other comprehensive income	-	-	(128.71)	(128.71)
Dividends (including corporate dividend tax)	-	-	(8,515.35)	(8,515.35)
Transfer from retained earnings to general reserve	2,500.00	-	(2,500.00)	-
Balance at 31st March, 2022	22,565.72	-	1,37,679.51	1,60,245.23

The accompanying notes are an integral part of the Financial Statements
As per our Report of even date

for TUKARAM & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 004436S / S200135

For and on behalf of the Board of Directors
AVANTI FEEDS LIMITED

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

(K. Rajender Reddy)
Partner
Membership No. 231834

C. Ramachandra Rao
DIN:00026010
Jt. Managing Director,
Company Secretary & CFO

N. Ram Prasad
DIN:00145558
Director

Place :Hyderabad
Date : 12th May, 2022



Statement of cash flows for the year ended 31st March, 2022

(All amounts in Lakhs in Indian Rupees, unless otherwise stated)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
A. CASH FLOW FROM/(USED IN) OPERATING ACTIVITIES		
Profit before tax	26,427.74	40,419.30
Adjustments for :		
Depreciation and amortisation expenses	2,110.01	2,132.60
Provision for employee benefits	66.72	169.00
Finance costs	114.97	49.13
Loss on disposal of property, plant and equipment	10.41	6.76
Interest income	(832.18)	(613.75)
Dividend income	(300.50)	(120.20)
Gain/ Loss from sale of financial assets measured at fair value through profit and loss	(3,633.13)	(4,993.30)
Fair valuation of financial assets measured at fair value through profit and loss	(607.23)	73.27
Foreign exchange gain/(Loss)	(95.97)	(269.88)
Operating profit before working capital changes	23,260.84	36,852.94
Charges in working capital:		
Adjustments for (increase) / decrease in operating assets:		
Trade receivables		
Billed	(164.18)	1,133.68
Unbilled	0.04	(1.00)
Other financial assets	334.97	(301.89)
Inventories	(40,133.52)	5,702.52
Other bank balances	429.32	(36.04)
Other assets	25.14	22.52
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	4,355.72	1,605.73
Other financial liabilities	144.81	(71.32)
Other current liabilities	983.18	(412.44)
Cash generated from operations	(10,763.68)	44,494.70
Income taxes paid, net	(6,551.83)	(10,500.68)
Net cash from operating activities (A)	(17,315.51)	33,994.02
B. CASH FLOW FROM/(USED IN) INVESTING ACTIVITIES		
Purchase of Property Plant and Equipment, including capital advances	(4,224.92)	(858.99)
Proceeds from sale of property, plant and equipment	31.77	38.44
Change in Investments	30,570.65	(31,278.45)
Interest received	832.18	613.75
Dividend income received	300.50	120.20
Net cash from /(used in) investing activities (B)	27,510.18	(31,365.05)

Particulars	For the Year ended 31 st March, 2022	For the Year ended 31 st March, 2021
C. CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES		
Finance costs	(100.80)	(42.97)
Repayment of lease liabilities	(56.23)	(27.97)
Dividends paid	(8,514.30)	(98.28)
Foreign exchange gain/(Loss)	95.97	269.88
Net cash from/(used in) financing activities (C)	(8,575.36)	100.66
Net increase/(decrease) in Cash and cash equivalents (A+B+C)	1,619.31	2,729.63
Cash and cash equivalents at the beginning of the year	3,376.30	646.67
Cash and cash equivalents at the end of the year (Refer Note (i) below)	4,995.61	3,376.30
Note (i): Cash and cash equivalents comprises of:		
Cash in hand	7.89	5.98
Balances with Banks	4,987.72	3,370.32
	4,995.61	3,376.30
The above Statement of Cash Flows has been prepared under the "Indirect Method" set out in Ind AS - 7, 'Statement of Cash Flows' specified under Section 133 of the Companies Act, 2013		
Purchase of property, plant and equipment includes movements of capital work-in-progress during the year. Figures in brackets indicate cash outflows		

The accompanying notes are an integral part of the Financial Statements
As per our Report of even date

for TUKARAM & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 004436S / S200135

For and on behalf of the Board of Directors
AVANTI FEEDS LIMITED

(K. Rajender Reddy)
Partner
Membership No. 231834

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

Place :Hyderabad
Date : 12th May, 2022

C. Ramachandra Rao
DIN:00026010
Jt. Managing Director,
Company Secretary & CFO

N. Ram Prasad
DIN:00145558
Director



Notes forming part of the Financial Statements

1. Corporate information

Avanti Feeds Limited, ("the Company") is a listed public company incorporated under "The Companies Act, 1956", with its registered office in Visakhapatnam. Avanti Feeds Limited has started its commercial operations in 1993 and now stands as the leading manufacturer of Shrimp Feed.

The financial statements are approved for issue by the Company's Board of Directors on May 12, 2022.

2. Basis of preparation of financial statements and significant accounting policies:

2.1 Basis of preparation and measurement

(i) Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), the provisions of The Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use

(ii) Basis of measurement

The financial statements have been prepared under the historical cost convention on the accrual basis except for the following financial instruments which are measured at fair values:

- certain financial assets and liabilities that are measured at fair value
- biological assets - measured at fair value; and
- defined benefit plans- plan assets measured at fair value

2.2 Measurement of fair values

The Company's accounting policies and disclosures require financial instruments to be measured at fair values. The Company has an established control framework with respect to the measurement of fair values.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.3 Use of estimates and judgements

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

- Estimation of defined benefit obligation
- Useful life of property, plant and equipment
- Fair value of biological asset

2.4 Significant accounting policies

a. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Chairman and Managing Director (CMD) of the Company has been identified as the chief operating decision maker for the segment information presented.

b. Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of its primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupees (INR), which is the Company's functional and presentation currency.

(ii) Transactions and translations

Foreign-currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction

c. Revenue recognition

The Company earns revenue primarily from sale of Shrimp Feed.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenues, we apply the following five step approach:

- (1) identify the contract with a customer,
- (2) identify the performance obligations in the contract,



- (3) determine the transaction price,
- (4) allocate the transaction price to the performance obligations in the contract, and
- (5) recognize revenues when a performance obligation is satisfied.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method. Stand-alone selling prices are determined based on sale prices for the components when it is regularly sold separately, in cases where the Company is unable to determine the stand-alone selling price, the Company uses third-party prices for similar deliverables or the company uses expected cost plus margin approach in estimating the stand-alone selling price.

d. Government grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Loans received from government in the nature of interest free deferred sales taxes are treated in the nature of government grant. The difference between the fair value of the loan and the amount of loan received is accounted as government grant. The government grant is recognised in the Statement of Profit and Loss over the period of loan.

e. Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

f. Ind AS 116 - Leases :

As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

g. Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

h. Cash and cash equivalents

Cash and cash equivalents in the balance sheet includes cash at bank and cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet. For the purpose of statement of cash flows, cash and cash equivalents cash an short term deposits as defined above is net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.



i. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

j. Inventories

Inventories 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.

Cost of raw materials comprise of cost of purchase. Cost of work-in-progress and finished goods comprises direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

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

k. Biological assets

The Company recognises biological assets only when, the Company controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the Company. Biological assets of the Company are in the nature of Consumable Biological Assets. It is bifurcated into Brood Stock, (the Parents) and harvested species which undergo biological transformation under different stages as Nauplius, Zoea, Mysis and Post Larvae. The Company sells the biological assets harvested from brood stock at Nauplius and Post Larvae Stages. The Brood Stock has a maximum useful life of 6 months for laying eggs. and thereafter these are destroyed.

The valuation of the Brood stock biological assets are determined on the following basis:

Brood stock are used for captive consumption or to support farmers, it can not be sold before the end of its useful life and as such, there is no active market. Other references to market prices such as market prices for similar assets are also not available due to the uniqueness of the breed. Valuation based on a discounted cash flow method is considered to be unreliable given the uncertainty with respect to mortality rates and production. Consequently, brood stock and Shrimp seed (Different stages) are measured at cost, less depreciation and impairment losses.

The transmission phase from Nauplius to Zoea and Mysis are not considered as significant transformation of biological asset and hence Zoea and Mysis are not valued as per Ind AS - 41.

The Company recognises other biological assets at the fair value or cost of the assets that can be measured reliably. Expenditure incurred on biological assets are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less costs to sell of biological assets are included in Statement of Profit and Loss for the period in which it arises.

Management estimates the fair value less costs to sell of biological assets, taking into account the most reliable evidence available at each reporting date. The future realization of these biological assets may be affected by their survival rate, age and / or other market-driven changes that may reduce the future economic benefits associated with such assets. The fair value is arrived at based on the observable market prices of biological assets adjusted for cost to sells, as applicable.

l. Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- **Fair value through other comprehensive income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in Statement of Profit and Loss as other income when the Company right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the Statement of Profit and Loss. Impairment



losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 37 details how the Company determines whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(v) Income recognition

Interest income:

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

(vi) Dividends:

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

m. Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period and are included in other gains/(losses).

n. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

o. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on tangible assets is calculated on a straight-line basis so as to expense the cost less residual value over the estimated useful life's prescribed and in the manner laid down under Schedule II to the Companies Act, 2013. The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis. Assets costing individually rupee equivalent of INR 5,000 or less are fully charged off on purchase. Depreciation for assets purchased / sold during the period is proportionately charged.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.

p. Intangible assets

Intangible assets that are acquired are recognized at cost initially and carried at cost less accumulated amortization and accumulated impairment loss, if any.

(i) Computer software

Computer software are stated at cost, less accumulated amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

(ii) Amortisation methods and periods

Intangible assets with finite useful live are amortized over their respective individual estimated useful lives (6 years in case of computer softwares) on a straight line basis.

q. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the year end which are unpaid. The amounts are unsecured and are usually paid as per mutually agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

r. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable



that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

s. Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

t. Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

u. Employee benefits

(i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments

to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post- employment obligations

The Company operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as Provident fund, Employee State Insurance and Superannuation fund.

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefits expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Company pays provident fund contributions to publicly administered Provident funds and Employee State Insurance funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. Superannuation Scheme (administered through a 'Superannuation Trust' formed by the Company) is a defined contribution plans, where the Company has no further obligations under the plan beyond its monthly/quarterly contributions.

(iv) Bonus plans

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(v) Contributed Equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.



w. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

x. Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

y. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III, unless otherwise stated.

2.5 Recent pronouncements

Ind AS 103 – Business Combinations

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Property, Plant and Equipment (Proceeds before intended use)

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Asset

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.



Notes to Financial statements for the year ended 31st March, 2022

(All amounts in Lakhs in Indian Rupees, unless otherwise stated)

3. Property, plant and equipment and capital work - in-progress

	Land - Free hold	Buildings	Roads	Plant & machinery	Wind mills	Electrical Installation	Lab equipments	Office equipment	Computers	Furniture and fixtures	Motor vehicles	Total tangible assets	Capital work-in-progress
Gross Carrying amount													
As at 31st March, 2020	2,157.54	3,324.53	230.33	10,655.97	649.31	2,035.16	340.54	201.56	159.97	149.47	1,170.52	21,074.91	2,335.20
Additions	137.87	2,128.34	136.25	368.54	-	191.51	80.17	32.77	31.05	25.76	28.77	3,161.03	820.97
Disposals	-	-	-	0.34	-	3.47	17.28	0.78	4.11	0.02	49.83	75.83	3,143.91
As at 31st March, 2021	2,295.41	5,452.87	366.58	11,024.17	649.31	2,223.20	403.43	233.55	186.91	175.21	1,149.46	24,160.11	12.26
Additions	339.39	384.17	-	266.49	-	36.09	16.70	9.38	22.12	5.78	49.74	1,129.86	3,155.67
Disposals	-	-	-	16.03	-	-	20.98	4.41	6.96	0.21	72.85	121.44	855.08
As at 31st March, 2022	2,634.80	5,837.04	366.58	11,274.63	649.31	2,259.29	399.15	238.52	202.07	180.78	1,126.35	25,168.53	2,312.85
Depreciation													
Upto 31st March, 2020	-	405.96	101.90	4,333.95	216.48	736.77	115.03	102.73	98.28	61.86	328.48	6,501.44	-
Charge for the year	-	130.81	31.97	1,380.59	54.14	234.82	39.91	34.55	43.30	18.24	134.38	2,102.71	-
Disposals	-	-	-	0.34	-	1.39	3.76	0.76	3.83	0.02	20.53	30.63	-
Upto 31st March, 2021	-	536.77	133.87	5,714.20	270.62	970.20	151.18	136.52	137.75	80.08	442.33	8,573.52	-
Charge for the year	-	174.65	39.16	1,308.21	54.14	233.07	42.24	34.15	30.44	19.42	116.90	2,052.38	-
Disposals	-	-	-	11.36	-	-	12.75	3.92	6.83	0.10	44.89	79.85	-
Upto 31st March, 2022	-	711.42	173.03	7,011.05	324.76	1,203.27	180.67	166.75	161.36	99.40	514.34	10,546.05	-
Net block													
As at 31st March, 2021	2,295.41	4,916.10	232.71	5,309.97	378.69	1,253.00	252.25	97.03	49.16	95.13	707.13	15,586.59	12.26
As at 31st March, 2022	2,634.80	5,125.62	193.55	4,263.58	324.55	1,056.02	218.48	71.77	40.71	81.38	612.01	14,622.48	2,312.85

Notes:

- Refer to note 18 for information on property, plant and equipment pledged as security by the company.
- Refer to note 31 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- ₹855.08 Lakhs has been capitalised and transferred to property, plant and equipment during the year ended 31st March, 2022.
- ₹3143.91 Lakhs has been capitalised and transferred to property, plant and equipment during the year ended March 31st, 2021.

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

(All amounts in Lakhs in Indian Rupees, unless otherwise stated)

Ageing of capital work-in-progress as on 31st March, 2022

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Shrimp Feed Plant at Bandapuram	1,866.68	-	-	-	1,866.68
Admin Building at Kovvur	196.78	-	-	-	196.78
Guest House at Kovvur	222.89	-	-	-	222.89
Plant & Machinery at Kovvur	20.29	-	-	-	20.29
Plant & Machinery at Gujarat	6.22	-	-	-	6.22
Total	2,312.85	-	-	-	2,312.85

Ageing of capital work-in-progress as on 31st March 2021

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Admin Building, Kovvur	12.26	-	-	-	12.26
Total	12.26	-	-	-	12.26

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

(All amounts in Lakhs in Indian Rupees, unless otherwise stated)

4. Intangible assets

Particulars	Computer software
Gross carrying amount	
As at 31st March, 2020	25.77
Additions	0.59
Disposals	-
As at 31st March, 2021	26.36
Additions	-
Disposals	0.81
Balance as at 31st March, 2022	25.55
Amortization expense:	
Balance as at 31st March, 2020	11.51
Amortisation expense for the year	3.58
Disposals	-
Balance as at 31st March, 2021	15.09
Amortization expense for the year	3.53
Disposals	0.22
Balance as at 31st March, 2022	18.40
Net Block	
Balance as at 31st March, 2021	11.27
Balance as at 31st March, 2022	7.15

5 Right-of-use asset

(a) ROU as at 31st March, 2022

Particulars	Category of ROU asset	Total
	Buildings	
Balance as at 31st March, 2020	31.37	31.37
Additions	126.99	126.99
Deletion	-	-
Depreciation	26.31	26.31
Balance as at 31st March, 2021	132.05	132.05
Additions	100.00	100.00
Deletion	-	-
Depreciation	54.10	54.10
Balance as at 31st March, 2022	177.95	177.95

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

(b) Lease liabilities as at 31st March, 2022

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
i) Non-Current	110.89	90.19
ii) Current	74.83	37.59
Total	185.72	127.78



The movement in lease liabilities during the period ended 31st March, 2022 is as follows:

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balance as at 01st April, 2021	127.78	28.93
Additions	100.00	120.67
Finance cost accrued during the year	14.17	6.15
Deletions	-	-
Payment of lease liabilities	56.23	27.97
Balance as at 31st March, 2022	185.72	127.78

Rental expenses recorded on short-term leases was ₹201.71 Lakhs.

The details of the contractual maturities of lease liabilities as at 31st March, 2022 on an undiscounted basis are as follows:

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Less than one year	62.88	37.59
One year to three years	120.11	66.71
More than three years	2.73	23.48
Total	185.72	127.78

6. Investments

	As at 31 st March, 2022	As at 31 st March, 2021
a) Non - Current investments (Refer note i below)		
Investments carried at cost		
(i) Equity instruments of subsidiaries (unquoted)	8,461.00	8,461.00
(ii) Equity instruments of associated companies (unquoted)	2,735.06	2,735.06
(iii) Equity instruments of other entities (unquoted)	507.31	507.31
Investments carried at fair value through profit and loss		-
(iv) Equity instruments of other entities (quoted)	2.16	1.97
(v) Investments in Non Convertible Debentures (quoted)	-	503.64
Investments carried at amortised cost		
(vi) Investments in Non Convertible Debentures (quoted)	8,997.01	7,494.83
Total	20,702.54	19,703.81
b) Current investments (Refer note ii below)		
Investments carried at fair value through profit and loss		
(i) Investments in Mutual Funds (quoted)	65,995.72	93,344.26
(ii) Investments in Non Convertible Debentures (quoted)	1,099.55	-
Investments carried at amortised cost		
(iii) Investments in Secured Bonds - (quoted)	-	1,053.95
(iv) Investments in term deposits:	5,106.27	5,132.55
Total	72,201.54	99,530.76
Note i: Details of non-current investments		
Equity instruments of subsidiaries (unquoted)		
Avanti Frozen Foods Private Limited	8,461.00	8,461.00
60,10,000 (31 st March 2021 : 60,10,000) equity shares of ₹10/- each fully paid up)		
Total a(i)	8,461.00	8,461.00

	As at 31 st March, 2022	As at 31 st March, 2021
Equity instruments of associate companies (unquoted)		
Srivathsa Power Projects Private Limited	1,670.54	1,670.54
1,66,93,630 (31 st March, 2021: 1,66,93,630) equity shares of ₹10/- each fully paid up		
Patikari Power Private Limited	1,064.52	1,064.52
1,06,45,200 (31 st March, 2021: 1,06,45,200) equity shares of ₹10/- each fully paid up		
Total a(ii)	2,735.06	2,735.06
Equity instruments of other entities (unquoted)		
Bhimavaram Hospitals Limited	12.00	12.00
1,20,000 (31 st March, 2021: 1,20,000) equity shares of ₹10/- each fully paid up		
PT Thai Union Kharisma Lestari	495.31	495.31
9,99,600 (31 st March, 2021: 9,99,600) equity shares of IDR 10,000/- each fully paid up		
Total a(iii)	507.31	507.31
Equity instruments of other entities (quoted)		
IDBI Bank Limited	1.23	1.11
2,880 (31 st March, 2021: 2,880) equity shares of ₹10/- each fully paid up		
UCO Bank Limited	0.93	0.86
7,800 (31 st March, 2021: 7,800) equity shares of ₹10/- each fully paid up		
Total a(iv)	2.16	1.97
Investment carried at fair value through profit and loss		
SHRIRAM CITY UNION FINANCE MLD	-	503.64
Total a(v)	-	503.64
Investments in Non Convertible Debentures (quoted)		
5.23% LIC HOUSING JULY 2023	1,038.56	1,015.58
5.40% HDFC AUG 2023	1,038.78	1,043.99
5.70% BAJAJ FINANCE AUG 2023	1,041.31	1,047.89
7.2871% HDB FINANCIAL JULY 2023	2,149.45	2,187.44
RELIANCE INDUSTRIES LTD. - 09-APRIL-2023	1,108.69	1,060.50
RELIANCE INDUSTRIES LTD. - 16-APRIL-2023	1,108.07	1,139.43
TATA MOTORS FINANCE HOLDING LIMITED	1,512.15	-
Total a(vi)	8,997.01	7,494.83
Total a(i+ii+iii+iv+v+vi)	20,702.54	19,200.17
Aggregate amount of quoted investments and market value thereof	8,999.17	7,496.80
Aggregate amount of unquoted investments	11,703.37	11,703.37
Aggregate amount of impairment in the value of investments in unquoted equity shares	-	-
	20,702.54	19,200.17



	As at 31 st March, 2022	As at 31 st March, 2021
Note: ii Current investments		
Investment in quoted mutual funds		
HDFC Floating Rate debt Fund – Regular plan – Growth – NIL (31 st March, 2021: 51,52,012.143 units of ₹37.9118 each)	-	1,953.22
Franklin Ultra Short Bond Fund – SIP – Growth – 5,34,000.71 units of ₹34.2623 each (31 st March, 2021: 1,09,20,638.596 units of ₹29.72593 each)	182.96	3,246.19
IDFC Low duration Fund – Growth Regular plan – 63,05,779.878 units of ₹31.3573 each (31 st March, 2021: 63,05,779.878 units of ₹30.2444 each)	1,977.32	1,907.15
Axis Banking & PSU Debt Fund – Direct Plan – Growth – 3,99,401.665 units of ₹2187.0567 each (31 st March, 2021 – 3,99,401.665 units of each ₹2097.79)	8,735.14	8,378.61
IDFC Banking & PSU Debt Fund – Direct Plan – Growth – 3,25,81,564.193 units of ₹20.3992 each (31 st March, 2021 – 3,25,81,564 unis of ₹19.5405 each)	6,646.38	6,366.65
Nippon India Arbitrage Fund – Direct Growth Plan – 61,66,826.829 units of ₹22.828 each (31 st March, 2021 - 3,91,62,197.787 units of ₹21.827 each)	1,407.76	8,547.93
Nippon India Floating Rate Fund – Direct – Growth – Nil (31 st March, 2021 - 1,56,82,177.46 units of ₹35.988 each)	-	5,643.70
SBI Banking & PSU Debt Fund – 3,68,267.002 units of ₹2,668.0358 each (31 st March, 2021 – 3,68,267.002 units of ₹2,554.0099 each)	9,825.50	9,405.79
SBI Magnum Ultra Short Duration Fund Direct Growth - 30,785.20 units of ₹4,897.0747 (31 st March, 2021 – 3,17,031.691 units of ₹4,718.9734 each)	1,507.60	14,960.37
IDFC Corporate Bond Fund – Direct - Growth – 4,01,28,672.543 units of ₹16.0402 each (31 st March, 2021 – 4,01,28,672.543 units of ₹15.2677 each)	6,436.72	6,126.73
IDFC Arbitrage Fund – Growth – Direct Plan – Nil (31 st March, 2021 - 3,51,52,104.694 units of ₹26.7596 each)	-	9,406.56
ICICI Pru Corporate Bond Fund – Direct – Growth – 3,26,90,929.564 units of ₹24.5863 each (31 st March, 2021 - 3,26,90,929.564 units of ₹23.5067 each)	8,037.49	7,684.56
HDFC Corporate Bond Fund – Direct – Growth – 3,85,83,986.108 units of ₹26.4814 each (31 st March, 2021 - 3,85,83,986,108 units of ₹25.1835 each)	10,217.58	9,716.80
Aditya Birla S.I. Floating Rate Debt Fund – Direct – Growth – 10,78,576.43 units of ₹283.55 each (31 st March 2021: Nil)	3,058.30	-
HDFC Floating Rate Debt Fund – Direct – Growth – 71,35,334.839 units of ₹40.0951 each (31 st March, 2021 : Nil)	2,860.93	-
IDFC Arbitrage Regular – Growth – 1,93,33,390.10 units of ₹26.3898 each (31 st March, 2021: Nil)	5,102.04	-
Total b(i):	65,995.72	93,344.26

	As at 31 st March, 2022	As at 31 st March, 2021
Investments in Non Convertible Debentures (quoted) - Current		
SHRIRAM CITY UNION FINANCE MLD	1,099.55	-
Total b(ii):	1,099.55	-
(iii) Investments in Secured Bonds - (quoted)		
LIC Housing Finance Ltd 2019 (secured) bonds	-	1,053.95
Total b(iii):	-	1,053.95
Term deposit with LIC of India:		
Term deposit with LIC of India	5,106.27	5,132.55
Total b(iv):	5,106.27	5,132.55
Total b(i+ii+iii+iv)	72,201.54	99,530.76
Aggregate amount of quoted investments and market value thereof	67,095.27	94,398.21
Aggregate amount of unquoted investments	5,106.27	5,132.55
Aggregate amount of impairment in the value of investments	-	-
	72,201.54	99,530.76

The Company has invested an amount of ₹50 crores in "Franklin India Ultra Short Bond Fund" (FT) in September, 2017 purchasing 2,16,36,685 units at an NAV of ₹23.11 per unit. During the financial year 2019-20, CRISIL downgraded its rating of one of the portfolio investment of the FT. As per SEBI Regulations, any investment by a MF rated below investment grade (i.e. below BBB), can be segregated at the option of the AMC.

Accordingly in January, 2020 FT has reduced NAV of the above fund held by the Company and allotted equal quantity of units (i.e. 2,16,36,685 units) of "Franklin India Ultra Short Bond Fund – Super Institutional Plan - Segregated Portfolio -1 GROWTH, with NAV value of ₹Nil on 24th January, 2020 with a different account number. Hence, the same is recorded in the books of accounts of the company as at 31st March, 2020.

During the Financial Year 2020-21, we have received a total of ₹34.59 crores and during the Financial Year 2021-22, we have received a total of ₹31.52 crores.

As at 31st March, 2022 the balance units of 5,34,000.713 are carrying at NAV of ₹34.2623.

7. Loans

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
a) Non Current		
Unsecured, considered good		
Loans to employees	60.81	72.97
	60.81	72.97
b) Current		
Unsecured, considered good		
Loans to employees	82.31	95.29
	82.31	95.29

8. Other Financial Assets

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Non Current		
Unsecured, considered good		
Margin Money Accounts*	-	2.75
Security deposits	645.08	568.13
	645.08	570.88

*Margin Money deposits with bank of a carrying amount of ₹Nil (31st March, 2021: ₹2.75 Lakhs) are lien marked for import L.C.s.



9. Other Assets :

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
a) Non Current		
Unsecured, considered good		
Taxes paid under protest	2.94	2.94
Unsecured, considered doubtful		
Capital Advances	792.58	16.00
Less: Provision for Bad and doubtful advances	(16.00)	(16.00)
	779.52	2.94
b) Current		
Unsecured, considered good		
Prepaid expenses	364.64	282.67
Advance for expenses	56.16	60.55
Export Incentives Receivables	1.10	1.38
MEIS Licenses on hand	352.43	-
GST Receivable	2.86	29.79
Advance to suppliers	225.35	1,016.24
Interest accrued on electricity deposits	20.46	19.51
Captive power settlement from APEPDCL	16.97	39.13
PT Thai Union Kharisma Lestari	2.79	2.66
	1,042.76	1,451.93

10 a) Inventories (valued at lower of cost or net realizable value)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Raw materials		
- in godown	59,870.61	23,258.37
- stock in transit	1,394.46	1,131.69
Packing materials	884.54	428.72
Work-in-progress	634.26	619.67
Finished goods	2,004.72	4,119.10
Stores and spares	5,195.83	1,664.43
Stores and spares - in transit	1,482.83	111.75
	71,467.25	31,333.73

10 b) Biological Assets

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Biological Assets (Refer note below)	84.14	66.25
Note:		
Brood stock	51.93	66.25
Post Larval	32.21	-
	84.14	66.25
Reconciliation of changes in the carrying amount of biological assets:		
Particulars	As at 31 st March, 2022	As at 31 st March, 2021
As at beginning of the year	66.25	-
Increase due to purchase/production/physical change	742.00	1,182.44
Decrease due to Physical change/sales	724.11	1,116.19
Net change in the Fair value less estimated cost to sell	84.14	66.25

11. Trade receivables

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
a) Billed:		
Secured:		
Undisputed		
Considered good	1,593.59	1,595.18
Considered doubtful	-	-
Disputed:		
Considered good	148.91	148.91
Considered doubtful	-	-
Unsecured:		
Considered good	455.33	289.56
Considered doubtful	-	-
	2,197.83	2,033.65
b) Unbilled:	6.57	6.61
Total	6.57	6.61
Total (a+b):	2,204.40	2,040.26

Ageing for trade receivables - billed current outstanding as at 31st March, 2022 is as follows:

Particulars	outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to one year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – secured - considered good	1,593.59	-	-	-	-	1,593.59
Undisputed trade receivables – Unsecured - considered good	438.06	-	17.27	-	-	455.33
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	17.27	131.64	-	148.91
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-
	2,031.65	-	34.54	131.64	-	2,197.83
Trade receivables - unbilled						6.57
Total:						2,204.40



Ageing for trade receivables - billed current outstanding as at 31st March, 2021 is as follows:

Particulars	outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months to one year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – secured - considered good	1,595.18	-	-	-	-	1,595.18
Undisputed trade receivables – unsecured - considered good	289.56	-	-	-	-	289.56
Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – secured - considered good	-	17.27	131.64	-	-	148.91
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-
	1,884.74	17.27	131.64	-	-	2,033.65
Trade receivables - unbilled						6.61
Total:						2,040.26

12 a) Cash and cash equivalents

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balances with banks:		
- in current accounts	4,987.72	3,370.32
- Cash in hand	7.89	5.98
- In Fixed deposit Accounts (Maturity less than 3 months)	-	-
	4,995.61	3,376.30

12 b) Other bank balances

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Current:		
- Fixed deposit Accounts (Maturity more than 3 months)	508.81	508.61
- Unpaid dividend accounts	210.01	211.06
- Margin money accounts *	193.57	622.89
	912.39	1,342.56

*Margin money deposits given as security

Margin Money deposits with bank of a carrying amount of ₹193.57 Lakhs (31st March, 2021: ₹622.89 Lakhs) are lien marked for BG, import L.C.s BG and for issuance of SBLC for Anti Dumping Duty purpose to US Customs Authorities.

13. Equity share capital

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Authorised share capital:		
15,85,00,000 equity shares of ₹1/- each (31 st March, 2021: 15,85,00,000 equity shares of ₹1/- each)	1,585.00	1,585.00
Issued, subscribed and fully paid up capital:		
13,62,45,630 equity shares of ₹1/- each (31 st March, 2021: 13,62,45,630 equity shares of ₹1/- each)	1,362.46	1,362.46
Total:	1,362.46	1,362.46

Notes:

(a) Reconciliation of the number of shares outstanding:

Particulars	No. of shares	Amount
Balance at 1st April, 2020	13,62,45,630	1,362.46
Shares issued during the year	-	-
Balance at 31st March, 2021	13,62,45,630	1,362.46
Shares issued during the year	-	-
Balance at 31st March, 2022	13,62,45,630	1,362.46

(b) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As at 31 st March, 2022		As at 31 st March, 2021	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Equity shares of ₹1/- each fully paid up (31 st March, 2022: ₹1/- each)				
1. Srinivasa Cystine Private Limited	3,62,99,115	26.64	3,62,99,115	26.64
2. Thai Union Group Public Company Limited	2,10,30,630	15.44	2,10,30,630	15.44
3. Thai Union Asia Investment Holding Limited	1,19,54,826	8.77	1,19,54,826	8.77
4. Alluri Indra Kumar	83,30,700	6.11	83,30,700	6.11
5. Alluri Indra Kumar (HUF)	81,89,250	6.01	81,89,250	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.

(c) Rights attached to equity shares:

The Company has only one class of equity shares having par value of ₹1/- per share (31st March, 2021: ₹1/- 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.

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.

(d) Equity shares movement during the 5 years preceding 31st March, 2022 on account of Equity shares issued as bonus:

The Company allotted 4,54,15,210 equity shares as fully paid up bonus shares by capitalisation of profits transferred from securities premium reserve amounting to ₹438.00 Lakhs and general reserve amounting to ₹16.15 Lakhs, which was approved by the shareholders by means of a special resolution through EGM held on 14th June, 2018.



(e) Details of share holding of Promoter and Promoter Group :

Name of the promoter	As at 31 st March, 2022			As at 31 st March, 2021		
	Shares held by promoter			Shares held by promoter		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Srinivasa Cystine Private Limited	3,62,99,115	26.64	-	3,62,99,115	26.64	-
Alluri Indra Kumar	83,30,700	6.11	-	83,30,700	6.11	-
Nuthakki Ram Prasad HUF	2,29,701	0.17	-	2,29,701	0.17	-
Alluri Indra Kumar HUF	81,89,250	6.01	-	81,89,250	6.01	-
Sanjeev Agro-Vet Private Limited	42,35,265	3.11	-	42,35,265	3.11	-
Alluri Venkata Sanjeev	7,10,700	0.52	-	7,10,700	0.52	-
Alluri Nikhilesh Chowdary	6,91,650	0.51	-	6,91,650	0.51	-
N Naga Ratna	95,022	0.07	-	95,022	0.07	-
Sudha Vadlamudi	37,500	0.03	-	37,500	0.03	-
Amar Kumar Chukkapalli	37,500	0.03	-	37,500	0.03	-
Vijaya Kumar Chukkapalli	18,750	0.01	-	18,750	0.01	-
Katneni Jagan Mohan Rao	37,500	0.03	-	37,500	0.03	-
Ratna Manikyamba Katneni	37,500	0.03	-	37,500	0.03	-
Arun Kumar Chukkapalli	18,750	0.01	-	18,750	0.01	-
Putchala Srinivas	1,500	0.00	-	1,500	0.00	-
G Venkatesh	4,62,196	0.34	-	4,62,196	0.34	-
Bommidala Srimannarayana	4,300	0.00	(0.01)	9,600	(0.01)	-
Rayapaneni Raveena	37,500	0.03	-	37,500	0.03	-
Geda Sai Padmini	43,650	0.03	-	43,650	0.03	-
	5,95,18,049	43.68	(0.01)	5,95,23,349	43.69	0.00

14. Other equity

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
General reserve	22,565.72	20,065.72
Retained earnings	1,37,679.51	1,28,898.07
Total Other Equity	1,60,245.23	1,48,963.79
General Reserve		
Balance at beginning of year	20,065.72	17,565.72
Less: Utilised for Bonus	-	-
Transferred from Surplus in Retained earnings	2,500.00	2,500.00
Balance at end of year	22,565.72	20,065.72
Retained earnings		
Balance at beginning of year	1,28,898.07	1,01,028.47
Profit attributable to owners of the Company	19,925.50	30,537.09
Other comprehensive income	(128.71)	(31.24)
Transfer to general reserve	(2,500.00)	(2,500.00)
Dividend (including dividend distribution tax)	(8,515.35)	(136.25)
Balance at end of year	1,37,679.51	1,28,898.07

<p>General Reserve: The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss. The reserve is utilised for Bonus issue in accordance with the provisions of the Companies Act, 2013.</p>
<p>Securities premium: Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised for Bonus issue in accordance with the provisions of the Companies Act, 2013.</p>

15. Other financial liabilities

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
a.) Non - Current		
Security deposits*	372.00	372.00
Total	372.00	372.00
b.) Current		
Unpaid dividend	210.01	211.06
Creditors for capital works	145.86	-
Total	355.87	211.06

*Security Deposits taken from dealers for supplying them Shrimp Feed on credit term. These deposits carry an interest of @ 9% per annum (31st March, 2021: 9% p.a.).

16. Provisions

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Provisions (refer note 35)		
Provision for gratuity	34.42	104.55
Provision for leave encashment	32.30	64.45
	66.72	169.00
a. Non - Current portion	-	-
b. Current portion	66.72	169.00
Total	66.72	169.00

17. Other Liabilities

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Current		
Advance from customers	3,695.13	2,469.16
Statutory dues	289.00	234.08
Total	3,984.13	2,703.24

18. Secured borrowings

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Working capital loan from State Bank of India	-	-
Working capital loan from HDFC Bank	-	-
Total	-	-

The working capital limits, sanctioned by State Bank of India (SBI) and HDFC Bank as at 31st March, 2022, are ₹3,000.00 Lakhs and ₹2,000.00 Lakhs, respectively (31st March, 2021: ₹3,000.00 Lakhs and ₹2,000.00 Lakhs respectively).



The working capital limits from SBI is secured by first charge on all current assets, Collateral First charge on plant, property and equipment of the company. The same is repayable on demand and carries interest @ 7.10% p.a. The working capital limits from HDFC Bank is secured by first charge on all current assets, Collateral First charge on property, plant & equipment of the company. The same is repayable on demand and carries interest @ 7.50% p.a.

Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

Note: Debit balance in cash credit accounts as at 31st March, 2022 (and 31st March, 2021) have been grouped under the head "Cash and Cash equivalents".

19. Trade payables

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Dues to micro enterprises and small enterprises (Refer Note below)	1,881.58	1,444.64
Dues to creditors other than micro enterprises and small enterprises	23,828.61	19,909.83
Disputed dues MSME	-	-
Disputed dues others	-	-
	25,710.19	21,354.47

Dues to micro and small enterprises:

With the promulgation of the Micro, Small and Medium Enterprises Development Act, 2006, the Company is required to identify Micro, Small and Medium Suppliers and pay them interest on overdue beyond the specified period irrespective of the terms with the suppliers. The Company has circulated letter to all suppliers seeking their status. Response from few suppliers has been received and is still awaited from other suppliers. In view of this, the liability of interest calculated and the required disclosures made, in the below table, to the extent of information available with the Company.

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Principal amount remaining unpaid to any supplier as at the end of the accounting year.	1,881.58	1,444.64
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

Ageing for trade payables outstanding as at 31st March, 2022 is as follows:

Particulars	outstanding for following periods from due date of payment				Total
	Less than one year	1-2 years	2-3 years	More than 3 years	
Trade payables					
MSME	1,881.58	-	-	-	1,881.58
Others	19,776.25	5.06	4.52	0.91	19,786.74
Disputed dues - MSME	-	-	-	-	-
Disputed dues - others	-	-	-	-	-
Accrued expenses					4,041.87
Total	21,657.83	5.06	4.52	0.91	25,710.19

Ageing for trade payables outstanding as at 31st March, 2021 is as follows:

Particulars	outstanding for following periods from due date of payment				Total
	Less than one year	1-2 years	2-3 years	More than 3 years	
Trade payables					
MSME	1,444.64	-	-	-	1,444.64
Others	13,977.90	4.52	0.91	-	13,983.33
Disputed dues - MSME	-	-	-	-	-
Disputed dues - others	-	-	-	-	-
Accrued expenses					5,926.50
Total	15,422.53	4.52	0.91	-	21,354.47

Commission to whole time directors and non whole time directors included in accrued expenses will be paid after approval of books of accounts at the ensuing A.G.M.

20. Income Taxes

20(a) Deferred taxes

For the year ended 31st March, 2022

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities/(assets) in relation to				
Depreciation and amortisation	708.69	(135.01)	-	573.68
Fair valuation of Investments	978.94	152.78	-	1,131.72
Fair valuation of derivative instruments	-	-	-	-
Lease Liabilities	(32.16)	(14.58)	-	(46.74)
Others	0.12	0.05	-	0.17
Total	1,655.59	3.24	-	1,658.83

For the year ended 31st March, 2021

Particulars	Opening Balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities/(assets) in relation to				
Depreciation and amortisation	835.12	(126.43)	-	708.69
Fair valuation of Investments	997.50	(18.56)	-	978.94
Fair valuation of derivative instruments	-	-	-	-
Lease Liabilities	(7.28)	(24.88)	-	(32.16)
Others	0.05	0.07	-	0.12
Total	1,825.39	(169.80)	-	1,655.59

20(b) Non-current Tax Assets

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Non-current tax assets (net of provision for tax)	1,642.37	1,589.54
Total	1,642.37	1,589.54



20(c) Tax expense recognised in Statement of Profit and Loss

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Current tax		
In respect of the current year	6,499.00	10,071.02
In respect of the earlier years	-	(19.01)
	6,499.00	10,052.01
Deferred tax		
In respect of the current year	3.24	(169.80)
	3.24	(169.80)
Total tax expense	6,502.24	9,882.21

20(d) Tax Expense recognised in Other comprehensive income

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Deferred tax		
In respect of the current year	-	-
	-	-

20(e) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Profit before tax	26,299.03	40,388.06
Income tax expense calculated at 25.168%	6,618.94	10,164.87
Impact of expenses that are not deductible (taxable) in determining taxable profit	-	-
Exempt income	-	-
Deduction u/s 80M	(102.87)	(30.25)
Interest on Income tax	-	-
Corporate Social Responsibility & Donations	172.73	117.86
Earlier taxes	-	(19.01)
Interest on MSMED	-	-
Opening DTL on impact of rate change	-	-
14A disallowance	-	-
Provision for doubtful advances	-	-
Others	(186.56)	(351.26)
Income tax expense recognised in profit or loss	6,502.24	9,882.21

21. Revenue from operations

Particulars	For the Year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Sale of Products (Manufactured)		
Finished goods - Domestic - Billed	4,04,425.40	3,23,467.52
Finished goods - Domestic - Unbilled	6.57	6.61
Finished goods - Exports	322.52	775.57
Other Operating Revenue		
Export Incentives	0.46	1.10
Total	4,04,754.95	3,24,250.80

Particulars	For the Year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Reconciliation of Revenue from sale of products with contracted price		
Contracted Price	5,02,006.20	4,01,143.75
Less : Sales Returns	(58.79)	(73.13)
Less : Trade and other Discounts	(97,192.93)	(76,820.92)
Sale of Products	4,04,754.48	3,24,249.70
Finished goods sold		
Shrimp Feed		
i) Domestic	4,03,645.42	3,22,316.50
ii) Exports	322.52	775.57
Shrimp Seed	618.89	1,001.80
Power	163.36	151.96
Other sales	4.30	3.87
	4,04,754.49	3,24,249.70

22. Other income (net)

Particulars	For the Year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Interest Income on Financial Assets carried at amortized cost:		
Bank deposits	320.15	526.70
Secured Bonds	45.05	65.32
Non - convertible debentures	444.88	-
Others	22.10	21.73
Dividend Income:		
Received from Subsidiaries	300.50	120.20
Received from Associates	106.45	-
Received from others	1.80	-
Net gain on sale of investments:		
On sale of non-convertible debentures	-	1,476.47
On sale of Mutual Funds	3,633.13	3,516.83
MTM gain on investments carried at fair value through profit or loss	607.23	(73.27)
Net exchange gain / (loss)	95.97	269.88
Fair value gain/loss on derivative instruments measured at fair value through profit and loss	0.76	1.94
Profi on sale of Assets	2.87	-
Other non-operating income	464.93	511.05
Total	6,045.82	6,436.85

23. Cost of materials consumed

Particulars	For the Year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Inventory at the beginning of the year	24,818.78	30,065.22
Add: Purchases	3,91,908.72	2,56,275.05
	4,16,727.50	2,86,340.27
Less: Inventory at the end of the year	62,149.610	24,818.78
Cost of materials consumed	3,54,577.88	2,61,521.49
Purchase of bearer biological Assets:		
Purchase brood stock	123.11	108.26
	123.11	108.26



24. Changes in inventories of finished goods, work-in-progress and Biological Assets

Particulars	For the Year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Closing Stock:		
Finished goods	2,004.72	4,119.10
Work-in-progress	634.26	619.67
Biological assets	84.14	66.25
	2,723.12	4,805.02
Opening Stock:		
Finished goods	4,119.10	4,730.08
Work-in-progress	619.67	586.52
Biological assets	66.25	-
	4,805.02	5,316.60
Net(increase)/decrease	2,081.90	511.58

25. Employee benefits expense

Particulars	For the Year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Salaries, wages and bonus	9,034.11	9,311.72
Contribution to provident and other funds	555.82	417.13
Gratuity expense (Refer Note 35)	175.53	459.93
Staff welfare expenses	242.36	170.41
Total	10,007.82	10,359.19

26. Finance costs

Particulars	For the Year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Interest expense		
- Interest on bank overdrafts and loans	20.20	3.30
- Interest on Lease Liability	14.17	6.16
Other borrowing costs	80.60	39.67
Total	114.97	49.13

27. Depreciation and amortisation expense

Particulars	For the Year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Depreciation of property, plant and equipment	2,052.38	2,102.71
Depreciation of ROU Assets	54.10	26.31
Amortisation of intangible assets	3.53	3.58
Total	2,110.01	2,132.60

28. Other expenses

Particulars	For the Year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Rent (refer note (i)) below	201.71	201.24
Power & fuel	5,319.02	4,333.55
Repairs & maintenance		
- Buildings	29.37	52.56
- Plant & machinery	89.10	176.31
- Others	14.17	11.95
Consumable stores	1,653.53	1,057.10
Other manufacturing expenses	2,892.06	2,481.65
Rates & taxes	202.65	180.16
Insurance	309.26	260.88
Electricity charges	8.33	6.86
Vehicle maintenance	106.35	93.38
Travelling & conveyance	640.36	435.34
Communication costs	44.31	41.43
Printing & stationery	39.27	29.63
Directors' sitting fees	42.40	37.60
Auditors Remuneration:		
As Auditors	23.60	23.60
Other Services	3.54	5.02
Reimbursement of expenses	4.64	3.94
Professional charges	390.58	253.04
Corporate Social Responsibility (refer note 32)	683.31	850.94
Donations	3.00	21.68
Bank charges	75.03	93.70
Assets written off	10.41	2.29
Advertisement charges	9.95	8.83
Carriage outward	729.24	560.55
Marketing expenses	316.32	3,005.97
Royalty	1,066.15	932.30
Loss on sale of Fixed Assets	-	4.47
Provision for doubtful advance	-	16.00
General expenses	449.68	404.12
Total	15,357.34	15,586.10

Notes:

i) Operating leases:

Lease payments made under operating leases aggregating to ₹201.71 Lakhs (31st March, 2021: ₹201.24 Lakhs) have been recognized as an expense in the Statement of Profit and Loss. The future minimum lease commitments under non-cancellable operating leases are Nil .



29. Earnings per share

	31 st March, 2022	31 st March, 2021
Profit after Tax (PAT)(A)	19,925.50	30,537.09
Weighted average number of equity shares for Basic EPS (B)	13,62,45,630	13,62,45,630
Basic earnings per share (A/B)	14.62	22.41

Note:

There is no dilution to the Basic Earnings per Share as there are no dilutive potential equity shares.

30. Contingent Liabilities

	31 st March, 2022	31 st March, 2021
Demands raised by customs, service tax, sales tax, income tax and other authorities, being disputed by the Company*	102.27	90.04

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

Name of the Statute	Nature of the Dues	Amount	Period to which the amount relates	Forum where dispute is pending
Madhya Pradesh VAT Act, 2002	Sales tax (MP VAT demand for soya transactions in 2005-06)	29.22	2005-2006	High Court of Madhya Pradesh
Customs Act, 1962	Customs duty	60.82	2009 -2010 to 2011-2012	CESTAT, Chennai
Income tax Act, 1961	Income tax	12.23	2013-2014	Commissioner Appeals, Income tax, Hyderabad
		102.27		

(i) 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 13th, December, 2004 and Commercial Tax department took the view that the soya bean purchased prior to 13th December, 2004 will attract tax at old rates and a demand to ₹29.22 Lakhs was raised. This is being contested by the Company in the High Court of Madhya Pradesh.

(ii) Company is importing Squid Liver Powder (SLP) which was one of the raw materials for manufacturing of Shrimp Feed. SLP was imported by the Company under raw material classification. However, Customs has disputed our claim and demanding duty applicable for import of complete feed. Company appealed against the order of Commissioner of Customs (Appeals), Chennai 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.

iii) The Income Tax Department has completed the assessment for the Assessment year 2013-14 and has raised an additional demand of ₹12.23 Lakhs which the Company has contested and filed an appeal with the Commissioner of Appeals, Income Tax.

31. Capital Commitments

Estimated amount of capital contracts remaining to be executed to the extent not provided for (net of advances) ₹3,504.80 Lakhs (31st March, 2021: NIL).

32. Corporate Social Responsibility Expenditure

During the year, the amount required to be spent on corporate social responsibility activities amounted to ₹683.31 Lakhs (31st March, 2021 : ₹850.92 Lakhs) in accordance with Section 135 of the Act. The following amounts were actually spent during the current & previous year:

Amount spent during the year on:	31 st March, 2022	31 st March, 2021
i. Details of corporate social responsibility expenditure:		
A. Amount required to be spent during year	683.31	850.92
B. Amount spent during the year		
1. Construction/acquisition of any asset	-	-
2. Purpose other than (1) above	683.31	850.94
C. Shortfall at the end of the year	-	-
D. Total of previous years shortfall	-	-
E. Reason for shortfall	Not applicable	Not applicable
F. Nature of CSR activities	Promoting Education, Healthcare, Rural Development, Disaster relief, Technological advancement.	
G. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard:		
Contribution to Avanti Foundation in relation to CSR expenditure	505.40	544.19
H. Provision made with respect to a liability incurred by entering into a contractual obligation		

33. Related party disclosures

1. Names of related parties and related party relationship:

Related parties where control exists	
Subsidiary Company	Avanti Frozen Foods Private Limited
Key Managerial Personnel (KMP)	Whole-Time Directors:
	Sri A. Indra Kumar, Chairman and Managing Director
	Sri C. Ramachandra Rao, Joint Managing Director, Company Secretary and CFO
	Sri A. Venkata Sanjeev, Executive Director
	Non Executive Directors:
	Sri J. V Ramudu
	Sri N. Ram Prasad
	Sri N. V. D. S Raju
	Sri Wai Yat Paco Lee
	Sri Bunluesak Sorajjakit
	Smt. K. Kiranmayee
	Sri V. Narsi Reddy
	Sri R. Karikal Valaven, IAS
	Relatives of Key Managerial Personnel
Associate Companies	Srivathsa Power Projects Private Limited Patikari Power Private Limited
Entities over which KMP has significant influence	Sanjeev Agro-Vet Private Limited Sri Sai Srinivasa Agro Farms & Developers LLP Avanti Foundation A. V. R. Trust C. R. Reddy College Sakuntala Professional Associates LLP Nava Bharat Ventures Limited
Entities having significant influence over the Company	Srinivasa Cystine Private Limited Thai Union Feed Mill Co. Ltd., Thailand Thai Union PCL, Thailand (TUG) Thai Union Asia Investments Holding Co. Ltd.,



2. Related party transactions

The following table provides the total amount of transactions that have been entered into with related parties:

Particulars	Key Management Personnel		Entities having significant influence over the Company		Subsidiary		Associated companies		Entities over which KMP has significant influence	
	For the Year Ended		For the Year Ended		For the Year Ended		For the Year Ended		For the Year Ended	
	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021
Whole time directors remuneration	2,253.37	3,889.76	-	-	-	-	-	-	-	-
Non whole time directors sitting fees & commission**	142.40	37.60	-	-	-	-	-	-	-	-
Rent paid	7.39	6.96	3.06	2.55	-	-	-	-	3.57	-
Rent Received	-	-	2.64	0.60	0.15	-	1.69	1.20	1.70	0.48
Contributions towards corporate social responsibility	-	-	-	-	-	-	-	-	505.40	594.19
Royalty paid	-	-	1066.15	932.30	-	-	-	-	-	-
Dividend paid	1134.50	17.92	4330.29	36.30	-	-	-	-	264.70	4.24
Dividend Received	-	-	-	-	300.50	120.20	106.45	-	-	-
Power purchase	-	-	-	-	-	-	918.39	194.46	-	-
Legal Services received	-	-	-	-	-	-	-	-	7.08	5.31
Purchase of MEIS License & others	-	-	-	-	822.66	1,153.15	-	-	-	-
Sale of Goods	-	-	-	-	323.33	510.95	-	-	-	-
Sale of property, plant and machinery	-	-	-	-	1.71	-	-	-	-	-
Purchase of property, plant and machinery	-	-	-	-	0.41	-	-	-	-	-
Lab services	-	-	-	-	0.35	1.08	-	-	-	-
Commission on corporate guarantee	-	-	-	-	-	27.94	-	-	-	-

*below the rounding off norm adopted by the Company

Year end Balances

Particulars	Key Management Personnel		Entities having significant influence over the Company		Subsidiary		Associated companies		Entities over which KMP has significant influence	
	As at		As at		As at		As at		As at	
	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021
Investment	-	-	-	-	8,461.00	8,461.00	2,735.06	2,735.06	-	-
Whole time directors remuneration	1,608.25	2,782.61	-	-	-	-	-	-	-	-
Non whole time directors sitting fees & commission**	100.00	-	-	-	-	-	-	-	-	-
Rent deposit received	-	-	0.45	-	-	-	-	-	0.24	-
Rent deposit Paid	-	-	-	-	-	-	-	-	6.05	-
Royalty	-	-	234.15	227.16	-	-	-	-	-	-
Loans and advances outstanding	-	-	-	-	-	-	-	-	-	-
Legal Services payable	-	-	-	-	-	-	-	-	0.54	-
Power purchase	-	-	-	-	-	-	-	76.67	-	-
Advance received from customers	-	-	-	-	21.13	20.42	-	-	-	-

*below the rounding off norm adopted by the Company
** Commission to whole time directors and non whole time directors will be paid after approval of books of accounts at the ensuing A.G.M.

34. Segment reporting

"The Company is engaged in the business of Shrimp Feed, Shrimp Hatchery and power generation. The Chairman and Managing Director (CMD) has been identified as the Chief Operating Decision maker (CODM). There are three segments in the Company i.e. Shrimp Feed, Shrimp Hatchery, Wind Mills.

As the Company does not have revenue from any significant external customer amounting to 10% or more of the Company's total revenue, the related information as required under paragraph 34 of Ind AS 108 has not been disclosed."

Shrimp Feed is manufactured & marketed to the farmers, which is used in Aqua culture to grow shrimp.

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

Shrimp Hatchery produces Shrimp seed and marketing to the aqua farmers.

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 includes all operating assets used by the business segment and consist principally property, plant & equipment, 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.



	Shrimp Feed		Wind Mills		Hatchery		Unallocated		Total	
	Year Ended March, 2022	Year Ended 31 st March, 2021	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021	Year Ended 31 st March, 2022	Year Ended 31 st March, 2021
Revenue										
External Sales	4,03,972.70	3,23,097.04	163.36	151.96	618.89	1,001.80	-	-	4,04,754.95	3,24,250.80
Inter-segment sales	-	-	-	-	-	-	-	-	-	-
Total Revenue	4,03,972.70	3,23,097.04	163.36	151.96	618.89	1,001.80	-	-	4,04,754.95	3,24,250.80
Segment Result										
Operating Profit	20,926.48	33,559.01	25.93	17.04	(455.52)	455.54	-	-	20,496.89	34,031.60
Other Income	563.42	801.88	-	-	2.99	-	5,479.41	5,634.97	6,045.82	6,436.85
Interest Expense	112.11	49.13	-	-	2.86	-			114.97	49.13
Income tax - Current year & previous year	-	-	-	-	-	-	6,499.00	10,052.01	6,499.00	10,052.01
- Deferred Tax	-	-	-	-	-	-	3.24	(169.80)	3.24	(169.80)
Net Profit	21,377.79	34,311.76	25.93	17.04	(455.39)	455.54	(1,022.83)	(4,247.24)	19,925.50	30,537.11
Other Information										
Segment Assets	1,00,795.44	57,507.99	436.36	469.51	3,433.17	3,267.19	89,276.18	1,15,674.69	1,93,941.15	1,76,919.38
Segment Liabilities	27,816.60	21,047.62	-	0.57	83.52	83.32	4,433.34	5,461.58	32,333.46	26,593.09
Capital Employed	72,978.84	36,460.37	436.36	468.94	3,349.65	3,183.87	84,842.84	1,10,213.11	1,61,607.69	1,50,326.29

35. Employee Benefits

(i) Leave obligations

"The leave obligations cover the Company's liability towards earned leave. Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12 months:"

	31 st March, 2022	31 st March, 2021
Current leave obligations expected to be settled within the next 12 months	-	-

(ii) Defined Contribution Plans

The Company also has certain defined contribution plans. Contributions are made to provident fund (at the rate of 12% of basic Salary); Employee State Insurance and Superannuation Fund in India for employees as per regulations. The contributions are made to registered funds administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹371.88 Lakhs (31st March, 2021 - ₹309.76 Lakhs).

(iii) Post employment benefit obligation Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount

of gratuity payable on retirement / termination is the employee's last drawn basic Salary per month computed proportionately for 15 days Salary multiplied for the number of years of service. The gratuity plan is a funded plan. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

The amounts recognised in the balance sheet and the movements in the defined benefit obligation over the year are as follows:

Particulars	31 st March, 2022			31 st March, 2021		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
Opening balance	1,383.27	1,278.72	104.55	860.82	674.90	185.92
Current Service Cost	168.48	-	168.48	129.02	-	129.02
Past Service Cost	-	-	-	318.38	-	318.38
Interest expense	93.30	-	93.30	58.06	-	58.06
Interest income	-	86.25	(86.25)	-	45.53	(45.53)
Contributions	-	-	-	-	-	-
Total amount recognised in profit or loss	261.78	86.25	175.53	505.46	45.53	459.93
<i>Remeasurements</i>						
Return on plan assets, excluding amounts included in interest expense/(income)	-	11.57	(11.57)	-	14.76	(14.76)
(Gain)/loss from change in demographic assumptions	33.92	-	33.92	-	-	-
(Gain)/loss from change in financial assumptions	(58.53)	-	(58.53)	-	-	-
Experience (gains)/losses	164.89	-	164.89	46.00	-	46.00
Total amount recognised in other comprehensive income	140.28	11.57	128.71	46.00	14.76	31.24
Employer contributions	-	374.37	(374.37)	-	572.54	(572.54)
Benefit payments	(10.46)	(10.46)	-	(29.01)	(29.01)	-
Closing Balance	1,774.87	1,740.45	34.42	1,383.27	1,278.72	104.55

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	31 st March, 2022	31 st March, 2021
Present value of funded obligations	1,774.87	1,383.27
Fair value of plan assets	1,740.45	1,278.72
Deficit of funded plan	34.42	104.55
Unfunded plans	-	-
Deficit of gratuity plan	34.42	104.55

(ii) **Significant estimates: actuarial assumptions**

The significant actuarial assumptions for defined benefit obligation are as follows:

Particulars	31 st March, 2022	31 st March, 2021
Discount rate	7.20%	6.75%
Salary escalation rate	10.00%	10.00%
Employee attrition rate	5.00%	5.00%
Assumptions regarding mortality rate are set based on actuarial advice in accordance with published statistics.	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Normal retirement age	60 years	58 years



(iii) **Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹In Lakhs)

Particulars	Change in assumption			Impact on defined benefit obligation				
				Increase in assumption			Decrease in assumption	
	31 st March, 2022	31 st March, 2021		31 st March, 2022	31 st March, 2021		31 st March, 2022	31 st March, 2021
Discount rate	1.00%	1.00%	Decrease by	131.99	97.27	Increase by	155.37	114.09
Attrition rate	50.00%	50.00%	Decrease by	60.61	49.32	Increase by	85.32	68.73
Salary escalation rate	1.00%	1.00%	Increase by	149.60	109.36	Decrease by	129.98	95.41

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(iv) **The major categories of plan assets are as follows**

Particulars	31 st March, 2022	31 st March, 2021
Funds managed by SBI Life Insurance Company Limited	1,740.45	1,278.72
Total	1,740.45	1,278.72

(v) **Risk exposure**

Through its defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The Company's plan assets are insurer managed funds and are subject to less material risk.

Changes in bond yields: A decrease in bond yields will increase plan liabilities and the Company ensures that it has enough reserves to fund the liability

(vi) **Defined benefit liability and employer contributions**

Expected contributions to post-employment benefit plans for the year ending 31st March, 2023 is ₹192.12 Lakhs

Particulars	Less than a year	Between 2-5 years	Between 6-10 years	More than 10 years
31st March, 2022				
Gratuity	516.50	383.37	654.09	2,347.51
Total	516.50	383.37	654.09	2,347.51

36. Fair value measurements

Financial instruments by category	31 st March, 2022		31 st March, 2021	
	Amortised Cost	FVPL	Amortised Cost	FVPL
Financial Assets				
<i>Investments</i>				
- in equity instruments				
- Quoted	-	2.16	-	1.97
- Unquoted	11,703.37	-	11,703.37	-
- in mutual funds	-	65,995.72	-	93,344.26
- in Secured Bonds	-	-	1,053.95	-
- Non Convertible debentures	8,997.01	1,099.55	7,494.83	503.64
- Term Deposit	5,106.27	-	5,132.55	-
Trade receivables	2,204.40	-	2,040.26	-
Cash and cash equivalents	4,995.61	-	3,376.30	-
Other bank Balances	912.39	-	1,342.56	-
Loans	143.12	-	168.26	-
Security deposits	645.08	-	570.88	-
Total Financial Assets	34,707.25	67,097.43	32,882.96	93,849.87
Financial Liabilities				
Borrowings	-	-	-	-
Short term borrowings from banks	-	-	-	-
Interest accrued but not due on borrowings	-	-	-	-
Security deposits	372.00	-	372.00	-
Trade payables	25,710.19	-	21,354.47	-
Derivative financial instrument	-	-	-	-
Unpaid dividend	210.01	-	211.06	-
Lease Liabilities	185.72	-	127.78	-
Capital creditors	145.86	-	-	-
Total Financial Liabilities	26,623.78	-	22,065.31	-

(i) Fair value hierarchy

The carrying amount of the current financial assets and current financial liabilities are considered to be same as their fair values, due to their short term nature. In absence of specified maturity period, the carrying amount of the non-current financial assets and non-current financial liabilities such as security deposits, are considered to be same as their fair values.

With respect to Corporate Guarantees, the management has determined the fair value of such guarantee contracts as 'Nil' as the subsidiary company is not being benefited significantly from such guarantees.

The fair value of quoted equity investments, has been classified as Level 1 in the fair value hierarchy as the fair value has been determined on the basis of market value. The fair value of unquoted equity



instruments has been classified as Level 2 in the fair value hierarchy as the fair value has been determined on the basis of discounted cash flows. The fair value of mutual funds is classified as Level 2 in the fair value hierarchy as the fair value has been determined on the basis of Net Assets Value (NAV) declared by the mutual fund. The fair value of Financial derivative contracts has been classified as Level 2 in the fair value hierarchy as the fair value has been determined on the basis of mark-to-market provided by the Bank from which the contract has been entered. The corresponding changes in fair value of investment is disclosed as 'Other Income'.

37. Financial Risk Management

The Company activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, security deposits, other bank deposits and loans	Ageing analysis Credit ratings of customers and subsidiaries	Credit monitoring for customers. Diversification of bank deposits.
Liquidity Risk	Borrowings	Cash flow forecasts managed by Joint Managing Director (JMD).	Working capital management by General Manager in under the guidance of Joint Managing Director. The excess liquidity is channelised through mutual funds and bank deposits.
Market Risk - interest rate	Long term borrowings at variable rate	Sensitivity analysis	Capital is managed by Joint Managing Director. The capital requirements are managed by analysing the funds requirement and budgets in conjunction with the strategic plan.
Market Risk - Price risk	From investment in equity shares	Market and price sensitivity analysis.	The portfolio is not large and the risk is not significant.
Market Risk - foreign exchange rate	Future commercial transactions (receivable/payables)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts

The Company's risk management is carried out by the JMD under policies approved by the Risk Management Committee a sub-committee of the Board of Directors. The Committee provides guiding principles for overall risk management, as well as policies covering specific areas such as interest rate risk, credit risk and investment of excess liquidity.

Credit Risk

(i) Credit Risk Management

Credit risk arises from cash and cash equivalents, loans, security deposits and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

Credit risk is managed by the Marketing General Manager of the Avanti Feeds Limited. The Company has few customer with most of them being foreign customers. The Company provides a credit period of 60-90 days which is in line with the normal industry practice.

The Marketing GM undertakes the credit analysis of each customer before transacting. The finance team under the guidance of Marketing GM also periodically review the credit rating of the customers and follow up on long outstanding invoices.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on going basis through out each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. The below factors are considered:

- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations.
- actual or expected significant changes in the operating results of the borrower.
- significant increase in credit risk on other financial instruments of the same borrower.
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of the borrower in the Company and changes in operating results of the borrower.

Macro economic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 180 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments within 365 days of when they fall due. This definition of default is determined by considering the business environment in which the entity operates and other macro-economic factors.

(ii) **Provision for expected credit losses**

Category	Description of category	Basis for recognition of expected credit loss provision		
		Investments	Loans and deposits	Trade receivables
High quality assets, low credit risk	Assets where there is low risk of default and where the counter party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past	12-month expected credit losses	12-month expected credit losses	Life time expected credit losses
Medium risk, moderate credit risk	Assets where the probability of default is considered moderate, counter party where the capacity to meet the obligation is not strong	12-month expected credit losses	12-month expected credit losses	Life time expected credit losses
Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debt or declaring bankruptcy or failing to engage in are payment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss	Asset is written off		

Expected credit losses for loans, investments, deposits and other receivables from related parties, excluding trade receivables



Year Ended 31st March, 2022

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses - Financial assets for which credit risk has not increased significantly since initial recognition	Other bank balances	912.39	0%	-	912.39
	Loans and advances	143.12	0%	-	143.12
	Security deposits	645.08	0%	-	645.08

Year Ended 31st March, 2021

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses - Financial assets for which credit risk has not increased significantly since initial recognition	Other bank balances	1,342.56	0%	-	1,342.56
	Loans and advances	168.26	0%	-	168.26
	Security deposits	568.13	0%	-	568.13

Expected credit loss for trade receivables under simplified approach
Year ended 31st March, 2022

Ageing	Less than 6 months	6 months to one year	1- 2 years	2- 3 years	More than 3 years	Total
Gross carrying amount	2,038.22	-	34.54	131.64	-	2,204.40
Expected loss rate	0%	0%	0%	0%	0%	
Expected credit loss	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	2,038.22	-	34.54	131.64	-	2,204.40

Year ended 31st March, 2021

Ageing	Less than 6 months	6 months to one year	1- 2 years	2- 3 years	More than 3 years	Total
Gross carrying amount	1,891.35	17.27	131.64	-		2,040.26
Expected loss rate	0%	0%	0%	0%	0%	
Expected credit loss	-	-	-	-	-	-
Carrying amount of trade receivables (net of impairment)	1,891.35	17.27	131.64	-	-	2,040.26

Liquidity Risk

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

The Joint Managing Director monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows and any excess/short liquidity is managed in the form of current borrowings, bank deposits and investment in mutual funds.

(i) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Contractual cash flows							
31 st March, 2022	Carrying amount	Total	0-1 year	1-2 years	2-3 years	3-5 years	More than 5 years
Borrowings	-	-	-	-	-	-	-
Trade payables	25,710.19	25,710.19	25,699.70	5.06	4.52	0.91	-
Derivative financial instrument	-	-	-	-	-	-	-
Capital creditors	145.86	145.86	43.34	102.52	-	-	-
Security deposits	372.00	372.00	-	-	-	-	372.00
	26,228.05	26,228.05	25,743.04	107.58	4.52	0.91	372.00

Contractual cash flows							
31 st March, 2021	Carrying amount	Total	0-1 year	1-2 year	2-3 years	3-5 years	More than 5 years
Borrowings	-	-	-	-	-	-	-
Trade payables	21,354.47	21,354.47	21,349.04	4.52	0.91	-	-
Derivative financial instrument	-	-	-	-	-	-	-
Capital creditors	-	-	-	-	-	-	-
Security deposits	372.00	372.00	-	-	-	-	372.00
	21,726.47	21,726.47	21,349.04	4.52	0.91	-	372.00

Market Risk - Interest Risk

The Company's main interest rate risk arises from long term and short term borrowings with variable rates, which exposes the Company to cash flow interest rate risk.

The exposure of the Company to interest rate changes at the end of the reporting period are as follows:



Particulars	31 st March, 2022	31 st March, 2021
Variable rate borrowings	-	-
Total	-	-

At the end of the reporting period, the Company had the following variable rate borrowings and receivables:

	31 st March, 2022			31 st March, 2021		
	Weighted Average Interest rate %	Balance	% of total outstanding payable/receivable	Weighted Average Interest rate %	Balance	% of total outstanding payable/receivable
Financial Liabilities						
Current borrowings	-	-	-	-	-	-
	-	-	-	-	-	-

Sensitivity

The profit or loss is sensitive to higher/lower interest expense as a result of changes in interest rates.

Particulars	Impact on profit after tax	
	31 st March, 2022	31 st March, 2021
Interest rate - Increases by 100 basis points	-	-
Interest rate - Decreases by 100 basis points	-	-

Market risk - Price risk

The Company's investments in quoted equity securities is very minimal, hence there is limited exposure to price risk.

Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, mainly in the nature of sales denominated in foreign currencies and other expenditures. As a policy, the Company does not hedge any of its exposure to foreign currency. The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

Particulars	As at 31 st March, 2022		As at 31 st March, 2021	
	Amount in Foreign Currency	Amount in ₹(Lakhs)	Amount in Foreign Currency	Amount in ₹(Lakhs)
Trade and other payables				
USD	-	-	7,34,497.77	537.40
Euro	-	-	-	-
Advance to suppliers				
USD	13,75,048.89	1,043.66	-	-
Euro	-	-	-	-
Trade Receivables	-			

Particulars	As at 31 st March, 2022		As at 31 st March, 2021	
	Amount in Foreign Currency	Amount in ₹(Lakhs)	Amount in Foreign Currency	Amount in ₹(Lakhs)
USD	58,774.70	44.61	87,089.63	63.72
Euro	-	-	-	-
Balance in EEFC A/c-USD	105.16	0.08	105.17	0.08
Derivatives outstanding				
Forward contracts				
To buy USD	-	-	-	-
To sell USD	-	-	-	-
Share application money pending allotment				
IDR	5,27,88,000.00	2.79	5,27,88,000.00	2.66
Net exposure (Receivable/ (Payable))	5,42,21,928.75	1,091.14	5,21,40,697.03	(470.94)
Net exposure in USD	14,33,928.75	1,088.35	(6,47,302.97)	(473.60)

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments, as detailed below

Particulars	31 st March, 2022	31 st March, 2021
Increase in USD rate by 1%	10.88	(4.74)
Decrease in USD rate by 1%	(10.88)	4.74

38. Capital management

(a) Risk Management

The Company's objectives when managing capital are to

- > safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- > Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Company has been maintaining a steady dividend.

The Company's capital structure is largely equity based. It monitors capital on the basis of the following gearing ratio: Net debt divided by Total 'equity' (as shown in the balance sheet).



The gearing ratios were as follows:

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Net debt	-	-
Total equity	1,61,607.69	1,50,326.25
Net debt to equity ratio	0%	0%

(b) Dividends

Particulars	31 st March, 2022	31 st March, 2021
Equity shares		
i) Final dividend for the year ended 31 st March, 2021 of ₹6.25 (31 March 2020 ₹0.10) per fully paid share.	8,515.35	136.25
Dividends not recognised at the end of the reporting period		
i) In addition to the above dividends, since year end the directors have recommended the payment of a dividend of ₹6.25 per fully paid equity share (31 st March, 2021 – ₹6.25). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	8,515.35	8,515.35

39. In November'19, The Income Tax Department., Hyderabad conducted Search / Survey, on the premises of the Company and its subsidiary (i.e., Avanti Frozen Foods Private Limited). Consequent to search & seizure, during the year, the Income Tax Department has completed the assessment for the entire block period consisting from the assessment year 2014-15 to 2019-2020 by accepting the Income as per the returns filed u/s 153A of the Income Tax Act,1961.

40. The Company has taken into account the possible impact of COVID-19 in preparation of the audited financial statements including its assessment of recoverable value of its assets based on internal and external information for the year ended 31st March, 2022. Based on the assessment done by the management of the Company, there is not much impact of COVID-19 on the results for the year ended 31st March, 2022. The Company will be closely monitoring any material changes to future economic conditions.

41. Additional Regulatory Information: Ratios

Ratio	Numerator	Denominator	Current Year	Previous Year	Variance
Current Ratio (in times)	Total current assets	Total current liabilities	5.07	5.69	-10.93%
Debt-Equity Ratio (in times)	Debt consists of borrowings and lease liabilities.	Total equity	0.01	0.01	-

Ratio	Numerator	Denominator	Current Year	Previous Year	Variance
Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	NA	NA	-
Return on Equity Ratio (in %) *	Profit for the year less Preference dividend (if any)	Average total equity	12.78%	22.60%	-43.46%
Inventory Turnover Ratio (in times)	Revenue from operations	Average inventory	7.86	9.48	-17.09%
Trade Receivables Turnover Ratio (in times)**	Revenue from operations	Average trade receivables	25.44	18.41	38.19%
Trade Payables Turnover Ratio (in times)	Cost of material consumed and other expenses	Average trade payables	15.07	12.73	18.40%
Net Capital Turnover Ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	3.30	2.83	16.61%
Net Profit Ratio (in %) *	Profit for the year	Revenue from operations	4.92%	9.42%	-47.73%
Return on Capital Employed (in %) *	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	16.24%	26.61%	-38.96%
Return on Investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	4.65%	4.23%	9.93%

* Profitability ratios decreased on account of increase in Raw Material prices.

**Trade receivables days increased an account of increase in credit sales.

42. Other Statutory Information

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Company does not have any transactions with companies struck off.
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- (v) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies),



including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities indentified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the
- (a) directly or indirectly lend or invest in other persons or entities indentified in any manner whatsoever by or on behalf of the company Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (viii) The Company has not any such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

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

The accompanying notes are an integral part of the financial statements

As per our Report of even date

for TUKARAM & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 004436S / S200135

For and on behalf of the Board of Directors
AVANTI FEEDS LIMITED

A. Indra Kumar
DIN: 00190168

Chairman & Managing Director

(K. Rajender Reddy)
Partner
Membership No. 231834

C. Ramachandra Rao
DIN:00026010
Jt. Managing Director,
Company Secretary & CFO

N. Ram Prasad
DIN:00145558
Director

Place :Hyderabad
Date : 12th May, 2022

Consolidated Financials
2021-22

INDEPENDENT AUDITORS' REPORT

To the Members of
Avanti Feeds Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Avanti Feeds Limited ("the Company") and its subsidiaries (collectively referred to as "the Group"), and its associates, which comprise the Consolidated Balance Sheet as at 31st March, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2022, the consolidated profit including other comprehensive income, consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No	Key Audit Matters	Auditor's Response
1.	<p>Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of Ind AS 115 "Revenue from Contracts with Customers" (revenue accounting standard)</p> <p>The application of the accounting standard involves certain key judgements relating to identification of the contract with a customer, identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized when a performance obligation is satisfied. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p>Refer Notes 2.5.c and 23 to the Consolidated Financial Statements</p>	<p>We assessed the Company's process to identify the impact of the revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows:</p> <ul style="list-style-type: none"> • We assessed the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the relevant accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures: • Read, analyzed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. • Samples in respect of revenue recorded upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services, were tested using a combination of DCs, Sales orders, weighment slips and non-returnable gate passes including customer acceptances, subsequent invoicing and historical trend of collections and disputes. <p>Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings.</p> <p>We reviewed the collation of information and the logic of the report generated from the IT system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p>



S. No	Key Audit Matters	Auditor's Response
2.	<p>The Group enters into various financial instruments such as derivative financial instruments to hedge the Company's exposure to variability in foreign exchange movements, including investments in quoted and unquoted equity instruments, quoted and unquoted mutual funds and quoted non-convertible debentures. As at 31st March, 2022, financial instruments carried at fair value through profit and loss totaled ₹75,310.90 Lakhs (current investments of ₹75,308.74 Lakhs and non-current investments of ₹2.16 Lakhs) as disclosed in Note 7 to the Consolidated Financial Statements and derivative financial assets totaled ₹49.02 Lakhs as disclosed in Note 9 to the Financial Statements. These financial instruments are recorded at fair value as required by the relevant accounting standard. We have focused on this area due to the complexities associated with the valuation and accounting for these financial instruments.</p>	<p>Our procedures included but were not limited to:</p> <p>Obtaining an understanding of the internal risk management procedures and the systems and controls associated with the origination and maintenance of complete and accurate information relating to financial instruments;</p> <p>We also tested on a sample basis the existence and valuation of such financial instruments as at 31st March, 2022. Our audit procedures focused on the integrity of the valuation models and the incorporation of the contract terms and the key assumptions, including future price assumptions and discount rates; and</p> <p>Obtaining an understanding of key financial instrument contract terms to assess the appropriateness of accounting reflected in the financial report.</p> <p>We have also assessed the appropriateness of the disclosures included in Note 40 to the Consolidated Financial Statements.</p>
3.	<p>Inventory valuation and existence</p> <p>At the balance sheet date, the value of inventory amounted to ₹98,764.37 Lakhs representing 39.25% of total assets. Inventories were considered as key audit matter due to the size of the balance and because inventory valuation involves management judgment.</p> <p>As described in Note 2.5.j of the financial statements, inventories are carried at the lower of cost and net realizable value on a weighted average basis</p> <p>The company has segment specific procedures for identifying risk for obsolescence and measuring inventories at the lower of cost or net realizable value</p>	<p>To address the risk for material error on inventories, our audit procedures included amongst other:</p> <ul style="list-style-type: none"> • Assessing the compliance of company's accounting policies over inventory with applicable accounting standards. • Observed the stock take process at Factory locations during the year and at the end of the year and undertook our test counts where ever necessary. • Compared the Quantities we counted with Quantities recorded. • Analyzing, the Inventory Ageing reports and Net realizable value of inventories • Tested that inventory on hand at the end of the period was recorded at the lower of cost and net realizable value by testing a sample of inventory items to the most recent selling price

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Shareholder's Information, but does not include the Consolidated Financial Statements, Standalone financial Statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated 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 Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the 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; 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 Consolidated 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 Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

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

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

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



- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company, its subsidiary companies and associate companies which are companies incorporated in India, have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements.

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

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

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

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

Other Matters

We did not audit financial information of the subsidiary and stepdown subsidiary included in the consolidated financial results, whose financial information reflect total assets of ₹69,177.58 Lakhs as at 31st March, 2022 and total revenues of ₹1,01,905.26 Lakhs for the year ended 31st March, 2022, total net profit after tax of ₹5,913.18 Lakhs for year ended 31st March, 2022 and total comprehensive income of ₹5,914.10 Lakhs for the year ended

31st March, 2022 and net cash flows of ₹216.14 Lakhs for the year ended 31st March, 2022, as considered in the Statement. The consolidated financial results also include the Group's share of profit after tax of ₹142.22 Lakhs for the year ended 31st March, 2022 and Total comprehensive income of ₹142.22 Lakhs for the year ended 31st March, 2022, as considered in the Statement, in respect of one of the associates whose financial information have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and its associate, 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 subsidiaries and its associate, is based solely on the reports of the other auditors.

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 reports of the other auditors.

The consolidated financial statements also include the Group's share of net loss of ₹(1,090.67) Lakhs for the year ended 31st March, 2022, as considered in the consolidated financial statements, in respect of one of the 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 the associate, 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 subsidiaries and its associate, is based solely on such unaudited financial statements.

Our opinion on the Consolidated Financial Statements is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("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", 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 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, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash flows dealt with by this Report are in agreement with the 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 Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors of the Company as on 31st March, 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the Directors of the Group companies and associate companies incorporated in India is disqualified as on 31st March, 2022 from being appointed as a Director of that company in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure-B" which is based on the auditor's reports of the Company, its subsidiary companies and associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:



In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company, its subsidiary companies and associate companies to its directors during the year is in accordance with the provisions of Section 197 of the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates. Refer Note 33 to the Consolidated Financial Statements;
 - ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and its associates incorporated in India.
 - iv.
 - a) The respective managements of the Group and its associates which are companies incorporated in India, have represented to us that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Group or its associates to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Group companies or its associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - b) The respective managements of the Group and its associates, which are companies incorporated in India, have represented to us that, to the best of its knowledge and belief, no funds which are material either individually or in the aggregate have been received by the respective Parent Company or its subsidiaries from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group companies or its associates shall, whether, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
 - v.
 - a) The final dividend paid by the Company, one of its subsidiary companies and one of its associate companies during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.
 - b) The interim dividend declared and paid by the one of the associate companies during the year and until the date of this audit report is in accordance with Section 123 of the Act.
 - c) The Board of Directors of the Company, one of its subsidiary companies and one of its associate companies have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

For TUKARAM & CO LLP

Chartered Accountants

ICAI Firm Registration No: 004436S / S200135

(K. Rajender Reddy)

Partner

Membership No: 231834

UDIN: 22231834AIYGCH9232

Place: Hyderabad

Date: 12th May, 2022

“Annexure – A” to the Auditors’ Report

The Annexure referred to in Independent Auditors’ Report to the members of the Company on the Ind AS Consolidated Financial Statements for the year ended 31st March, 2022, we report that:

Re: Avanti Feeds Limited (‘the Company’)

xxi. According to the information and explanations given to us and based on our examinations of records of the Company. There are no qualifications or adverse remarks in the Companies (Auditors Report) Order (CARO) reports of the Company, its subsidiary companies and one of the associate companies included in the Consolidated Financial Statements. The report of one of the associate companies included in the Consolidated Financial Statements has not been issued by its auditor till the date of our auditor’s report.

S.No	Name of the Associate Company	Corporate Identification Number
1	Srivathsa Power Projects Private Limited	U40109TG1995PTC020411

For TUKARAM & CO LLP
Chartered Accountants
ICAI Firm Registration No: 004436S / S200135

(K. Rajender Reddy)
Partner
Membership No: 231834
UDIN: 22231834AIYGCH9232

Place: Hyderabad
Date: 12th May, 2022



Annexure - B to the Independent Auditors' Report of even date on the Consolidated Financial Statements of Avanti Feeds Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the Consolidated Financial Statements of Avanti Feeds Limited as of and for the year ended 31st March, 2022, we have audited the internal financial controls over financial reporting of Avanti Feeds Limited (hereinafter referred to as "the Company"), its subsidiary companies and associate companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the on the internal financial controls system over financial reporting of the Company, its subsidiary companies and associate companies, which are companies incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the

company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company, its subsidiary companies and associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For TUKARAM & CO LLP

Chartered Accountants

ICAI Firm Registration No: 004436S / S200135

(K. Rajender Reddy)

Partner

Membership No: 231834

UDIN: 22231834AIYGCH9232

Place: Hyderabad

Date: 12th May, 2022



Consolidated Balance Sheet as at 31st March, 2022

(All amounts in Lakhs in Indian Rupees, unless otherwise stated)

Particulars	Notes	As at 31 st March, 2022	As at 31 st March, 2021
ASSETS			
Non-current Assets			
Property, plant and equipment	3	26,381.97	28,178.72
Capital work-in-progress	3	3,996.69	604.09
Intangible assets	4	302.01	412.14
Right-of-use assets	5(a)	572.34	652.06
Investments accounted for using the equity method	6	2,195.45	3,143.90
Financial assets			
Investments	7(a)	9,506.48	8,709.79
Loans	8(a)	68.35	86.59
Other financial assets	9(a)	1,515.41	878.75
Deferred tax Asset (net)	22(a)	165.22	261.40
Non-current tax assets (net)	22(b)	2,122.70	2,348.52
Other non-current assets	10(a)	1,901.86	193.36
Total Non - Current Assets		48,728.48	45,469.31
Current Assets			
Inventories	11(a)	98,764.37	55,323.42
Biological assets	11(b)	166.66	189.32
Financial assets			
Investments	7(b)	81,417.53	1,11,634.60
Trade receivables			
Billed	12	11,361.95	6,654.54
Unbilled	12	6.57	6.61
Cash and cash equivalents	13(a)	6,541.05	4,705.58
Other Bank balances	13(b)	932.82	1,376.42
Loans	8(b)	96.03	118.51
Other financial assets	9(b)	49.02	122.50
Other current assets	10(b)	3,556.39	2,621.82
Total Current Assets		2,02,892.39	1,82,753.32
Total Assets		2,51,620.87	2,28,222.63
EQUITY AND LIABILITIES			
Equity			
Equity share capital	14	1,362.46	1,362.46
Other equity	15	1,88,177.71	1,74,759.26
Equity attributable to owners		1,89,540.17	1,76,121.72
Non-controlling interest		25,198.53	22,833.96
Total equity		2,14,738.70	1,98,955.68
Liabilities			
Non current liabilities			
Financial liabilities			
Borrowings	16	-	-
Lease Liability	5(b)(i)	287.57	293.15
Other financial liabilities	17(a)	372.00	372.00
Provisions	18(a)	84.16	-
Other non-current liabilities	19(a)	1,036.73	1,266.67
Total Non-current Liabilities		1,780.46	1,931.82
Current liabilities			
Financial liabilities			
Borrowings	20	-	-
Trade payables			
i) Total outstanding dues of Micro enterprises and small enterprises	21	1,974.01	1,592.63
ii) Total outstanding dues of creditors other than Micro enterprises and small enterprises	21	28,501.01	22,337.67
Lease Liability	5(b)(ii)	120.76	82.28
Other financial liabilities	17(b)	355.87	227.19
Other current liabilities	19(b)	4,083.34	2,867.64
Provisions	18(b)	66.72	227.72
Total Current Liabilities		35,101.71	27,335.13
Notes forming part of the Financial Statements	1-47		
Total Equity and Liabilities		2,51,620.87	2,28,222.63

The accompanying notes are an integral part of the Financial Statements
As per our Report of even date

for TUKARAM & CO. LLP
Chartered Accountants
ICAI Firm Registration No. 004436S / S200135

(K. Rajender Reddy)
Partner
Membership No. 231834

Place : Hyderabad
Date : 12th May, 2022

For and on behalf of the Board of Directors
AVANTI FEEDS LIMITED

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

C. Ramachandra Rao
DIN:00026010
Jt. Managing Director,
Company Secretary & CFO

N. Ram Prasad
DIN:00145558
Director

Consolidated Statement of Profit & Loss as at 31st March, 2022

(All amounts in Lakhs in Indian Rupees, unless otherwise stated)

Particulars	Notes	For the period ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Income			
Revenue from operations	23	5,03,595.71	4,10,056.19
Other income	24	8,167.21	9,257.79
Total Income		5,11,762.92	4,19,313.98
Expenditure :			
Cost of materials consumed	25	4,24,660.00	3,26,294.08
Purchase bearer biological assets	25	123.11	108.26
Changes in inventories of finished goods and work-in-progress	26	(1,000.35)	(5,904.41)
Employee benefits expense	27	12,725.89	12,624.23
Finance costs	29	200.95	168.40
Depreciation and amortization expenses	28	4,079.32	4,092.69
Other expenses	30	34,886.24	30,920.24
Total expenses		4,75,675.16	3,68,303.49
Profit before tax, share in profit of Associates		36,087.76	51,010.49
Add: Share of net profit/(loss) of associates accounted for using the equity method		(948.44)	(43.98)
Profit before exceptional items and tax		35,139.32	50,966.51
Exceptional items	31	(2,750.00)	-
Profit before tax		32,389.32	50,966.51
Tax expenses			
Current tax	22c	7,770.45	11,944.96
Deferred tax	22c	96.17	(715.56)
Total tax expenses		7,866.62	11,229.40
Profit for the year		24,522.70	39,737.11
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(127.79)	(41.50)
Total comprehensive income for the year		24,394.91	39,695.61
Attributable to :			
Owners of AFL		22,029.27	35,969.78
Non-controlling interests		2,365.64	3,725.82
Profit is attributable to:			
Owners of AFL		22,157.43	36,007.18
Non-controlling interests		2,365.27	3,729.93
Other comprehensive income is attributable to:			
Owners of AFL		(128.16)	(37.39)
Non-controlling interests		0.37	(4.11)
Earnings per equity share			
(Equity shares, par value of ₹1/- each)			
Basic and diluted EPS (in ₹)			
Basic	32	16.26	26.43
Diluted	32	16.26	26.43
Notes forming part of the Financial Statements			

The accompanying notes are an integral part of the Financial Statements
As per our Report of even date

for **TUKARAM & CO. LLP**

Chartered Accountants

ICAI Firm Registration No. 004436S / S200135

(**K. Rajender Reddy**)

Partner

Membership No. 231834

Place: Hyderabad

Date : 12th May, 2022

For and on behalf of the Board of Directors

AVANTI FEEDS LIMITED

A. Indra Kumar

DIN: 00190168

Chairman & Managing Director

C. Ramachandra Rao

DIN:00026010

Jt. Managing Director,
Company Secretary & CFO

N. Ram Prasad

DIN:00145558

Director



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

Consolidated Statement of Changes in Equity

for the period ended 31st March, 2022

a. Equity

Particulars	Number of Shares	Amount
Balance at 1st April, 2020	13,62,45,630	1,362.46
Changes in equity share capital during the year	-	-
Balance at 31st March, 2021	13,62,45,630	1,362.46
Changes in equity share capital during the year	-	-
Balance at 31st March, 2022	13,62,45,630	1,362.46

b. Other Equity

Particulars	Reserves and Surplus						
	Capital Reserve	Securities premium	General reserve	Foreign Currency translation	Retained earnings	Non controlling interest	Total
Balance at 1st April, 2020	-	-	17,565.72	0.20	1,21,440.48	19,108.49	1,58,114.89
Profit for the year	-	-	-	-	36,007.18	3,725.83	39,733.01
Tranlation Reserve during the year	-	-	-	(0.90)	-	-	(0.90)
Adjustment of Reserves attributable to NCI *	-	-	-	0.36	-	(0.36)	-
Remeasurements of the defined benefit plans	-	-	-	-	(37.39)	-	(37.39)
Dividends (including corporate dividend tax)	-	-	-	-	(216.38)	-	(216.38)
Transfer of retained earnings to general reserve	-	-	3,500.00	-	(3,500.00)	-	-
Addition on account of dilution of stake in Avanti Frozen Foods Private Limited	-	-	-	-	-	-	-
Balance at 31st March, 2021	-	-	21,065.72	(0.34)	1,53,693.89	22,833.96	1,97,593.23
Balance at 1st April, 2021	-	-	21,065.72	(0.34)	1,53,693.89	22,833.96	1,97,593.23
Profit for the year	-	-	-	-	22,157.43	2,365.64	24,523.07
transferred to retaining earnings	-	-	-	-	-	-	-
Adjustment on adoption of INDAS 116	-	-	-	-	-	-	-
Tranlation Reserve during the year	-	-	-	(2.66)	-	-	(2.66)
Adjustment of Reserves attributable to NCI *	-	-	-	1.06	-	(1.06)	-
Utilised for bonus issue	-	-	-	-	-	-	-
Remeasurements of the defined benefit plans	-	-	-	-	(128.16)	-	(128.16)
Dividends (including corporate dividend tax)	-	-	-	-	(8,609.23)	-	(8,609.23)
Transfer of retained earnings to general reserve	-	-	950.00	-	(950.00)	-	-
Balance at 31st March, 2022	-	-	22,015.72	(1.94)	1,66,163.93	25,198.54	2,13,376.25

The accompanying notes are an integral part of the Financial Statements
As per our Report of even date

for TUKARAM & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 004436S / S200135

(K. Rajender Reddy)

Partner

Membership No. 231834

Place: Hyderabad

Date : 12th May, 2022

For and on behalf of the Board of Directors

AVANTI FEEDS LIMITED

A. Indra Kumar

DIN: 00190168

Chairman & Managing Director

C. Ramachandra Rao

DIN:00026010

Jt. Managing Director,
Company Secretary & CFO

N. Ram Prasad

DIN:00145558

Director

Statement of Cash Flows for the period ended 31st March, 2022

(All amounts in Lakhs in Indian Rupees, unless otherwise stated)

Particulars	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
A. CASH FLOW FROM OPERATING ACTIVITIES	32,389.32	50,966.51
Profit before tax		
Adjustments for :		
Depreciation and amortisation expenses	4,079.32	4,092.69
Provision for employee benefits	23.09	186.22
Finance costs	200.95	168.40
Loss/ (Profit) on disposal of property, plant and equipment	7.91	6.76
Interest income	(875.60)	(676.80)
Dividend income	(1.80)	-
Foreign exchange gain/(Loss)	(1,948.05)	(1,501.02)
Gain/loss from sale of financial assets measured at fair value through profit and loss	(3,838.85)	(5,414.51)
Fair valuation of financial assets measured at fair value through profit and loss	(817.54)	(195.21)
Fair valuation of derivatives	(49.02)	(93.90)
Share of profit/(loss) from Associates	948.44	43.98
Amortisation of government grant	(229.94)	(205.90)
Operating profit before working capital changes	29,888.23	47,377.22
Adjustments for (increase) / decrease in operating assets:		
Trade receivables		
Billed	(4,707.41)	2,216.98
Unbilled	0.04	(1.00)
Loans	40.72	13.08
Other financial assets	(561.11)	(204.39)
Inventories	(43,418.29)	(1,162.09)
Other assets	(2,643.07)	1,617.53
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	6,544.72	2,176.13
Provisions	(227.72)	(394.50)
Other financial liabilities	177.70	(1,064.53)
Other liabilities	1,215.70	249.81
Cash generated from operations	(13,690.49)	50,824.24
Net income tax paid	(7,544.63)	(12,561.88)
Net cash flow from operating activities (A)	(21,235.12)	38,262.36
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on fixed assets, including capital advances	(6,643.48)	(7,596.45)
Proceeds from sale of Property, Plant and Equipment	1,150.25	3,325.93
Changes in investments	34,074.11	(49,875.74)
Other bank balances	442.55	16,852.11
Interest received	873.53	684.30
Dividend income received	1.80	-
Net cash (used in) / flow from investing activities (B)	29,898.76	(36,609.85)



Particulars	For the year ended 31 st March, 2022	For the year ended 31 st March, 2021
C. CASH FLOW FROM FINANCING ACTIVITIES		
Finance costs	(200.95)	(168.40)
Repayment of borrowings	-	(16.00)
Changes in Lease Liabilities	32.91	324.57
Dividends paid	(8,608.18)	(178.41)
Foreign exchange gain/(Loss)	1,948.05	1,501.02
Net cash flow (used in) financing activities (C)	(6,828.17)	1,462.78
Net (decrease) in Cash and cash equivalents (A+B+C)	1,835.47	3,115.28
Cash and cash equivalents at the beginning of the year	4,705.58	1,590.30
Cash and cash equivalents at the end of the year (Refer Note (i) below)	6,541.05	4,705.58
Note (i): Cash and cash equivalents comprises of:		
Balances with Banks	6,527.93	4,688.39
Cash in hand	13.12	17.19
	6,541.05	4,705.58

The above Statement of Cash Flows has been prepared under the "Indirect Method" set out in Ind AS - 7, 'Statement of Cash Flows' specified under Section 133 of the Companies Act, 2013

Purchase of property, plant and equipment includes movements of capital work-in-progress during the year.

Figures in brackets indicate cash outflows

As per our Report of even date

for TUKARAM & CO. LLP

Chartered Accountants

ICAI Firm Registration No. 004436S / S200135

(K. Rajender Reddy)

Partner

Membership No. 231834

Place :Hyderabad

Date : 12th May, 2022

For and on behalf of the Board of Directors

AVANTI FEEDS LIMITED

A. Indra Kumar

DIN: 00190168

Chairman & Managing Director

C. Ramachandra Rao

DIN:00026010

Jt. Managing Director,

Company Secretary & CFO

N. Ram Prasad

DIN:00145558

Director

Notes forming part of the Consolidated Financial Statements

1. Corporate information

Avanti Feeds Limited ('AFL' or the 'Company') is a listed public company under "The Companies Act, 1956", with its registered office in Visakhapatnam. The company started its commercial operations in 1993 and now stands as the leading manufacturer of Shrimp Feed. AFL has one subsidiary (incorporated in India) named Avanti Frozen Foods Private Limited (AFFPL). AFFPL is engaged in the business of exporting Shrimp. AFL has one stepdown subsidiary (incorporated in U.S.A.) named Avanti Frozen Foods Inc. (AFFI). AFL, AFFPL and AFFI are hereinafter referred to as the 'Group'.

The Group's consolidated financial statements are approved for issue by the Company's Board of Directors on May 12, 2022.

2. Basis of preparation of financial statements and significant accounting policies

2.1 Basis of preparation and measurement

(i) Basis of preparation

These financial statements are prepared in accordance with Indian Accounting Standard (Ind AS), the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued there after.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use

(ii) Basis of measurement

The financial statements have been prepared under the historical cost convention on the accrual basis except for the following financial instruments which are measured at fair values:

- certain financial assets and liabilities that are measured at fair value
- biological assets - measured at fair value; and
- defined benefit plans- plan assets measured at fair value

2.2. Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.



Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) *Associates*

Associates are all entities over which the group has significant influence but not control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(iii) *Equity method*

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amount of equity accounted investments are tested for impairment in accordance with the impairment policy.

iv) *Changes in Ownership Interest*

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

2.3 Measurement of fair values

"The Company's accounting policies and disclosures require financial instruments to be measured at fair values. The Company has an established control framework with respect to the measurement of fair values.

The Company uses valuation techniques that are appropriate in the circumstances and for which

sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified."

"Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)."

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.4 Use of estimates and judgements

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

- Estimation of defined benefit obligation, refer note 38
- Useful life of property, plant and equipment refer note 2.4 (o)
- Fair value of biological asset refer note 2.4 (k)

2.5 Significant accounting policies

a. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Chairman and Managing Director (CMD) of the Holding company has been identified as the chief operating decision maker. Refer Note 37 for the segment information presented.

b. Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of its primary economic environment in which the company operates ('the functional currency'). The consolidated financial statements are presented in Indian rupees (INR), which is the Group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. Foreign exchange difference regarded as



an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

c. Revenue recognition

The Company earns revenue primarily from sale of Shrimp Feed and Shrimp Exports Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services. To recognize revenues, we apply the following five step approach:

- (1) identify the contract with a customer,
- (2) identify the performance obligations in the contract,
- (3) determine the transaction price,
- (4) allocate the transaction price to the performance obligations in the contract, and
- (5) recognize revenues when a performance obligation is satisfied.

At contract inception, the Company assesses its promise to transfer products or services to a customer to identify separate performance obligations. The Company applies judgement to determine whether each product or services promised to a customer are capable of being distinct, and are distinct in the context of the contract, if not, the promised product or services are combined and accounted as a single performance obligation. The Company allocates the arrangement consideration to separately identifiable performance obligation based on their relative stand-alone selling price or residual method. Stand-alone selling prices are determined based on sale prices for the components when it is regularly sold separately, in cases where the Company is unable to determine the stand-alone selling price the Company uses third-party prices for similar deliverables or the company uses expected cost plus margin approach in estimating the stand-alone selling price.

d. Government grant

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Loans received from government in the nature of interest free deferred taxes are treated in the nature of government grant. The difference between the fair value of the loan and the amount of loan received is accounted as government grant. The government grant is recognised in the statement profit and loss over the period of loan.

e. Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group operates and generates taxable income. Management periodically evaluates positions

taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

f. Ind AS 116 Leases:

As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset. At the date of commencement of the lease, the Company recognizes a right-of-use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of 12 months or less (short-term leases) and low value leases. For these short-term and low-value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised. The ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Effective April 01, 2019 the Company adopted IND AS 116, Leases and applied the standard to all lease contracts existing on April 01,2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset as its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the Company's incremental borrowing rate at the Company's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31st March, 2019 have not been retrospectively adjusted and therefore will continue to be



reported under the accounting policies included as part of our Annual Report for the year 31st March, 2019.

g. Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

h. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

i. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

j. Inventories

Inventories 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. 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. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition.

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

k. Biological assets

The group recognises biological assets of only when, the group controls the assets as a result of past events, it is probable that future economic benefits associated with such assets will flow to the group. Biological assets of the Group are in the nature of Consumable Biological Assets. It is bifurcated into Live Shrimp, Brood Stock, (the Parents) and harvested species which undergo biological transformation under different stages as Nauplius, Zoea, Mysis and Post Larvae. The Group sells the biological assets harvested from brood stock at Nauplius and Post Larvae Stages. The Brood Stock has a maximum useful life of 6 months for laying eggs. and thereafter these are destroyed.

The valuation of the Brood stock biological assets are determined on the following basis:

Brood stock are used for captive consumption or to support farmers, it can not be sold before the end of its useful life and as such, there is no active market. Other references to market prices such as market prices for similar assets are also not available due to the uniqueness of the breed. Valuation based on a discounted cash flow method is considered to be unreliable given the uncertainty with respect to mortality rates and production. Consequently, brood stock and Shrimp seed (Different stages) are measured at cost, less depreciation and impairment losses.

The transmission phase from Nauplius to Zoea and Mysis are not considered as significant transformation of biological asset and hence Zoea and Mysis are not valued as per Ind AS - 41.

The fair value of biological assets is based on its market condition as on the reporting date. The quoted price in the market is the appropriate basis for determining the fair value of these biological assets.

In the event that market determined prices or values are not available for biological assets in its present condition we use the present value of the expected net cash flows from the asset discounted at a current market determined rate in determining fair value.

Fair Value Inputs are summarised as follows:

Level 1 Price Inputs – are quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 Price Inputs – are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 Price Inputs – are inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The valuation of the live Shrimp consumable biological assets are determined on the following basis:

The group recognises of Live Shrimp at cost of the assets or the fair value which can be measured reliably. Expenditure incurred on biological assets (live Shrimp) are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell. The gain or loss arising from a change in fair value less costs to sell of biological assets are included in Statement of Profit and Loss for the period in which it arises.

Management estimates the fair value less costs to sell of biological assets, taking into account the most reliable evidence available at each reporting date. The future realization of these biological assets may be affected by their survival rate, age and / or other market-driven changes that may reduce the future economic benefits associated with such assets. The fair value is arrived at based on the observable market prices of biological assets adjusted for cost to sells, as applicable.

I. Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.



Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.
- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in profit or loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment of financial assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 40 details how the Group determines whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected life time losses to be recognised from initial recognition of the receivables.

(iv) Derecognition of financial assets

A financial asset is derecognised only when

- the Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has

transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset."

(v) *Income recognition*

Interest income:

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends:

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of the dividend can be measured reliably.

m. Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period and are included in other gains/(losses).

n. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

o. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation / amortisation on tangible assets is calculated on a straight-line basis as per the useful life prescribed and in the manner laid down under Schedule II to the Companies Act, 2013. The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. Assets costing individually rupee equivalent of INR 5,000 or less are fully charged off on purchase. Depreciation for assets purchased / sold during the period is proportionately charged.



An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains or losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

p. Intangible assets

Intangible assets that are acquired are recognized at cost initially and carried at cost less accumulated amortization and accumulated impairment loss, if any.

(i) Computer software

Computer software are stated at cost, less accumulated amortisation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

(ii) Amortisation methods and periods

Intangible assets are amortized over their respective individual estimated useful lives of 6 years on a straight line basis.

q. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the year end which are unpaid . The amounts are unsecured and are usually paid as per mutually agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

r. Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

s. Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

t. Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

u. Employee benefits

(i) Short-term obligations

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

(ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

(iii) Post-employment obligations

The Group operates the following post-employment schemes:

- (a) defined benefit plans such as gratuity; and
- (b) defined contribution plans such as provident fund, Employee State Insurance and superannuation fund"

Gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the



end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plans

The Group pays provident fund contributions to publicly administered provident funds and Employee State Insurance funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available. Superannuation Scheme (administered through a 'Superannuation Trust' formed by the Group) is a defined contribution plans, where the Group has no further obligations under the plan beyond its monthly/ quarterly contributions.

(iv) Bonus plans

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(v) Contributed Equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

w. Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

x. Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group;
- by the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

y. Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Lakhs as per the requirement of Schedule III, unless otherwise stated.

2.6. Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April, 2022, as below:

Ind AS 103 – Business Combinations

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Property, Plant and Equipment (Proceeds before intended use)

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Provisions, Contingent Liabilities and Contingent Asset

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

2.7: Critical estimates and judgements

Areas involving critical estimates.

Estimation of defined benefit obligation, Refer note: 38



Notes To Financial Statements For The Year Ended 31st March, 2022

(All amounts in Indian Rupees, unless otherwise stated)

3. Property, Plant and Equipment and capital work - in-progress

	Land - free hold	Buildings	Roads	Plant and machinery	Wind Mills	Electrical installation equipments	Lab equipments	Office equipment	Computers	Furniture and fixtures	Motor vehicles	Total tangible assets	Capital work-in-progress
As at 31st March, 2020	3,930.12	6,515.29	366.31	19,402.22	649.31	2,915.19	476.80	272.21	199.56	351.65	2,182.80	37,261.46	2,588.71
Additions	422.71	2,173.56	138.65	1,841.59	-	213.98	115.18	33.22	41.31	61.40	283.03	5,324.63	1,289.58
Disposals	-	-	-	0.34	-	3.47	17.28	7.60	13.80	16.23	50.01	108.73	3,274.20
As at 31st March, 2021	4,352.83	8,688.85	504.96	21,243.47	649.31	3,125.70	574.70	297.83	227.07	396.82	2,415.82	42,477.36	604.09
Additions	629.31	603.58	-	411.15	-	43.78	121.64	26.18	45.69	23.39	141.48	2,046.20	4,466.55
Disposals	-	-	-	16.03	-	-	22.53	4.41	8.42	0.21	113.41	165.01	1,073.95
As at 31st March, 2022	4,982.14	9,292.43	504.96	21,638.59	649.31	3,169.48	673.81	319.60	264.34	420.00	2,443.89	44,358.55	3,996.69
Depreciation													
Upto 31st March, 2020	-	875.52	123.11	7,246.74	216.48	985.42	148.74	134.96	125.67	100.43	654.79	10,611.86	-
Charge for the year	-	334.04	31.97	2,524.19	54.14	326.06	56.11	47.35	52.85	40.45	269.86	3,737.02	-
Disposals	-	-	-	0.34	-	1.39	3.76	6.22	9.28	8.72	20.53	50.24	-
Up to 31st March, 2021	-	1,209.56	155.08	9,770.59	270.62	1,310.09	201.09	176.09	169.24	132.16	904.12	14,298.64	-
Charge for the year	-	335.67	39.16	2,550.48	54.14	325.85	67.25	46.28	40.90	42.15	264.03	3,765.91	-
Disposals	-	-	-	11.36	-	-	12.85	3.92	8.29	0.10	51.45	87.97	-
Up to 31st March, 2022	-	1,545.23	194.24	12,309.71	324.76	1,635.94	255.49	218.45	201.85	174.21	1,116.70	17,976.58	-
Net block													
As at 31st March, 2021	4,352.83	7,479.29	349.88	11,472.88	378.69	1,815.61	373.61	121.74	57.83	264.66	1,511.70	28,178.72	604.09
As at 31st March, 2022	4,982.14	7,747.20	310.72	9,328.88	324.55	1,533.54	418.32	101.15	62.49	245.79	1,327.19	26,381.97	3,996.69

Notes:

- Refer to note 21 for information on property, plant and equipment pledged as security by the company.
- Gross value of assets as at 31st March, 2022 includes ₹1,458.72 Lakhs of government grant availed under the scheme of Export Promotion Capital Goods Scheme (31st March, 2021: ₹1,458.72 Lakhs). (refer Note 20)
- Refer to note 34 for disclosure of contractual commitments for the acquisition of property, plant and equipment.
- ₹1073.95 Lakhs has been capitalised and transferred to property, plant and equipment during the year ended 31st March, 2022
- ₹3274.20 Lakhs has been capitalised and transferred to property, plant and equipment during the year ended 31st March, 2021

Ageing of capital work-in-progress as on 31st March, 2022

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Shrimp Feed Plant at Bandapuram	1,866.66				1,866.66
Admin Building at Kovvur	196.78				196.78
Guest House at Kovvur	222.89				222.89
Plant & Machinery at Kovvur	20.29				20.29
Pre-processing Plant Gopalapuram	740.26	403.32	-		1,143.58
Cold Store, ETP, Plant & Machinery at Yerravaram	540.28		-		540.28
Total	3,593.37	403.32	-	-	3,996.69

Ageing of capital work-in-progress as on 31st March, 2021

Particulars	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Admin Building, Kovvur	12.26				12.26
Pre-processing Plant Gopalapuram	401.10				401.10
Admin Building and Plant and Machinery at Yerravaram	45.20	91.68	23.49	30.36	190.73
Total	458.56	91.68	23.49	30.36	604.09

4. Intangible assets

	Computer Software	Customer contracts	Total
As at 31st March, 2020	43.81	-	43.81
Additions	6.01	599.80	605.81
Disposals	-	-	-
As at 31st March, 2021	49.82	599.80	649.62
Additions	10.55	18.79	29.34
Disposals	0.81	-	0.81
As at 31st March, 2022	59.56	618.59	678.15
Amortization expenses:			
Upto 31st March, 2020	20.15	-	20.15
Charge for the year	7.40	209.93	217.33
Disposals	-	-	-
Upto 31st March, 2021	27.55	209.93	237.48
Charge for the year	8.58	123.72	132.30
Disposals	0.22	-	0.22
Translation exchange difference	-	6.58	6.58
Upto 31st March, 2022	35.91	340.22	376.13
Net block			
As at 31st March, 2021	22.27	389.87	412.14
As at 31st March, 2022	23.65	278.36	302.01



5. Right of use asset

a) ROU as at 31st March, 2022

Particulars	Category of ROU Asset		Total
	Leasehold Land	Buildings	
Balance as at 31st March, 2020	374.65	39.29	413.96
Additions	230.08	146.36	376.44
Deletions	-	-	-
Depreciation	105.59	32.75	138.34
Balance as at 31st March, 2021	499.14	152.90	652.06
Additions	-	101.39	101.39
Deletions	-	-	-
Depreciation	120.31	60.80	181.11
Balance as at 31st March, 2022	378.83	193.49	572.34

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.

(b) Lease liabilities as at 31st March, 2022

	As at 31 st March, 2022	As at 31 st March, 2021
(i) Non-Current	287.57	293.15
(ii) Current	120.76	82.28
Total	408.33	375.43

The movement in lease liabilities during the period ended 31st March, 2022 is as follows:

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balance as at 01 st April, 2021	375.43	50.86
Additions	101.38	367.85
Finance cost accrued during the year	35.06	19.97
Deletions	-	-
Payment of lease liabilities	103.54	63.25
Balance as at 31st March, 2022	408.33	375.43

Rental expenses recorded on short-term leases was ₹211.91 Lakhs

The details of the contractual maturities of lease liabilities as at 31st March, 2022 on an undiscounted basis are as follows:

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Less than one year	111.22	84.64
One year to three years	201.06	159.62
More than three years	182.66	238.57
Total	494.94	482.83

6. Investments accounted for using the equity method

	As at 31 st March, 2022	As at 31 st March, 2021
Equity instruments of associate company (unquoted)		
Srivathsa Power Projects Limited		
1,66,93,630 (31 st March, 2021: 1,66,93,630) equity shares of ₹10/- each fully paid up	851.34	1,942.01
Patikari Power Private Limited *		
1,06,45,200 (31 st March, 2021: 1,06,45,200) equity shares of ₹10/- each fully paid up	1,344.11	1,201.89
Total (A)	2,195.45	3,143.90

7. Investments

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
a) Non - Current Investments (Refer Note i below)		
Investments carried at cost		
(i) Equity instruments of other entities (unquoted)	507.31	507.31
Investment carried at fair value through profit and loss		
(ii) Equity instruments other entities (quoted)	2.16	1.97
(iii) Investments in Non Convertible Debentures (quoted)	-	705.68
Investments carried at amortised cost		
(iv) Investments in Non Convertible Debentures (quoted)	8,997.01	7,494.83
Total a (i+ii+iii+iv)	9,506.48	8,709.79
b) Current investments (Refer Note ii below)		
Investment carried at fair value through profit and loss		
(i) Investments in Mutual Funds (quoted)	73,988.25	1,04,305.78
(ii) Investments in Non Convertible Debentures- Quoted	1,320.49	-
Investment carried at amortised cost		
(iii) Investments in Secured Bonds - Quoted	-	1,053.95
(iv) Investments with Non-Banking Institutions	6,108.79	6,274.87
Total b (i+ii+iii+iv)	81,417.53	1,11,634.60

Note (i)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Equity instruments other entity (unquoted)		
Bhimavaram Hospitals Limited 1,20,000 (31 st March, 2021: 1,20,000) equity shares of ₹10/- each fully paid up	12.00	12.00
PT Thai Union Kharisma Lestari 9,99,600 (31 st March, 2021: 8,33,000) equity shares of IDR 10,000/- each fully paid up	495.31	495.31
Total a (i)	507.31	507.31
Equity instruments (quoted)		
IDBI Bank Limited 2,880 (31 st March, 2021: 2,880) equity shares of ₹10/- each fully paid up	1.23	1.11
UCO Bank Limited 7,800 (31 st March, 2021: 7,800) equity shares of ₹10/- each fully paid up	0.93	0.86
Total a (ii)	2.16	1.97
Investment carried at fair value through profit and loss		
SHRIRAM CITY UNION FINANCE MLD	-	705.68
Total a (iii)	-	705.68
Investments in Non Convertible Debentures (quoted)		
5.23% LIC HOUSING JULY 2023	1,038.56	1,015.58
5.40% HDFC AUG 2023	1,038.78	1,043.99
5.70% BAJAJ FINANCE AUG 2023	1,041.31	1,047.89
7.2871% HDB FINANCIAL JULY 2023	2,149.45	2,187.44
RELIANCE INDUSTRIES LTD. - 09-APRIL-2023	1,108.69	1,060.50
RELIANCE INDUSTRIES LTD. - 16-APRIL-2023	1,108.07	1,139.43
TATA MOTORS FINANCE HOLDING LIMITED	1,512.15	-
Total a (iv)	8,997.01	7,494.83
Total a (i+ii+iii+iv)	9,506.48	8,709.79



Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Aggregate amount of quoted investments and market value thereof	8,999.17	7,496.80
Aggregate amount of unquoted investments	507.31	3,651.21
Aggregate amount of impairment in the value of investments	-	-
Total	9,506.48	8,709.79

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Note (ii)		
Current investments		
Investment in quoted mutual funds		
Franklin Ultra Short Bond Fund - SIP - Growth - 5,34,000.71 units of ₹34.2623 each (31 st March, 2021: 1,09,20,638.596 units of ₹29.72593 each)	182.96	3,246.19
IDFC Low duration Fund - Growth Regular plan - 63,05,779.878 units of ₹31.3573 each (31 st March, 2021: 63,05,779.878 units of ₹30.2444 each)	1,977.32	1,907.15
HDFC Floating Rate debt Fund - Regular plan - Growth - 51,52,012.143 units of ₹38.4464 each (31 st March, 2021: 51,52,012.143 units of ₹37.9118 each)	-	1,953.22
SBI Magnum Ultra Short Term Growth - Direct 29315.234 units of ₹4897.0747 each (31 st March, 2021: 3,99,322.944 units of ₹4718.9734 each)	3,743.97	18,843.69
Axis Banking & PSU Debt Fund - 4,28,825.339 units of ₹2165.0014 each (31 st March, 2021 - 4,28,825.339 units of ₹2187.0567 each)	9,378.65	8,995.86
IDFC Banking & PSU Debt Fund - 3,64,17,498.826 units of ₹20.3992 each (31 st March, 2021 - 4,21,24,994.019 units of ₹19.4635 each)	7,428.88	8,706.21
NIPPON INDIA Arbitrage Fund - Direct - 3,91,62,197.787 units of ₹22.8280 each (31 st March, 2021 - 3,91,62,197.787 units of ₹21.827 each)	2,490.56	8,547.93
NIPPON INDIA Floating Rate Fund - Direct 1,85,50,931.1610 units of ₹37.3555 each (31 st March, 2021 - 25,99,96,485.32 units of ₹35.8098 each)	-	6,676.11
NIPPON INDIA BANKING & PSU DEBT FUND (G) - DIRECT - 62,63,427.911 UNITS OF ₹16.6564 each (31 st March, 2021 - 62,63,427.911 units of ₹16.4212 each)	-	1,028.53
SBI BANKING AND PSU DEBT FUND - 3,68,267.002 units of ₹2668.0358 each (31 st March, 2021 - 3,68,267.002 units of ₹2554.0099 each)	10,906.22	9,405.79
IDFC CORPORATE BOND FUND - DIRECT - GROWTH - 4,01,28,672.543 units of ₹16.0402 each (31 st March, 2021 - 4,01,28,672.543)	6,436.72	6,126.73
IDFC ARBITRAGE FUND - GROWTH - DIRECT PLAN - 3,51,52,104.694 units of ₹27.6290 each (31 st March, 2021 - 3,51,52,104.694 units of ₹26.7596 each)	-	9,406.56
ICICI PRU CORPORATE BOND FUND - DIRECT - GROWTH - 3,26,90,929.564 units of ₹24.5863 each (31 st March, 2021 - 3,26,90,929.564 units of ₹23.5067 each)	8,037.49	7,684.56
HDFC CORPORATE BOND FUND - DIRECT - GROWTH - 4,67,65,677.860 units of ₹26.4814 each (31 st March, 2021 - 4,67,65,677.860 units of ₹25.1835 each)	12,384.21	11,777.25

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
ADITYA BIRLA S.L. FLOATING RATE DEBT FUND - DIRECT - GROWTH - 10,78,576.43 units of ₹283.55 each (31 st March, 2021: NIL)	3,058.30	-
HDFC FLOATING RATE DEBT FUND - DIRECT - GROWTH - 71,35,334.839 units of ₹40.10 each (31 st March, 2021 : NIL)	2,860.93	-
IDFC ARBITRAGE REGULAR - GROWTH - 1,93,33,390.10 units of ₹26.3898 each (31 st March, 2021: NIL)	5,102.04	-
Total b (i)	73,988.25	1,04,305.78
Investments in Non Convertible Debentures (quoted) - Current		
SHRIRAM CITY UNION FINANCE MLD	1320.49	-
Total b (ii)	1,320.49	-
Investments in Secured Bonds - quoted		
LIC Housing Finance Ltd 2019 (secured) bonds	-	1,053.95
Total b (iii)	-	1,053.95
Investment with Non Banking Institutions:		
Term deposit with LIC of India	5,607.47	6,274.87
Term deposit with Bajaj Finance Limited	501.32	-
Total b (iv)	6,108.79	6,274.87
Total b (i+ii+iii+iv)	81,417.53	1,11,634.60
Aggregate amount of quoted investments and market value thereof	75,308.74	1,05,359.73
Aggregate amount of unquoted investments	6,108.79	6,274.87
Aggregate amount of impairment in the value of investments	-	-
	81,417.53	1,11,634.60

The Group has invested an amount of ₹50 crores in "Franklin India Ultra Short Bond Fund" (FT) in September, 2017 purchasing 2,16,36,685 units at an NAV of ₹23.11 per unit. During the financial year 2019-20, CRISIL downgraded its rating of one of the portfolio investment of the FT. As per SEBI Regulations, any investment by a MF rated below investment grade (i.e. below BBB), can be segregated at the option of the AMC

Accordingly, in January, 2020 FT has reduced NAV of the above fund held by the Company and allotted equal quantity of units (i.e. 2,16,36,685 units) of "Franklin India Ultra Short Bond Fund – Super Institutional Plan - Segregated Portfolio -1 GROWTH, with NAV value of ₹Nil on 24th January, 2020 with a different account number. Hence, the same is recorded in the books of accounts of the company as at 31st March, 2020.

During the Financial Year 2020-21, we have received a total of ₹34.59 crores and during the Financial Year 2021-22, we have received a total of ₹31.52 crores.

As at 31st March, 2022 the balance units of 5,34,000.713 are carrying at NAV of ₹34.2623.

8. Loans

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(a) Non-current		
Unsecured, considered good		
Loans to employees	68.35	86.59
	68.35	86.59
(b) Current		
Unsecured, considered good		
Loans to employees	96.03	118.51
	96.03	118.51



Total	164.38	205.10
--------------	---------------	---------------

9. Other Financial Assets :

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(a) Non Current		
Unsecured, considered good		
Bank deposits (Maturity more than 12 months)	501.28	-
Margin Money Accounts*	70.67	44.00
Security deposits	943.46	834.75
	1,515.41	878.75
* Margin Money deposits with bank of a carrying amount of ₹70.67 Lakhs (31 st Mar, 2021: 44.00 Lakhs) are lien marked for import L.C.s and for issuance of SBLC for Anti Dumping Duty purpose to US Customs Authorities.		
(b) Current		
Unsecured, considered good		
Derivative financial asset	49.02	93.90
Share of profit receivable from JV	-	28.60
	49.02	122.50

10. Other Assets

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
(a) Non-current		
Unsecured, considered good		
Taxes paid under protest	2.94	2.94
Unsecured, considered doubtful		
Capital advances	1,914.92	206.42
Less: Provision for Bad and doubtful advances	(16.00)	(16.00)
Total	1,901.86	193.36
(b) Current		
Unsecured, considered good		
Prepaid expenses	503.40	453.56
Advance for purchases	84.50	232.26
Export incentives receivable	1,968.21	797.60
MEIS Licenses on hand	677.18	-
GST Receivable	2.86	29.79
Advance to suppliers	269.41	1,037.82
Interest accrued on electricity deposits	31.07	29.00
Captive settlement of Power from APEPDCL	16.97	39.13
PT Thai Union Kharisma Lestari	2.79	2.66
Total	3,556.39	2,621.82

11 a) Inventories (valued at lower of cost or net realizable value)

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Raw materials		
In godowns	59,870.61	23,258.37
Stock in transit	1,394.46	1,131.69
Packing materials	1,216.75	722.77
Work-in-progress	938.12	795.51
Finished goods		
In godowns	15,707.71	16,717.98
Stock in transit	12,047.03	10,156.35
Stores and spares	6,106.86	2,429.00
Stores and spares - in transit	1,482.83	111.75
Total	98,764.37	55,323.42

11 b) Biological Assets

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Biological Assets (Refer note below)	166.66	189.32
Note:		
Brood stock	51.93	66.25
Post Larval	32.21	-
Live Shrimp	82.52	123.07
Total	166.66	189.32

Reconciliation of changes in the carrying amount of biological assets:

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
As at beginning of the year	189.32	-
Increase due to purchase/production/physical change	1,581.01	2,508.17
Decrease due to Physical change/ sales	(1,603.67)	2,318.85
Net change in the Fair value less estimated cost to sell	166.66	189.32

12. Trade receivables

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
a) Trade receivable billed:		
Secured:		
Undisputed		
Considered good	1,593.58	1,589.81
Considered doubtful	-	-
Disputed:		
Considered good	148.91	148.91
Considered doubtful		
Unsecured:		
Considered good	9,619.46	4,915.82
Considered - credit impaired	147.63	147.63
	11,509.58	6,802.17
Less: Allowance for doubtful trade receivables	147.63	147.63
Total	11,361.95	6,654.54
b) Trade receivable unbilled:	6.57	6.61
	6.57	6.61
Total (a+b)	11,368.52	6,661.15



Ageing for trade receivables - billed - non-current outstanding as at 31st March, 2022 is as follows

	outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - one year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables – secured - considered good	1,593.58	-	-	-	-	1,593.58
Undisputed trade receivables – unsecured - considered good	9,602.19	-	17.27	-	-	9,619.46
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	-	17.27	131.64	-	148.91
Disputed trade receivables – considered doubtful	-	-	-	-	147.63	147.63
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-
	11,195.77	-	34.54	131.64	147.63	11,509.58
Less: Allowance for doubtful trade receivables	-	-	-	-	147.63	147.63
	11,195.77	-	34.54	131.64	-	11,361.95
Trade receivables – un billed						6.57
						11,368.52

Ageing for trade receivables - billed current outstanding as at 31st March, 2021 is as follows:

Particulars	outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - one year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables-secured - considered good	1,595.18	-	-	-	-	1,595.18
Undisputed trade receivables-unsecured - considered good	4,910.45	-	-	-	-	4,910.45
Undisputed trade receivables – credit impaired	-	-	-	-	-	-
Disputed trade receivables – considered good	-	17.27	131.64	-	-	148.91
Disputed trade receivables – considered doubtful	-	-	-	-	147.63	147.63
Disputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-
Disputed trade receivables – credit impaired	-	-	-	-	-	-
	6,505.63	17.27	131.64	-	147.63	6,802.17
Less: Allowance for doubtful trade receivables					147.63	147.63
	6,505.63	17.27	131.64	-	-	6,654.54
Trade receivables - unbilled						6.61
						6,661.15

13 a) Cash and cash equivalents

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Balances with banks:		
-In current accounts	6,527.93	4,688.39
Cash in hand	13.12	17.19
Total	6,541.05	4,705.58

13 b) Other bank balances

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Unpaid dividend accounts	210.01	211.06
Deposit Accounts	508.81	508.61
Margin money accounts*	214.00	656.75
Total	932.82	1,376.42

Margin Money deposits with Bank of a carrying of ₹214.00 Lakhs (31st March, 2021: ₹656.75 Lakhs) are lien marked for import L.C.s and for issuance of SBLC for Anti Dumping Duty purpose to U.S. Customs Authorities.

14. Equity Share capital

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Authorised capital		
15,85,00,000 equity shares of ₹1/- each (31 st March, 2022: 15,85,00,000 equity shares of ₹1/- each)	1,585.00	1,585.00
Issued, subscribed and paid up		
13,62,45,630 fully paid up equity shares of ₹1/- each (31 st March, 2022; 13,62,45,630 shares ₹1/- each)*	1,362.46	1,362.46
	1,362.46	1,362.46

Notes:

(a) Reconciliation of the number of shares outstanding:

	Number of shares	Amount
Balance at 1 st April, 2020	13,62,45,630	1,362.46
Shares issued during the year	-	-
Balance at 31st March, 2021	13,62,45,630	1,362.46
Shares issued during the year	-	-
Balance at 31st March, 2022	13,62,45,630	1,362.46

(b) Details of shares held by each shareholder holding more than 5% shares

Name of the shareholders	As at 31 st March, 2022		As at 31 st March, 2021	
	Number of shares held	% holding of equity shares	Number of shares held	% holding of equity shares
Equity shares of ₹1/- each fully paid up (previous year ₹1/- each)				
1. Srinivasa Cystine Private Limited	3,62,99,115	26.64	3,62,99,115	26.64
2. Thai Union Group Public Company Limited	2,10,30,630	15.44	2,10,30,630	15.44
3. Thai Union Asia Investment Holding Limited	1,19,54,826	8.77	1,19,54,826	8.77
4. Alluri Indra Kumar	83,30,700	6.11	83,30,700	6.11
5. Alluri Indra Kumar (HUF)	81,89,250	6.01	81,89,250	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.

(c) Rights attached to equity shares

The Company has only one class of equity shares having par value of ₹1/- per share (previous year ₹1/- 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.

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.

(d) Equity shares movement during the 5 years preceding 31st March, 2022 on account of Equity shares issued as bonus

The Company allotted 4,54,15,210 equity shares as fully paid up bonus shares by capitalisation of profits transferred from securities premium reserve amounting to ₹438.00 Lakhs and general reserve amounting to ₹16.15 Lakhs, which was approved by the shareholders by means of a special resolution through E.G.M. held on 14th June, 2018.

(e) Details of share holding of Promoter and Promoter Group

Name of the promoter	As at 31 st March, 2022			As at 31 st March, 2021		
	Shares held by promoter			Shares held by promoter		
	No. of shares	% of total shares	% change during the year	No. of shares	% of total shares	% change during the year
Srinivasa Cystine Private Limited	3,62,99,115	26.64	-	3,62,99,115	26.64	-
Alluri Indra Kumar	83,30,700	6.11	-	83,30,700	6.11	-
Nuthakki Ram Prasad HUF	2,29,701	0.17	-	2,29,701	0.17	-
Alluri Indra Kumar HUF	81,89,250	6.01	-	81,89,250	6.01	-
Sanjeev Agro-Vet Private Limited	42,35,265	3.11	-	42,35,265	3.11	-
Alluri Venkata Sanjeev	7,10,700	0.52	-	7,10,700	0.52	-
Alluri Nikhilesh Chowdary	6,91,650	0.51	-	6,91,650	0.51	-
N Naga Ratna	95,022	0.07	-	95,022	0.07	-
Sudha Vadlamudi	37,500	0.03	-	37,500	0.03	-
Amar Kumar Chukkapalli	37,500	0.03	-	37,500	0.03	-
Vijaya Kumar Chukkapalli	18,750	0.01	-	18,750	0.01	-
Katneni Jagan Mohan Rao	37,500	0.03	-	37,500	0.03	-
Ratna Manikyamba Katneni	37,500	0.03	-	37,500	0.03	-
Arun Kumar Chukkapalli	18,750	0.01	-	18,750	0.01	-
Putchala Srinivas	1,500	0.00	-	1,500	0.00	-
G Venkatesh	4,62,196	0.34	-	4,62,196	0.34	-
Bommidala Srimannarayana	4,300	0.00	(0.01)	9,600	(0.01)	-
Rayapaneni Raveena	37,500	0.03	-	37,500	0.03	-
Geda Sai Padmini	43,650	0.03	-	43,650	0.03	-
	5,95,18,049	43.68	(0.01)	5,95,23,349	43.69	0.00

15. Other equity

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Securities premium	-	-
Foreign Currency Translation Reserve	(1.94)	(0.34)
General Reserve	22,015.72	21,065.72
Retained earnings	1,66,163.92	1,53,693.88
Total Other Equity	1,88,177.71	1,74,759.26

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Securities premium		
Balance at beginning of year	-	-
Transferred to retaining earnings	-	-
Less: Utilised for bonus issue	-	-
Balance at end of year	-	-
Foreign Currency Translation Reserve		
Balance at beginning of year	(0.34)	0.20
Add: Additions	(2.66)	(0.90)
Less : Attributable to NCI	1.06	0.36
Balance at end of year	(1.94)	(0.34)
General Reserve		
Balance at beginning of year	21,065.72	17,565.72
Transferred to retaining earnings	-	-
Less: Utilised for bonus issue	-	-
Transferred from Surplus in Statement of Profit and Loss	950.00	3,500.00
Balance at end of year	22,015.72	21,065.72
Retained earnings		
Balance at beginning of year	1,53,693.88	1,21,440.48
Profit attributable to owners of the Company	22,157.43	36,007.18
Remeasurements of the defined benefit plans	(128.16)	(37.39)
Profits transferred to General Reserve	(950.00)	(3,500.00)
Dividend declared during the year (including tax thereon)	(8,609.23)	(216.38)
Balance at end of year	1,66,163.92	1,53,693.88

General Reserve:

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to statement of profit and loss. The reserve is utilised for Bonus issue in accordance with the provisions of the Companies Act, 2013.

Securities Premium:

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised for bonus issue in accordance with the provisions of the Companies Act, 2013.



16. Non-current borrowings

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Secured		
Vehicle loans	-	-
Inter Corporate Loans	-	-
Interest accrued on unsecured loan	-	-
Total non-current borrowings	-	-

* Current maturities on long-term borrowings have been disclosed under the head Other current financial liabilities

Summary of borrowing arrangements

Vehicle loans:

Nature of Security & Terms of Repayment :

Vehicle loans are secured by hypothecation of respective vehicles. The loans are repayable in equated monthly installments as stipulated in the agreements with the lenders.

17. Other financial liabilities

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
a. Non-Current		
Security deposits*	372.00	372.00
Total	372.00	372.00
b. Current		
Current maturities of Long term borrowings (refer note 16)		
Vehicles loan	-	16.13
Unpaid dividend	210.01	211.06
Derivative financial instrument	-	-
Creditors for capital works	145.86	-
Total	355.87	227.19

*Security Deposits taken from dealers for supplying them Shrimp Feed on credit term. These deposits carry an interest of @ 9% per annum (31st March, 2021: 9% p.a.).

18. Provisions

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Provisions (refer note 38)		
Provision for gratuity	73.13	147.30
Provision for leave encashment	77.75	80.42
Provision for product recall	-	-
	150.88	227.72
a. Non - Current portion	84.16	-
b. Current portion	66.72	227.72
Total	150.88	227.72

19. Other Liabilities

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
a) Non-Current		
Unamortised government grants (refer note (i) and (ii) below)	1,036.73	1,266.67
	1,036.73	1,266.67
b) Current		
Advance from customers	3,709.89	2,563.59
Statutory dues	373.45	304.05
Total	4,083.34	2,867.64

Unamortised government grants includes

Investment subsidy of ₹500.00 Lakhs received from Andhra Pradesh Food Processing Society, Government of Andhra Pradesh for setting up of new Shrimp processing unit at Yerravaram, East Godavari District, Andhra Pradesh. There are no unfulfilled conditions or other contingencies attaching to these grants. As these grants are in relation to property, plant and equipment and buildings, the same has been capitalised and amortised on a systematic basis over the useful life of respect assets. The carrying value of the grant as at 31st March, 2022 is ₹273.41 Lakhs (31st March, 2021: ₹321.84 Lakhs).

Waiver of duties of ₹1,458.72 Lakhs (31st March, 2021 ₹1,458.72 Lakhs) on import of or domestically sourced property, plant and equipment, availed under Export Promotion Capital Goods Scheme. There are no unfulfilled conditions or other contingencies attaching to these grants. As these grants are in relation to property, plant and equipment, the same has been capitalised and amortised over the useful life of respect assets. The carrying value of the grant as at 31st March, 2022 is ₹763.32 Lakhs (31st March, 2021: ₹944.82 Lakhs).

20. Current borrowings:

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Secured:		
Working capital loan from State Bank of India	-	-
Working capital loan from Axis Bank	-	-
Total	-	-

Notes:

Working capital loan Limits:

Avanti Frozen Foods Private Limited

The working capital limits, sanctioned by State Bank of India and Axis Bank as at 31st March, 2022, are ₹8,000.00 Lakhs and ₹4,000.00 Lakhs, respectively (31st March, 2021: ₹8,000.00 Lakhs and ₹4,000.00 Lakhs, respectively).

The loans are secured by way of first charge on all chargeable current assets of the Company, property, plant & equipment of Shrimp processing Plants at Yerravaram and Gopalapuram, Andhra Pradesh. The working capital loans are repayable on demand and carries interest rate of LIBOR+55bps p.a. and LIBOR+50bps p.a. on pre-shipment credit in foreign currency from State Bank of India and Axis Bank, respectively. In case of cash credit facility the interest rates are 7.20% p.a. and 7.95% p.a. from State Bank of India and Axis Bank, respectively.

Note: Debit balance in cash credit accounts as at 31st March, 2022 have been grouped under the head "Cash and cash equivalents"

Avanti Feeds Limited

The working capital limits, sanctioned by State Bank of India (SBI) and HDFC Bank as at 31st March, 2022, are ₹3,000.00 Lakhs and ₹2,000.00 Lakhs, respectively (31st March, 2021: ₹5,500.00 Lakhs and ₹2,000.00 Lakhs, respectively).

The working capital loan from SBI is secured by first charge on all current assets, Collateral First charge on property, plant & equipment of the company. The same is repayable on demand and carries interest @ 7.10% p.a.

The working capital loan from HDFC Bank is secured by first charge on all current assets, Collateral First charge on fixed assets of the company. The same is repayable on demand and carries interest @ 7.50% p.a.

Note: Debit balance in cash credit accounts as at 31st March, 2022 (and 31st March, 2021) have been grouped under the head "Cash and Cash equivalents".

21. Trade payables

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Dues to micro enterprises and small enterprises (Refer Note below)	1,974.01	1,592.63
Dues to creditors other than micro enterprises and small enterprises.	28,501.01	22,337.67
	30,475.02	23,930.30



With the promulgation of the Micro, Small and Medium Enterprises Development Act, 2006, the Company is required to identify Micro, Small and Medium Suppliers and pay them interest on overdue beyond the specified period irrespective of the terms with the suppliers. The Company has circulated letter to all suppliers seeking their status. Response from few suppliers has been received and is still awaited from other suppliers. In view of this, the liability of interest calculated and the required disclosures made, in the below table, to the extent of information available with the Company.

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Principal amount remaining unpaid to any supplier as at the end of the accounting year.	1,974.01	1,592.63
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid.	-	-

Ageing for trade payables outstanding as at 31st March, 2022 is as follows

Particulars	outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables					
MSME	1,974.01	-	-	-	1,974.01
Others	21,125.88	10.12	6.62	13.09	21,155.71
Disputed dues - MSME	-	-	-	-	-
Disputed dues - others	-	-	-	-	-
Accrued expenses					7,345.30
Total:	23,099.89	10.12	6.62	13.09	30,475.02

Ageing for trade payables outstanding as at 31st March, 2021 is as follows

Particulars	outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Trade payables					
MSME	1,592.63	-	-	-	1,592.63
Others	15,319.97	21.48	17.25	14.02	15,372.72
Disputed dues - MSME	-	-	-	-	-
Disputed dues - others	-	-	-	-	-
Accrued expenses					6,964.95
Total:	16,912.60	21.48	17.25	14.02	23,930.30

22. Income Taxes

(a) Deferred tax balance

For the year ended 31st March, 2021

Particulars	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities/ (assets) in relation to				
Depreciation & Amortization	1,521.22	(134.28)	-	1,386.94
Fair valuation of Investments	997.50	86.14	-	1,083.64
Fair valuation of derivative instruments	(354.21)	354.21	-	-
Provision for doubtful debts	(51.59)	-		(51.59)
MAT Credit Entitlement under Section 115JAA	(1,654.76)	(939.87)		(2,594.63)
Lease Liabilities	(14.95)	(103.75)		(118.70)
Others	10.94	22.00		32.94
Total	454.15	(715.55)	-	(261.40)

For the period ended 31st March, 2022

Particulars	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities/ (assets) in relation to				
Depreciation & Amortization	1,386.94	(301.17)	-	1,085.77
Fair valuation of Investments	1,083.64	226.27	-	1,309.91
Fair valuation of derivative instruments	-	-	-	-
Provision for doubtful debts	(51.59)	-		(51.59)
MAT Credit Entitlement under Section 115JAA	(2,594.63)	192.56		(2,402.07)
Lease Liabilities	(118.70)	(5.84)		(124.54)
Others	32.94	(15.64)		17.30
Total	(261.40)	96.18	-	(165.22)

(b) Tax Assets

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Non - current tax assets (net of provision for tax)	2,122.70	2,348.52
Total	2,122.70	2,348.52

(c) Tax Expense recognised in Profit and Loss

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Current tax expense		
In respect of the current year	7,770.45	11,963.97
In respect of the earlier years	-	(19.01)
	7,770.45	11,944.96
Deferred tax expense		
In respect of the current year	96.17	(715.56)
	96.17	(715.56)
	7,866.62	11,229.40



(d) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	As at 31 st March, 2022	As at 31 st March, 2021
Profit before tax	32,389.32	50,966.51
Income tax expense	9,159.84	13,944.33
Deduction u/s 80IB of Income Tax Act (Refer note:1 below)	(1,206.95)	(2,498.02)
Deduction u/s 80M	(102.87)	(30.25)
Expenses not deductible	34.47	37.24
Impact of opening deferred tax liability due to change in effective tax rate	-	30.94
Tax expense of earlier years	-	(16.78)
Corporate Social Responsibility & Donations	172.73	117.86
Others	(190.60)	(355.92)
	7,866.62	11,229.40

Note:

- Avanti Frozen Foods Private Limited has been availing deduction under Section 80IB of the Income Tax Act, 1961, for the new Shrimp Processing Plant at Yerravaram, East Godavari, Andhra Pradesh, from the financial year 2017-18. The tax benefit on account deduction 80IB for the period ended 31st March, 2022 is ₹1,206.95 Lakhs (previous year as on 31st March, 2021 ₹2,498.02 Lakhs)

23. Revenue from operations

Particulars	For the year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Sale of Products		
Finished goods - domestic - Billed	4,04,765.75	3,23,291.56
Finished goods - domestic - Unbilled	6.57	6.61
Finished goods - exports	93,165.73	83,124.59
Sale of Services	120.08	613.08
Other operating revenue		
Export incentives	5,537.58	3,020.35
Total	5,03,595.71	4,10,056.19
Reconciliation of Revenue from sale of products with contracted price		
Contracted Price	5,95,173.37	4,84,185.14
Less : Sales Returns	(58.79)	(328.38)
Less : Trade and other Discounts	(97,192.93)	(76,820.92)
Sale of Products	4,97,921.65	4,07,035.84
Finished goods sold		
Shrimp Feed & Processed Shrimp		
i) Domestic	4,03,969.37	3,22,140.54
ii) Exports	93,165.73	83,124.59
Shrimp Seed	618.89	1,001.80
Power	163.36	151.96
Sale of services	120.08	613.08
Other sales	4.30	3.87
	4,98,041.73	4,07,035.84

24. Other income (net)

Particulars	For the year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Interest Income on Financial Assets carried at amortized cost:		
Bank deposits	327.80	532.19
Non Convertible debentures	444.88	-
Secured Bonds	45.05	65.32
Others	57.87	79.29
Dividend Income:		
from investments mandatorily measured at FVTPL	1.80	-
Net gain on sale of investments:		
On sale of non-convertible debentures	-	1,476.47
On sale of Mutual Funds	3,838.85	3,938.04
MTM gain on investments carried at fair value through profit or loss	817.54	195.21
Exchange gains / (losses) on translation of assets and liabilities	1,948.05	1,501.02
Other non-operating income	403.54	1,170.45
Fair value gain/(loss) on derivatives measured at fair value through profit and loss	49.02	93.90
Amortisation of government grant	229.94	205.90
Total	8,167.21	9,257.79

25. Cost of materials consumed

Particulars	For the year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Inventory at the beginning of the year	25,112.83	30,193.99
Add: Purchases	4,62,028.99	3,21,212.92
	4,87,141.82	3,51,406.91
Less: Inventory at the end of the year	62,481.82	25,112.83
Cost of materials consumed	4,24,660.00	3,26,294.08
Purchase of bearer biological Assets:		
Purchase of brood stock	123.11	108.26
Cost of materials consumed	123.11	108.26

26. Changes in inventories of finished goods and work -in-progress

Particulars	For the year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Closing Stock		
Finished goods	27,754.73	26,874.33
Work-in-progress	938.12	795.51
Biological assets	166.66	189.32
Total	28,859.51	27,859.16
Opening Stock		
Finished goods	26,874.33	21,295.73
Work-in-progress	795.51	659.02
Biological assets	189.32	-
Total inventories	27,859.16	21,954.75
Net (increase)/decrease	(1,000.35)	(5,904.41)



27. Employee benefits expense

Particulars	For the year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Salaries, wages and bonus	11,237.07	11,257.50
Contribution to provident and other funds	933.07	620.28
Gratuity expense (refer note no. 38)	215.16	492.42
Staff welfare expenses	340.59	254.03
Total	12,725.89	12,624.23

28. Depreciation and amortisation expense

Particulars	For the year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Depreciation of property, plant and equipment	3,765.91	3,737.02
Depreciation on ROU asset	181.11	138.34
Amortisation of intangible assets	132.30	217.33
Total	4,079.32	4,092.69

29. Finance costs

Particulars	For the year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Interest expense		
- Interest on bank overdrafts and loans	31.86	69.32
- Interest on leases	35.07	19.98
Other borrowing costs	134.02	79.10
Total	200.95	168.40

30. Other expenses

Particulars	For the year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Rent (Refer Note i)	723.27	463.67
Power and fuel	7,215.45	6,151.01
Repairs and maintenance;		
- Buildings	58.87	79.95
- Plant and machinery	384.34	407.96
- Others	18.50	15.32
Consumable stores	2,928.16	2,827.31
Other manufacturing expenses	7,675.80	6,598.62
Rates and taxes	278.20	224.02
Insurance	822.95	725.42
Electricity Charges	8.33	6.86
Vehicle maintenance	141.67	121.94
Travelling and conveyance	700.61	456.65
Communication expenses	59.05	56.64
Printing and stationery	62.46	47.19

Particulars	For the year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Directors' Sitting Fee	57.90	45.50
Auditors Remuneration (refer note (ii))	58.93	56.22
Professional charges	703.94	422.66
Corporate Social Responsibility (refer note no. 35)	889.69	1,039.98
Donations	3.00	41.68
Bank charges	167.56	136.66
Assets Written off	10.41	2.29
Advertisement	12.67	9.10
Carriage outward	1,155.17	880.10
Ocean freight and export expenses	7,188.41	3,838.18
Marketing expenses	1,908.58	4,787.06
Royalty	1,066.15	932.30
Loss on disposal of property, plant and equipment	0.37	4.47
Bad and doubtful debts	-	-
Provision for bad and doubtful advances	-	16.00
General expenses	585.80	525.48
Total	34,886.24	30,920.24

Notes:

i) Operating leases:

Lease payments made under operating leases aggregating to ₹723.27 Lakhs (31st March, 2021: ₹463.67 Lakhs) have been recognized as an expense in the Statement of Profit and Loss. The future minimum lease commitments under non-cancellable operating leases are Nil.

ii) Auditors' remuneration comprises of:

As Auditors	39.95	36.21
Tax Matters	3.50	3.50
Other Services	9.32	12.02
Reimbursement of expenses	6.16	4.49
Total	58.93	56.22

31. Exceptional items

Particulars	For the year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Loss of property, plant and equipment due to fire	-	13.12
Less: minimum insurance claim expected	-	(13.12)
Provision for product recall	2,750.00	-
Total	2,750.00	-

Pursuant to a minor fire accident on 30th March, 2021 at Ravulapalem Plant admin building, certain property, plant and equipment and other contents in admin building was damaged. The Company lodged an initial estimate of loss with insurance company. During the year ended 31st March, 2021, the Company has written off net book value of assets aggregating ₹13.12 Lakhs and recognised a minimum insurance claim receivable for equivalent amount.



32. Earnings per share

Particulars	For the year Ended 31 st March, 2022	For the Year Ended 31 st March, 2021
Profit attributable to equity holders of parent entity	22,157.43	36,007.18
Net Profit for calculation of Basic and Diluted EPS (A)	22,157.43	36,007.18
Weighted average number of equity shares for Basic EPS (B) (nos.)	13,62,45,630	13,62,45,630
(a) Basic earnings per share (in INR) (A/B)	16.26	26.43

There is no dilution to the basic earnings per share as there are no dilutive potential equity shares.

33. Contingent Liabilities

Particulars	31 st March, 2022	31 st March, 2021
Demands raised by customs, service tax, sales tax, income tax and other authorities, being disputed by the Company *	102.27	90.04

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

Name of the Statute	Nature of the Dues	Amount	Period to which the amount relates	Forum where dispute is pending
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
Customs Act, 1962	Customs duty	60.82	2009-2011 & 2011-2012	CESTAT, Chennai
Income tax Act, 1961	Income tax	12.23	2013-2014	Commissioner Appeals, Income tax, Hyderabad
		102.27		

i) 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 13th December, 2004 and Commercial Tax department took the view that the soya bean purchased prior to 13th December, 2004 will attract tax at old rates and a demand to ₹29.22 Lakhs was raised. This is being contested by the Company in the High Court of Madhya Pradesh.

ii) 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. Company appealed against the order of Commissioner of Customs (Appeals), Chennai 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.

iii) The Income Tax Department has completed the assessment for the assessment year 2013-14 and has raised an additional demand of ₹12.23 Lakhs which the Company has contested and filed an appeal with the Commissioner of Appeals, Income Tax.

34. Capital commitments

Estimated amount of contracts remaining to be executed to the extent not provided for (net of advances) for ₹4820.93 Lakhs (31st March, 2021 ₹190.42 Lakhs)

35. Corporate Social Responsibility Expenditure

During the year, the amount required to be spent on corporate social responsibility activities amounted to ₹889.55 Lakhs (31st March, 2021: ₹1039.96 Lakhs) in accordance with Section 135 of the Act. The following amounts were actually spent during the current & previous year:

Amount spent during the year on:	31 st March, 2022	31 st March, 2021
i. Details of corporate social responsibility expenditure:	-	-
A. Amount required to be spent during year	889.55	1,039.96
B. Amount spent during the year	-	-
1. Construction/acquisition of any asset	-	-
2. Purpose other than (1) above	889.69	1,039.98
C. Shortfall at the end of the year	-	-
D. Total of previous years shortfall	-	-
E. Reason for shortfall	Not applicable	Not applicable
F. Nature of CSR activities	Promoting Education, Healthcare, Rural Development, Disaster relief, Technological advancement.	
G. Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard:	-	-
Contribution to Avanti Foundation in relation to CSR expenditure	698	729.14
H. Provision made with respect to a liability incurred by entering into a contractual obligation	-	-

36. Related party disclosures

1. Names of related parties and related party relationship:

Related parties with whom transactions have taken place during the year

Key Managerial Personnel (KMP)	Whole-Time Directors:
	Sri A. Indra Kumar, Chairman and Managing Director
	Sri C. Ramachandra Rao, Joint Managing Director, Company Secretary and CFO
	Sri A. Venkata Sanjeev, Executive Director
	Sri A. Nikhilesh Chowdary, Executive Director
	Non Executive Directors:
	Sri J.V. Ramudu
	Sri N. Ram Prasad
	Sri N. V. D. S Raju
	Mr Wai Yat Paco Lee
	Mr Bunluesak Sorajjakit
	Smt. K. Kiranmayee
	Sri V. Narsi Reddy
	Sri R. Karikal Valaven, IAS
	Sri K. Rama Mohana Rao
	Smt Y. Prameela Rani
	Sri K. Srinivasa Reddy
	Executive Officers:
	A. Anand - Chief Financial Officer (upto 15 th Sep, 2021)
	Lakshmi Sharma - Company Secretary (upto 31 st Aug, 2021)
	Narender Sharma - Company Secretary (w.e.f. 15 th Nov, 2021)



Relatives of Key Managerial Personnel	Sri N. Ram Prasad, Director
Entities having significant influence over the Company	Thai Union Group PCL, Thailand ("TUG")
	Tri-union Frozen Products Inc. (Chicken of the Sea Frozen Foods) (a subsidiary of TUG)
	Thai Union China Co. Ltd (a subsidiary of TUG)
	Thai Union Feed Mill Co. Ltd. (a subsidiary of TUG)
	Thai Union Asia Investments Holding Co. Ltd.,
	Srinivasa Cystine Private Limited
Associate Companies	Srivathsa Power Projects Private Limited
	Patikari Power Private Limited
Entities over which KMP has significant influence	Sanjeev Agro-Vet Private Limited
	Sri Sai Srinivasa Agro Farms & Developers LLP
	Avanti Foundation
	A.V.R. Trust
	C.R. Reddy College
	Sakuntala Professional Associates LLP
	Nava Bharat Ventures Limited

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:

Particulars	Key Management Personnel		Associate Companies		Entities having significant Influence over the company		Entities over which KMP has significant influence	
	For the year ended		For the year ended		For the year ended		For the year ended	
	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021
Whole time directors remuneration	2,374.01	3,480.53	-	-	-	-	-	-
Non whole time directors sitting fees and commission **	157.80	45.50	-	-	-	-	-	-
Remuneration to Executive Officers	39.19	58.98	-	-	-	-	-	-
Rent paid	12.19	6.96	-	-	3.06	2.55	-	-
Rent Received	-	-	1.69	1.20	2.64	0.57	1.72	-
Contribution towards corporate social responsibility	-	-	-	-	-	-	698.40	779.14
Royalty paid	-	-	-	-	1,066.15	932.30	-	-
Dividend paid	1,130.84	17.92	-	-	4,330.29	36.30	264.70	4.24
Legal Services received	-	-	-	-	-	-	14.16	10.62
Sale of products	-	-	-	-	33,640.34	29,944.48	-	-
Purchase of Power	-	-	918.39	194.46	-	-	-	-
Purchase of goods	-	-	-	-	15.94	-	2.66	-

Year end balance

Particulars	Key Management Personnel		Associate Companies		Entities having significant Influence over the company		Entities over which KMP has significant influence	
	As at		As at		As at		As at	
	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021
Whole time directors remuneration	1,619.40	2,782.58	-	-	-	-		
Non whole time directors sitting fees and commission **	100.00							
Rent deposits Paid			-		-	-	0.65	-
Rent deposits Received	-	-	-	-	0.45	-	0.24	-
Royalty	-	-	-	-	234.15	227.16		
Investment	-	-	2,195.45	3,143.90	-	-		
Trade Receivable	-	-	-	-	-	0.55		
Legal Services payable	-						1.62	0.55
Purchase of Goods	-	-	-	-	0.37	-	0.50	-
Sale of Products	-	-	-	-	1,011.64			
Power purchase	-	-	-	76.67	-	-		

*below the rounding off norm adopted by the Company.

** Commission to whole time directors and non whole time directors will be paid after approval of books of accounts at the ensuing AGM.



37 Segment reporting

The Company's Chairman and Managing Director (CMD) examines the group's performance both from a product and geographic perspective and has identified the following segments of its business:

Shrimp Feed is manufactured & marketed to the farmers, which is used in Aqua culture to grow Shrimp.

Shrimp Hatchery produces Shrimp seed and marketed to the aqua farmers

Shrimp are purchased from the farmers and are further processed and exported to various countries.

The Group had installed four wind mills of 3.2MW at Chitradurga, Karnataka. Power generated from wind mills is sold to BESCOM under Power Purchase agreement.

	Shrimp Feed		Shrimp Processing		Power		Hatchery		Unallocated		Total	
	Period ended 31 st March, 2022	Period ended 31 st March, 2021	Period ended 31 st March, 2022	Period ended 31 st March, 2021	Period ended 31 st March, 2022	Period ended 31 st March, 2021	Period ended 31 st March, 2022	Period ended 31 st March, 2021	Period ended 31 st March, 2022	Period ended 31 st March, 2021	Period ended 31 st March, 2022	Period ended 31 st March, 2021
Revenue												
External Sales	4,03,972.70	3,23,097.03	99,163.68	86,301.75	163.36	151.96	618.89	1,001.80	-	-	5,03,918.63	4,10,552.54
Inter-segment sales	(322.92)	(496.36)	-	-	-	-	-	-	-	-	(322.92)	(496.36)
Total Revenue	4,03,649.78	3,22,600.67	99,163.68	86,301.75	163.36	151.96	618.89	1,001.80	-	-	5,03,595.71	4,10,056.18
Segment Result												
Operating Profit	21,130.92	33,662.94	7,410.17	7,784.55	25.93	17.04	(445.52)	455.54	-	-	28,121.50	41,920.07
Share of Profit / (Loss) from Associates	-	-	-	-	(948.44)	(43.98)	-	-	-	-	(948.44)	(43.98)
Minority interest	-	-	-	-	-	-	-	-	-	-	-	-
Other Income	442.87	772.55	2,649.14	2,970.46	-	-	2.99	-	5,072.21	5,514.78	8,167.21	9,257.79
Interest Expense	112.11	49.13	85.98	119.27	-	-	2.86	-	-	-	200.95	168.40
Exceptional item	-	-	(2,750.00)	-	-	-	-	-	-	-	(2,750.00)	-
Income Tax	-	-	-	-	-	-	-	-	-	-	-	-
- Current Tax	-	-	1,271.45	1,892.95	-	-	-	-	6,499.00	10,052.01	7,770.45	11,944.96
- Deferred Tax	-	-	92.93	(545.76)	-	-	-	-	3.24	(169.80)	96.17	(715.56)
Net Profit after tax	21,461.68	34,386.36	5,858.95	9,288.55	(922.51)	(26.94)	(445.39)	455.54	(1,430.03)	(4,367.42)	24,522.70	39,736.08
Other Information												
Segment Assets	1,00,804.14	57,507.99	56,818.77	46,029.13	2,631.81	3,613.41	3,433.17	3,267.19	87,932.98	1,17,804.90	2,51,620.87	2,28,222.63
Segment Liabilities	27,824.64	21,047.62	6,228.69	4,349.88	-	0.57	83.52	83.32	2,745.32	3,785.56	36,882.17	29,266.95
Capital Employed	72,979.50	36,460.37	50,590.08	41,679.25	2,631.81	3,612.84	3,349.65	3,183.87	85,187.66	1,14,019.34	2,14,738.70	1,98,955.68

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 the world.

Particulars	India		USA		Rest of the world	
	For the Year Ended		For the Year Ended		For the Year Ended	
	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021	31 st March, 2022	31 st March, 2021
Revenue	4,10,429.52	3,26,930.50	70,661.41	73,775.03	22,504.78	9,350.66
Location of assets	2,41,685.93	2,23,269.40	4,953.62	3,619.20	4,981.32	1,334.03
Additions to fixed assets	2,176.93	6,306.87	-	-	-	-

The Group have two customers (previous year one customer) revenue from whom accounts for more than 10% of the group company's total revenue.

38. Employee Benefits

(i) Leave obligations

The leave obligations cover the group's liability towards earned leave.

Based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12 months:

Particulars	31 st March, 2022	31 st March, 2021
Current leave obligations expected to be settled within the next 12 months	-	-

(ii) Defined Contribution Plans

The Group also has certain defined contribution plans. Contributions are made to provident fund (at the rate of 12% of basic Salary), Employee State Insurance and Super Annuation fund in India for employees as per regulations. The contributions are made to registered funds administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹679.81 Lakhs (31st March, 2021 ₹481.88 Lakhs)

(iii) Post employment benefit obligation Gratuity

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employee's last drawn basic Salary per month computed proportionately for 15 days Salary multiplied for the number of years of service. The gratuity plan is a funded plan. The Group does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

Balance sheet amounts-Gratuity

The amounts recognised in the balance sheet and the movements in the defined benefit obligation over the year are as follows:

Particulars	31 st March, 2022			31 st March, 2021		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
Opening balance	1,624.23	1,476.93	147.30	1,054.62	821.89	232.73
Current Service Cost	205.35	-	205.35	148.44	-	148.44
Past Service Cost	-	-	-	318.38	-	318.38
Interest expense/ (income)	108.83	-	108.83	70.75	-	70.75
Interest income	-	99.03	(99.03)	-	55.14	(55.14)
Contributions	-	-	-	-	-	-



Particulars	31 st March, 2022			31 st March, 2021		
	Present value of obligation	Fair value of plan assets	Net amount	Present value of obligation	Fair value of plan assets	Net amount
Total amount recognised in profit or loss	314.18	99.03	215.15	537.57	55.14	482.43
Remeasurements	-	-	-	-	-	-
Return on plan assets, excluding amounts included in interest expense/(income)	-	12.65	(12.65)	-	16.45	(16.45)
(Gain)/loss from change in demographic assumptions	33.92	-	33.92	-	-	-
(Gain)/loss from change in financial assumptions	(67.43)	-	(67.43)	1.87	-	1.87
Experience (gains)/losses	173.95	-	173.95	56.09	-	56.09
Total amount recognised in other comprehensive income	140.44	12.65	127.79	57.96	16.45	41.51
Employer contributions	-	417.12	(417.12)	-	619.35	(619.35)
Benefit payments	(15.07)	(15.07)	-	(35.91)	(35.91)	-
Closing Balance	2,063.78	1,990.66	73.12	1,614.24	1,476.92	137.32

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	31 st March, 2022	31 st March, 2021
Present value of funded obligations	2,063.78	1,614.24
Fair value of plan assets	1,990.66	1,476.92
Deficit of funded plan	73.12	137.32
Unfunded plans	-	-
Deficit of gratuity plan	73.12	137.32

(ii) **Significant estimates: actuarial assumptions**

The significant actuarial assumptions for defined benefit obligation are as follows:

Particulars	31 st March, 2022	31 st March, 2021
Discount rate	6.75%	6.75%
Salary escalation rate	10.00%	10.00%
Employee attrition rate	10.00%	10.00%
Assumptions regarding mortality rate are set based on actuarial advice in accordance with published statistics.	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Normal retirement age	60 years	58 years

(iii) **Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption		Impact on defined benefit obligation					
			Increase in assumption			Decrease in assumption		
	31 st March, 2022 (₹ in Lakhs)	31 st March, 2021 (₹ in Lakhs)		31 st March, 2022 (₹ in Lakhs)	31 st March, 2021 (₹ in Lakhs)		31 st March, 2022 (₹ in Lakhs)	31 st March, 2021 (₹ in Lakhs)
Discount rate	1.00%	1.00%	Decrease by	155.20	117.42	Increase by	175.71	131.70
Attrition rate	50.00%	50.00%	Decrease by	84.78	74.62	Increase by	99.18	83.58
Salary escalation rate	1.00%	1.00%	Increase by	129.29	125.57	Decrease by	111.32	113.44

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(iv) **The major categories of plan assets are as follows**

	31 st March 2022	31 st March 2021
Funds managed by Life Insurance Corporation of India	1,990.66	1,476.92
Total	1,990.66	1,476.92

(v) **Risk exposure**

Through its defined benefit plan, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. The Group's plan assets are insurer managed funds and are subject to less material risk.

Changes in bond yields: A decrease in bond yields will increase plan liabilities and the Group ensures that it has enough reserves to fund the liability

(vi) **Defined benefit liability and employer contributions**

Expected contributions to post-employment benefit plans for the year ending 31st March, 2022 is ₹268.76 Lakhs.

Particulars	Less than a year	Between 2-5 years	Between 6-10 years	More than 10 years
31st March 2022				
Gratuity	560.75	482.21	790.28	2,612.63
Total	560.75	482.21	790.28	2,612.63



39. Fair value measurements

Financial instruments by category	31 st March 2022		31 st March 2021	
	Amortised Cost	FVPL	Amortised Cost	FVPL
Financial Assets				
Investments				
- in equity instruments (quoted)	-	2.16	-	1.97
- in equity instruments (unquoted)	-	507.31	-	507.31
- in mutual funds	-	73,988.25	-	1,04,305.78
- in Secured Bonds	-	-	1,053.95	-
- Non Convertible debentures	8,997.01	1,320.49	7,494.83	705.68
- Investments in term deposits	6,108.79	-	6,274.87	-
Trade receivables	11,368.52	-	6,661.15	-
Cash and cash equivalents	6,541.05	-	4,705.58	-
Other bank Balances	1,504.77	-	1,420.42	-
Loans	164.38	-	205.10	-
Security deposits	943.46	-	834.75	-
Derivative Financial Assets	49.02	-	122.50	-
Total Financial Assets	35,677.00	75,818.21	28,773.15	1,05,520.74
Financial Liabilities				
Borrowings	-	-	-	-
Current maturities of long term debt from banks	-	-	16.13	-
Security deposits	372.00	-	372.00	-
Lease Liabilities	408.33	-	375.43	-
Unpaid dividends	210.01	-	211.06	-
Trade payables	30,475.03	-	23,930.30	-
Derivative financial instrument	-	-	-	-
Capital creditors	145.86	-	-	-
Total Financial Liabilities	31,611.23	-	24,904.92	-

(i) Fair value hierarchy

The carrying amount of the current financial assets and current financial liabilities are considered to be same as their fair values, due to their short term nature. In absence of specified maturity period, the carrying amount of the non-current financial assets and non-current financial liabilities such as security deposits given, are considered to be same as their fair values.

The fair value of quoted equity investments, has been classified as Level 1 in the fair value hierarchy as the fair value has been determined on the basis of market value. The fair value of unquoted equity instruments has been classified as Level 2 in the fair value hierarchy as the fair value has been determined on the basis of discounted cash flows. The fair value of mutual funds is classified as Level 2 in the fair value hierarchy as the fair value has been determined on the basis of Net Assets Value (NAV) declared by the mutual fund. The fair value of Financial derivative contracts has been classified as Level 2 in the fair value hierarchy as the fair value has been determined on the basis of mark-to-market provided by the Bank from which the contract has been entered. The corresponding changes in fair value of investment is disclosed as 'Other Income'.

40. Financial Risk Management

The Group's activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, security deposits, other bank deposits and loans	Ageing analysis Credit ratings of customers and fellow subsidiaries	Credit monitoring for customers. Diversification of bank deposits.
Liquidity Risk	Borrowings	Cash flow forecasts managed by Joint Managing Director (JMD).	Working capital management by General Manager in under the guidance of Joint Managing Director. The excess liquidity is channelised through mutual funds and bank deposits.
Market Risk - interest rate	Long term borrowings at variable rate	Sensitivity analysis	Capital is managed by Managing Director. The capital requirements are managed by analyzing the funds requirement and budgets in conjunction with the strategic plan.
Market Risk - Price risk	From investment in equity shares	Market and price sensitivity analysis.	The portfolio is not large and the risk is not significant.
Market Risk - foreign exchange rate	Future commercial transactions (receivable/ payables)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts

The Group's risk management is carried out by the JMD under policies approved by the Risk Management Committee a sub-committee of the Board of Directors. The Committee provides guiding principles for overall risk management, as well as policies covering specific areas such as interest rate risk, credit risk and investment of excess liquidity.

Credit Risk

Credit risk arises from cash and cash equivalents, loans to related parties, security deposits and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

Credit risk is managed by the Marketing General Manager of AFL. The Group has few customer with most of them being foreign customers. The Group provides a credit period of 60-90 days which is in line with the normal industry practice.

The Marketing GM undertakes the credit analysis of each customer before transacting. The finance team under the guidance of Marketing GM also periodically review the credit rating of the customers and follow up on long outstanding invoices.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on going basis through out each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. The below factors are considered:

- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations.
- actual or expected significant changes in the operating results of the borrower.
- significant increase in credit risk on other financial instruments of the same borrower.
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of the borrower in the Company and changes in operating results of the borrower.



Macro economic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 180 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments within 365 days of when they fall due. This definition of default is determined by considering the business environment in which the entity operates and other macro-economic factors.

(ii) **Provision for expected credit losses**

The Group provides for expected credit loss based on the following:

Category	Description of category	Basis for recognition of expected credit loss provision		
		Investments	Deposits and other financial assets	Trade receivables
High quality assets, low credit risk	Assets where there is low risk of default and where the counter party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past	12-month expected credit losses	12-month expected credit losses	Life time expected credit losses
Medium risk, moderate credit risk	Assets where the probability of default is considered moderate, counter party where the capacity to meet the obligation is not strong	12-month expected credit losses	12-month expected credit losses	Life time expected credit losses
Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debt or declaring bankruptcy or failing to engage in are payment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Asset is written off		

Year Ended 31st March, 2022

Expected credit losses for loans, deposits and other receivables, excluding trade receivables

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses - Financial assets for which credit risk has not increased significantly since initial recognition	Loans	164.38	0%	-	164.38
	Security deposits	943.46	0%	-	943.46
	Freight reimbursement receivable	-			
	Other bank balances	1,504.77	0%	-	1,003.49

Year Ended 31st March, 2021

Expected credit losses for loans, deposits and other receivables, excluding trade receivables

Particulars	Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses - Financial assets for which credit risk has not increased significantly since initial recognition	Other bank balances	1,420.42	0%	-	1,420.42
	Loans	205.10	0%	-	205.10
	Security deposits	834.75	0%	-	834.75

Expected credit loss for trade receivables under simplified approach

Year ended 31st March, 2022

Ageing	below 6 months	6 months to one year	1-2 years	2-3 years	More 3 years	Total
Gross carrying amount	11,202.34	0	34.54	131.64	147.63	11,516.15
Expected loss rate	0%	0%	0%	0%	100%	0%
Expected credit loss	-	-	-	-	147.63	147.63
Carrying amount of trade receivables (net of impairment)	11,202.34	-	34.54	131.64	-	11,368.52

Year ended 31st March, 2021

Ageing	below 6 months	6 months to one year	1-2 years	2-3 years	More 3 years	Total
Gross carrying amount	6,512.24	17.27	131.64	-	147.63	6,808.78
Expected loss rate	0%	24.65%	90.87%	-	-	3.10%
Expected credit loss	-	-	-	-	147.63	147.63
Carrying amount of trade receivables (net of impairment)	6,512.24	17.27	131.64	-	-	6,661.15

Liquidity Risk

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



The finance team monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows and any excess/short liquidity is managed in the form of current borrowings, bank deposits and investment in mutual funds.

(i) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Contractual cash flows						
31 st March, 2022	Carrying amount	Total	0-1 year	1-2 years	2-3 years	More than 3 years
Borrowings	-	-	-	-	-	-
Trade payables	30,475.03	30,475.03	30,445.20	10.12	6.62	13.09
Derivative financial instrument	-	-	-	-	-	-
Security deposits	372.00	372.00	-	-	-	372
Capital creditors	145.86	102.52	102.52	-	-	-
	30,992.88	30,949.55	30,547.72	10.12	6.62	385.09

Contractual cash flows

31 st March 2021	Carrying amount	Total	0-1 year	1-2 years	2-3 years	More than 3 years
Borrowings	16.13	16.13	16.13	-	-	-
Trade payables	23,930.30	23,930.30	23,877.55	21.48	17.25	14.02
Derivative financial instrument	-	-	-	-	-	-
Security deposits	372.00	372.00	-	372.00	-	-
Capital creditors	-	-	-	-	-	-
	24,318.43	24,318.43	23,893.68	393.48	17.25	14.02

Market Risk - Interest Risk

The Group's main interest rate risk arises from long term and short term borrowings with variable rates, which exposes the Group to cash flow interest rate risk.

The exposure of the Group to interest rate changes at the end of the reporting period are as follows:

Particulars	31 st March, 2022	31 st March, 2021
Variable rate borrowings	-	-
Total	-	-

At the end of the reporting period, the Group had the following variable rate borrowings and receivables:

Particulars	31 st March, 2022			31 st March, 2021		
	Weighted Average Interest rate %	Balance	% of total borrowings	Weighted Average Interest rate %	Balance	% of total borrowings
Financial Liabilities						
Long term borrowings		-	0%		-	0%
Current borrowings		-	0%		-	0%
		-	0%		-	0%

Sensitivity

The profit or loss is sensitive to higher/lower interest expense and interest income as a result of changes in interest rates.

Particulars	31 st March, 2022			31 st March, 2021		
	Weighted Average Interest rate %	Balance	% of total borrowings	Weighted Average Interest rate %	Balance	% of total borrowings
Interest rate - Increases by 100 basis points		-			-	
Interest rate - Decreases by 100 basis points		-			-	

Market risk - Price Risk

The Group's investments in quoted equity securities is limited , there is no exposure to price risk.

Foreign currency risk

The Group is exposed to foreign exchange risk arising from foreign currency transactions, mainly in the nature of sales denominated in foreign currencies and other expenditures. As a policy, the Group does not hedge any of its exposure to foreign currency. The Group's exposure to foreign currency risk at the end of the reporting period are as follows:

Particulars	As at 31 st March, 2022		As at 31 st March, 2021	
	Amount in Foreign Currency	Amount in INR (Lakhs)	Amount in Foreign Currency	Amount in INR (Lakhs)
Trade and other payables				
USD	6,731	4.99	7,20,277	528.97
EURO	-	-	-	-
Working Capital loans				
USD	-	-	-	-
Balance in EEFC account				
USD	110	372.08	6,76,519	497.28
Advance to suppliers				
USD	13,75,049	1,043.66	2,71,644	199.14
EURO	-	-	-	-



Particulars	As at 31 st March, 2022		As at 31 st March, 2021	
	Amount in Foreign Currency	Amount in INR (Lakhs)	Amount in Foreign Currency	Amount in INR (Lakhs)
Trade Receivables				
USD	1,21,60,835	9,043.77	64,31,561	4,179.47
EURO	1,00,000	84.66	82,800	71.29
Unsecured loans given				
USD	8,50,000	643.52	8,50,000	625
Derivatives outstanding				
Forward contracts				
To buy USD	-	-	-	-
To sell USD	2,08,49,834	15,904.03	2,90,91,402	215.81
Share application money pending allotment				
IDR	5,27,88,000	2.79	5,27,88,000	2.66
Net exposure	4,47,17,429	(6,005.58)	2,95,88,844	3,580.27

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments, as detailed below

Particulars	Impact on profit after tax and equity	
	As at 31 st March, 2022	As at 31 st March, 2021
Increase in USD rate by 1%	(54.50)	41.31
Decrease in USD rate by 1%	54.50	(41.31)

41. Capital management

(a) Risk Management

The Group's objectives when managing capital are to

- > safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- > Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. The Group has been maintaining a steady dividend.

The Group's capital structure is largely equity based. It monitors capital on the basis of the following gearing ratio: Net debt divided by Total 'equity' (as shown in the balance sheet).

The gearing ratios were as follows:

Particulars	31 st March, 2022	31 st March, 2021
Net debt	-	16.13
Total equity	2,14,738.70	1,98,955.68
Net debt to equity ratio	0%	0%

(b) Dividends

	31 st March, 2022	31 st March, 2021
Equity Shares		
i) Final dividend of AFL for the year ended 31 st March, 2021 of ₹6.25 (31 st March 2020 ₹0.10) per fully paid share.	8,515.35	136.25
ii) Final dividend of AFFPL for the year ended 31 st March, 2021 of ₹5.00 (31 st March 2020: ₹2.00) per fully paid share.	500.83	200.33
Dividends not recognised at the end of the reporting period		
i) In addition to the above dividends, since year end the directors have recommended the payment of a dividend of ₹6.25 per fully paid equity share (31 st March, 2021 – ₹8515.35) of AFL.	8,515.35	8,515.35
ii) In addition to the above dividends, since year end the directors have recommended the payment of a dividend of ₹5.00 per fully paid equity share (31 st March, 2021 – ₹5.00) of AFFPL.	500.83	500.83

This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

- 42.** In November'19, The Income Tax Department., Hyderabad conducted Search / Survey, on the premises of the Company and its subsidiary (i.e., Avanti Frozen Foods Limited). Consequent to search & seizure, during the year, the Income Tax Department has completed the assessment for the entire block period consisting from the assessment year 2014-15 to 2019-2020 by accepting the Income as per the returns filed u/s 153A of the Income Tax Act,1961.
- 43.** The Company has taken into account the possible impact of COVID-19 in preparation of the audited financial statements including its assessment of recoverable value of its assets based on internal and external information for the year ended 31st March 2022. Based on the assessment done by the management of the Company, there is not much impact of COVID-19 on the results for the year ended 31st March, 2022. The Company will be closely monitoring any material changes to future economic conditions.

44. Additional Regulatory Information: Ratios

Ratio	Numerator	Denominator	Current Year	Previous Year	Variance
Current Ratio (in times)	Total current assets	Total current liabilities	5.78	6.69	-13.54%
Debt-Equity Ratio (in times)	Debt consists of borrowings and lease liabilities.	Total equity	0.01	0.01	-
Debt Service Coverage Ratio (in times)	Earning for Debt Service = Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments + Principal repayments	NA	NA	-
Return on Equity Ratio (in %)	Profit for the year less Preference dividend (if any)	Average total equity	11.86%	19.97%	-40.64%



Ratio	Numerator	Denominator	Current Year	Previous Year	Variance
Inventory Turnover Ratio (in Times)	Revenue from operations	Average inventory	6.52	7.39	-11.77%
Trade Receivables Turnover Ratio (in times)	Revenue from operations	Average trade receivables	16.95	17.20	-1.42%
Trade Payables Turnover Ratio (in times)	Cost of material consumed and other expenses	Average trade payables	27.61	27.27	1.21%
Net Capital Turnover Ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	6.00	5.28	13.76%
Net Profit Ratio (in %)	Profit for the year	Revenue from operations	4.87%	9.69%	-49.75%
Return on Capital Employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	11.52%	20.09%	-42.67%
Return on Investment (in %)	Income generated from invested funds	Average invested funds in treasury investments	4.81%	4.28%	-12.38%

* Profitability ratios decreased on account of increase in Raw Material prices.

**Trade receivables days decreased on account of increase in credit sales.

45. Other statutory information

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (ii) The Group does not have any transactions with companies struck off.
- (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iv) The Group has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- (v) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (vi) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities indentified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the group shall:
 - (a) directly or indirectly lend or invest in other persons or entities indentified in any manner whatsoever by or on behalf of the company Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (viii) The Group has not any such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

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

47. **Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as subsidiary/Associates**

Name of the entity	As at 31 st March, 2022							
	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent								
Avanti Feeds Limited	85.26%	1,61,607.73	81.25%	19,925.50	100.72%	(128.71)	81.15%	19,796.79
Subsidiaries								
Indian								
Avanti Frozen Foods Private Limited	19.77%	37,467.15	14.45%	3,543.64	-0.43%	0.55	14.53%	3,544.19
Total		1,99,074.99		23,469.14		(128.16)		23,340.98
Minority Interests in all subsidiaries								
1 Avanti Frozen Foods Private Limited		25,198.53		2,365.27		0.37		2,365.64
Consolidated		2,24,273.41		25,834.41		(127.79)		25,706.62
Associates (Investment as per the equity method);								
Indian								
1	1.02%	1,942.00	-4.45%	(1,090.67)	0.00%	1.75	-4.46%	(1,088.92)
2	0.63%	1,201.90	1.01%	248.67	0.30%	(0.38)	1.02%	248.29

Part A : Subsidiaries:

(₹In Lakhs)

Salient features of financial statements of subsidiaries as per the Companies Act, 2013.

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
2	Avanti Frozen Foods Private Limited	INR	1,001.67	62,445.25	68,637.85	6,192.61	9,223.19	99,004.78	7,270.44	1,364.38	5,906.06	-	60%



Part B: Associates

(₹In Lakhs)

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Name of Associates	Srivathsa Power Projects Limited	Patikari Power Private Limited
1. Latest audited Balance Sheet Date	31.03.2022	31.03.2022
2. Shares of associates held by the company on the year end		
Number of shares	1,66,93,630	1,06,45,200
Amount of investment in Associates	1670.54	1064.52
Extent of holding %	49.99%	25.89%
3. Description of how there is significant influence	Voting Power	Voting Power
4. Reason why the associate/ joint venture is not consolidated	Not applicable	Not applicable
5. Networth attributable to Shareholding as per latest Audited Balance Sheet	1,942.00	1,201.90
6. Profit / (Loss) for the year		
i. Considered in Consolidation	(1,090.67)	248.67
ii. Not Considered in Consolidation	-	-

As per our Report of even date

for TUKARAM & CO. LLP
Chartered Accountants

For and on behalf of the Board of Directors

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

(K. Rajender Reddy)
Partner
Membership No. 231834

C. Ramachandra Rao
DIN: 00026010
Jt. Managing Director,
Company Secretary & CFO

N. Ram Prasad
DIN: 00145558
Director

Place : Hyderabad
Date : 12th May, 2022

NOTICE OF THE 29TH ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Ninth Annual General Meeting ("AGM") of the members of Avanti Feeds Limited will be held on Friday, 12th August, 2022 at 11:00 A.M (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

Ordinary Business:

1. To receive, consider and adopt:
 - a. the Audited Standalone Financial Statements of the Company for the Financial year ended 31st March, 2022, the Report of the Auditors thereon and the Board's Report.
 - b. the Audited Consolidated Financial Statements of the Company for the Financial year ended 31st March, 2022 and the Report of the Auditors thereon.
2. To declare a Dividend of ₹6.25 (Rupees Six and Twenty-Five paise only) per equity share of ₹1/- each fully paid, for the Financial Year 2021-22.
3. To appoint a Director in place of Sri N. Ram Prasad (DIN: 00145558) who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Mr. Bunluesak Sorajjakit (DIN: 02822828), who retires by rotation and being eligible offers himself for re-appointment.
5. To re-appoint M/s. Tukaram & Co., LLP, Chartered Accountants as Independent Auditors of the Company and to fix their remuneration.

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

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the approval of the Board of Directors of the Company, M/s. Tukaram & Co. LLP, Chartered Accountants, (registration No. 004436S/S200135) be and are hereby re-appointed as the Independent Auditors of the Company for a further term (second term) of Five (5) consecutive years, who shall hold office from the conclusion of this 29th AGM until the conclusion of the 34th AGM of the Company to be held in the year 2027 at such remuneration as may be decided by the Board of Directors (including its committee thereof) in consultation with the Independent Auditors of the Company."

Special Business:

6. To consider and approve revision in Managerial Remuneration of Sri A. Indra Kumar, Chairman & Managing Director of the Company for the period 1st April, 2022 to 30th June, 2026:

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

"RESOLVED THAT pursuant to the provisions of Sections 197, 198, and 203 read with Schedule V, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and relevant Rules made thereunder and Regulation 17 and Regulation 17(6)(e), and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Articles of Association of the Company, subject to necessary approval(s) of financial institution(s) / authorities, if any, and pursuant to the recommendation of the Nomination and Remuneration Committee and the approval of the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded for the revision in the managerial remuneration of Sri A. Indra Kumar (DIN: 00190168) Chairman and Managing Director (CMD) of the Company for the remaining term from 1st April 2022 to 30th June, 2026.

RESOLVED FURTHER THAT the managerial remuneration payable to Sri A. Indra Kumar, CMD with effect from 1st April, 2022, as recommended by the Nomination and Remuneration Committee notwithstanding



that, such remuneration shall exceed 5% (five percent) being the limit specified under Section 197 and Schedule V of the Act in case of inadequacy or absence of profits, calculated in accordance with the applicable provisions of the Act, shall be as under:

Payment of Remuneration partly by way of (i) Salary, Allowances and perquisites per month and ex-gratia per annum, and (ii) commission on net profits of the Company as detailed below:

- I. Salary: ₹20,70,000 per month in the scale of ₹20,70,000 - ₹22,92,000 - ₹25,14,000 - ₹27,36,000- ₹29,58,000.

Perquisites: In addition to the salary as above, perquisites as under shall be payable:

Category A:

Housing:

Unfurnished accommodation or HRA subject to a limit of 60% of the salary per month. The expenditure incurred by the Company on Gas, Electricity, Water expenses and Furnishing, to be valued as per Income Tax Rules, 1962. This shall however be subject to a ceiling of 10% of salary.

Category B:

- a) Company's Contribution towards Provident Fund subject to a ceiling of 12% of salary.
 - b) Contribution to provident funds, superannuation fund and annuity will not be included in the computation of ceiling on perquisites to the extent these either singly or put together are not taxable under Income Tax Act.
 - c) Gratuity not exceeding half month's salary for each completed year of service subject to a ceiling as may be fixed from time to time by the Central Government.
- II. **Ex-gratia:** Yearly Ex-gratia subject to a limit of 20% of the annual basic remuneration.

III. **Commission:**

In addition to salary and perquisites as above, Sri A. Indra Kumar, CMD shall be entitled to commission at the rate of 6% of the net profits of the Company in the manner laid down under Section 198 of the Act, and other applicable provisions of the said Act.

IV. **Minimum Remuneration:**

"RESOLVED FURTHER THAT pursuant to the provisions of Section 197(11) read with Schedule V, and other applicable provisions, if any, of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), where in any financial year the company incurs losses or its profits are inadequate, the salary, perquisites and allowances per month and ex-gratia per annum as specified above be paid as Minimum Remuneration not exceeding ₹5,01,76,800, ₹5,55,58,080, ₹6,09,39,360, ₹6,63,20,640 and ₹7,17,01,920 for the remaining period from 1st April 2022 to 30th June, 2026."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it, to be in the best interest of the Company."

7. To consider and approve revision in Managerial Remuneration of Sri A. Venkata Sanjeev, Whole-time Director of the Company for the period 1st April, 2022 to 8th August, 2024:

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

"RESOLVED THAT pursuant to the provisions of Sections 197, 198, and 203 read with Schedule V, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and relevant Rules made thereunder, and Regulation 17 and Regulation 17(6)(e), and other applicable provisions, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and Articles of Association of the Company, subject to necessary approval(s) of financial institution(s) / authorities, if any, and pursuant to the recommendation of the Nomination and Remuneration Committee and the

approval of the Board of Directors of the Company, the approval of the members of the Company be and is hereby accorded for the revision in the managerial remuneration of Sri A. Venkata Sanjeev (DIN: 07717691) Whole-Time Director, designated as Executive Director (ED) of the Company for the remaining term from 1st April, 2022 to 8th August, 2024 on the following terms and conditions;

I. Salary: ₹5,71,900 per month in the scale of ₹5,71,900 - ₹6,67,400 - ₹7,62,900.

Perquisites: In addition to the salary as above, perquisites as under shall be payable:

Category A:

Housing:

Unfurnished accommodation or HRA subject to a limit of 60% of the salary per month. The expenditure incurred by the Company on Gas, Electricity, Water expenses and Furnishing, to be valued as per Income Tax Rules, 1962. This shall however be subject to a ceiling of 10% of salary.

Category B:

- a) Company's Contribution towards Provident Fund subject to a ceiling of 12% of salary.
- b) Contribution to provident funds, superannuation fund and annuity will not be included in the computation of ceiling on perquisites to the extent these either singly or put together are not taxable under Income Tax Act.
- c) Gratuity not exceeding half month's salary for each completed year of service subject to a ceiling as may be fixed from time to time by the Central Government.

II. **Ex-gratia:** Yearly Ex-gratia subject to a limit of 20% of the annual basic remuneration.

III. **Commission:**

In addition to salary and perquisites as above, Sri A. Venkata Sanjeev, ED shall be entitled to commission at the rate of 1% of the net profits of the Company in the manner laid down under Section 198 of the Act and other applicable provisions of the said Act.

IV. **Minimum Remuneration:**

"RESOLVED FURTHER THAT pursuant to the provisions of Section 197(11) read with Schedule V, and other applicable provisions, if any, of the Act and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), where in any financial year the company incurs losses or its profits are inadequate, the salary, perquisites and allowances per month and ex-gratia per annum as specified above be paid as Minimum Remuneration not exceeding ₹1,48,92,276, ₹1,73,79,096, and ₹1,98,65,916, for the remaining period from 1st April, 2022 to 8th August, 2024 ."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto in order to give effect to the foregoing resolution, or as may be otherwise considered by it, to be in the best interest of the Company."

By Order of the Board
For AVANTI FEEDS LIMITED

A. Indra Kumar

DIN: 00190168

Chairman & Managing Director

Place: Hyderabad

Date: 12th May, 2022

AVANTI FEEDS LIMITED

CIN: L16001AP1993PLC095778

Registered Office: Flat No. 103, "R" Square, Pandurangapuram,
Visakhapatnam - 530 003, Andhra Pradesh, India.

Corporate Office: G-2, Concord Apartment, 6-3-658, Somajiguda,
Hyderabad - 500 082, Telangana State, India.

Tel: +91 040 23326010/61

Website: www.avantifeeds.com

e-mail: avantiho@avantifeeds.com / investors@avantifeeds.com



NOTES:

1. Pursuant to the General Circular No. 14/2020 (dated 8th April, 2020), Circular No. 17/2020 (dated 13th April, 2020) Circular No. 20/2020 (dated 5th May, 2020), Circular No. 02/2021 (dated 13th January, 2021), Circular No. 19/2021 (dated 8th December, 2021), Circular No. 21/2021 (dated 14th December, 2021) and Circular No. 3/2022 (dated 5th May, 2022) (collectively referred to as MCA Circulars), issued by the Ministry of Corporate Affairs (MCA) physical attendance of the Members to the Annual General Meeting (AGM) venue is not required and AGM be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members can attend and participate in this AGM through VC and Members of the Company joining through VC shall be reckoned for the purpose of quorum under Section 103 of the Act. Further, all resolutions in the meeting shall be passed through the facility of e-Voting/electronic system. The deemed venue for the 29th AGM shall be the Registered Office of the Company at Vishakhapatnam, Andhra Pradesh.
2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a Proxy to attend and vote instead of himself / herself and such Proxy need not be a member of the Company. Since this AGM is held pursuant to MCA Circulars, through VC / OAVM, the physical attendance of the members has been dispensed with. Accordingly, the facility of appointment of proxies by the members will not available for this AGM. Therefore, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
3. In compliance with MCA Circulars and SEBI Circular No. SEBI/HO/ CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report FY 2021-22) and Notice of AGM are being sent in electronic mode to those members / beneficial owners whose e-mail Id's are registered and whose name appears in the Register of Members / Depositories Participant(s) as at closing business hours on Friday, 15th July, 2022.
4. The Members can join the AGM through VC mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC will be made available for 1,000 Members on first come first served basis. However, this number does not include the large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairman of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The Explanatory Statement pursuant to Section 102 of the Act which sets out details relating to Special Business to be transacted at the meeting and the details as required under Regulation 36 of the Listing Regulations and Secretarial Standard on General Meeting (SS-2) in respect of the Directors seeking re-appointment at this AGM is annexed hereto.
6. Institutional Investors / Corporate members (i.e. other than individuals / HUF, NRI, etc.) of the Company are encouraged to attend and vote at the AGM through VC/OAVM. Corporate members intending to authorise their representatives to participate and vote at the meeting are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through e-Voting. The said Resolution / Authorization shall be sent to the Scrutinizer by e-mail through its registered e-mail address to bhaskararaoandco@gmail.com with a copy marked to investors@avantifeeds.com.
7. Pursuant to the provisions of Section 108 of the Act read with the Rule 20 of the Companies (Management and Administration) Rules, 2014, (as amended from time to time) and Regulation 44 of Listing Regulations (as amended from time to time), MCA Circulars and SS-2, the Company is providing to its members, the facility to exercise their right to vote on resolution(s) set forth in the AGM Notice by electronic means.
8. The Company has engaged the services of M/s. KFin Technologies Ltd, Registrars and Transfer Agents ("KFinTech"), to provide VC/OAVM facility and e-Voting facility (remote e-Voting and e-Voting during the AGM).
9. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

10. Register of Members and Share Transfer Books of the Company shall remain closed from Monday, 8th August, 2022 to Friday, 12th August, 2022 (both days inclusive).
11. If the Dividend as recommended by the Board of Directors is approved at the AGM, the payment of such dividend shall be made within the timeline as prescribed under the Act, subject to deduction of tax at source, 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 on the close of the business hours on Friday, 5th August, 2022 and
 - b. To all those members holding shares in physical form on or before at the close of business hours on Friday, 5th August, 2022.
12. Members holding shares in demat mode are hereby informed that bank particulars registered with their respective DPs, with whom they maintain their demat accounts, will be used by the Company for the payment of dividend. Members holding shares in demat mode are requested to intimate any change in their address and/or bank mandate to their DPs only, as the Company or its Registrar cannot act on any request received directly on the same.
13. Pursuant to Section 72 of the Act, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with KFinTech. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective DP's.
14. Further, pursuant to SEBI Listing Regulations, transfer, transmission and transposition of securities of listed companies held in physical form shall be effected only in demat mode. Further, SEBI, vide its Circular dated 25th January, 2022, has clarified that listed companies, with immediate effect, shall issue the securities only in demat mode while processing investor service requests pertaining to issuance of duplicate shares, exchange of shares, endorsement, sub-division / consolidation of share certificates, etc. Therefore, members holding shares in physical form are requested to get their shares dematerialized at the earliest, to avoid any inconvenience in future for transferring those shares. For any clarification(s) on the dematerialization of shares, the shareholders are requested to contact KFinTech or the Company at its Corporate Office.
15. SEBI vide its circular dated 03rd November, 2021 and 14th December, 2021, with a view to implementing common & simplified Norms for processing investor's service request by RTAs, has mandated furnishing of PAN, address with PIN code, e-mail address, mobile number, bank account details, specimen signature etc. and nomination by holders, who holds shares in physical form. In case any of these details are not updated with the Company / RTA by 31st March, 2023, the shares will be frozen by the Company/RTA. In order to support the SEBI's initiative, the Company has dispatched an intimation letter along with prescribed forms dated 31st January, 2022 to all the members holding shares in physical form requesting to update the above said information. Further, to our intimation letters, the members holding shares in physical form are requested to furnish the aforesaid details to the Company/RTA (if not submitted earlier) in the prescribed form which are available on the website of the Company under the link <https://avantifeeds.com/downloads/>.
16. **TDS on Dividend**
 In terms of the provisions of the Income-tax Act, 1961, (the "IT Act"), dividend paid or distributed by a Company on or after 1st April, 2020 is taxable in the hands of the shareholders. The Company shall therefore be required to deduct TDS at the time of payment of dividend.

 The details on deduction of TDS is available on the website of the company at the given link: www.avantifeeds.com/downloads/.
17. **IEPF related information**
 - i. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members



are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.

- ii. Members intending to claim unclaimed dividends are requested to correspond with the Registrars and Transfer Agents of the Company i.e. KFinTech or at the Company's Corporate Office at G2, Concorde Apartments, 6-3-658, Somajiguda, Hyderabad-500082, Telangana State, India.
18. The Companies (Management and Administration) Rules, 2014 stipulate that the remote electronic voting period shall close at 5:00 P.M (IST) on the date preceding the date of AGM. Accordingly, the remote e-Voting period will commence at 9:00 A.M (IST) on 9th August 2022 and will end at 5:00 P.M (IST) on 11th August, 2022.
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 KFinTech.
20. The member(s) who have cast their votes by remote e-Voting may also participate in the meeting through VC / OAVM but shall not be entitled to cast their vote again. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
21. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Act, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of 29th AGM, i.e. 12th August, 2022. Members seeking to inspect such documents can send an e-mail to investors@avantifeeds.com.
22. The Company has appointed M/s. V. Bhaskara Rao & Co, Company Secretaries, Proprietor: Sri V. Bhaskara Rao, Practising Company Secretary, Hyderabad to act as Scrutinizer to scrutinize the remote e-Voting process and voting during the AGM in a fair and transparent manner.
23. The Scrutinizer after scrutinizing the votes cast at the meeting and through remote e-Voting will not later than 2 working days from the conclusion of the meeting, make a consolidated Scrutinizer's Report and submit the same to the 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. BSE Limited and National Stock Exchange of India Limited.
24. Subject to approval of the requisite number of votes, the Resolutions set out in this Notice for the AGM shall be deemed to be passed on the date of the meeting i.e. 12th August, 2022.
25. Members seeking any information or clarification on the Notice of AGM are requested to send in writing queries to the Company, by 5th August, 2022 through e-mail on investors@avantifeeds.com. Replies will be provided in respect of such written queries at the meeting.

Registration of e-mail addresses and Dispatch of Notice of AGM:

26. Pursuant to the MCA Circulars and SEBI Circular, the Notice of AGM is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories / RTA. Members are requested to register/update their e-mail addresses by following the below steps to receive (Notice of this AGM) from the Company electronically;
 - a) Members holding shares in physical mode – Request to the Company/KFinTech in writing with details such as folio number, e-mail address, mobile number and attaching a self-attested copy of PAN Card and any document (such as Driving license, Passport, Bank statement, Aadhar) by e-mail at einward.ris@kfintech.com or to the Company at investors@avantifeeds.com.
 - b) Members holding shares in dematerialized mode - Register / update their e-mail addresses with your respective DP.
 - c) Shareholders who have not registered their e-mail address or registered an incorrect e-mail address and in consequence the Notice of AGM and details of e-Voting could not be serviced, may also temporarily get their e-mail address and mobile number registered / updated with KFinTech, by clicking the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx> for sending the same.

Alternatively, member may send signed copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy along with client master copy (in case of electronic folio)/copy of share certificate (in case of physical folio) via e-mail at the e-mail id einward.ris@kfintech.com for obtaining the Notice of AGM.

- d) In case a person has become a member of the Company after dispatch of AGM Notice, but on or before the cut-off date for e-Voting, i.e., 5th August, 2022, such person may obtain the User ID and Password from KFinTech by e-mail request on einward.ris@kfintech.com / rajeev.kr@kfintech.com for all future communication members.
- e) Members holding shares in physical form are requested to intimate any change of address and/or bank mandate to KFin Technologies Limited, Registrars and Transfer Agent of the Company by sending a request in Form ISR-1 at KFIN Technologies Limited, Selenium Building, Tower-B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana India – 500 032 or by e-mail to einward.ris@kfintech.com from their registered e-mail id. In case the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of bank mandate, the Company shall dispatch the dividend warrant to such shareholder by post in due course.
27. All communications relating to shares are to be addressed to the Company's RTA i.e., KFin Technologies Limited, Selenium Tower-B, Plot No. 31 & 32, Financial District, Gachibowli, Nanakramguda, Serilingampally, Hyderabad - 500032, Telangana State, India. Toll free Number+ 1800 309 4001, e-mail id: einward.ris@kfintech.com, website: www.kfintech.com.
28. Members may note that the Notice of AGM will also be available on the Company's website www.avantifeeds.com, and on websites of the Stock Exchanges, i.e., BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") at www.bseindia.com and www.nseindia.com respectively, and on the website of KFinTech at <https://evoting.kfintech.com>.
29. **INSTRUCTIONS FOR REMOTE e-VOTING AND PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM AND VOTING DURING THE AGM ARE AS FOLLOWS:**
- i. Pursuant to the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services as provided by KFinTech, on all the resolutions as set forth in this Notice. The instructions for e-Voting are given herein below:
 - ii. e-Voting process has been enabled to all the individual demat account holders, by way of a single login credential, through their demat accounts / websites of DPs in order to increase the efficiency of the voting process.
 - iii. Individual demat account holders would be able to cast their votes without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. The shareholders are advised to update their mobile number and e-mail address with their DPs to access e-Voting facility.
 - iv. The remote e-Voting facility will be available during the following e-Voting period:

Commencement of remote e-Voting	09:00 A.M (IST) on 9 th August, 2022
End of remote e-Voting	05:00 P.M (IST) on 11 th August, 2022

The remote e-Voting will not be allowed beyond the aforesaid date and time and the remote e-Voting module shall be forthwith disabled by KFinTech upon expiry of the aforesaid period.
 - v. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. 5th August, 2022.
 - vi. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the AGM Notice and holding shares as on the cut-off date, may obtain the login ID and password by sending a request at evoting@Kfintech.com. However, if he / she is already registered with KFinTech for remote e-Voting then he / she can use his / her existing User ID and password for casting the vote.



vii. In case of Individual Shareholders holding shares in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the AGM Notice and holding shares as on the cut-off date may follow steps as mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding shares in demat mode."

viii. The details of the process and manner for remote e-Voting and e-Voting during the AGM explained herein below:



Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.

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

Step 3: Access to join virtual meetings (AGM) of the Company on KFinTech system to participate in the AGM and vote during the AGM.

Details on Step 1 are mentioned below

i) Login method for remote e-Voting for Individual shareholders holding securities in demat mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<p>1. Existing Internet-based Demat Account Statement ('IDeAS') facility Users:</p> <p>I. Visit the e-services of NSDL https://eservices.nsd.com either on a personal computer website or on a mobile.</p> <p>II. On the e-services home page click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section. Thereafter enter the existing user ID and password.</p> <p>III. After successful authentication, Members will be able to see e-Voting services under 'Value Added Services'. Please click on 'Access to e-Voting' under e-Voting services, after which the e-Voting page will be displayed.</p> <p>IV. Click on Company name i.e. 'Avanti Feeds Limited' or ESP i.e. KFinTech.</p> <p>V. Members will be re-directed to KFinTech's website for casting their vote during the remote e-Voting period.</p>
	<p>2. User not registered under IDeAS Facility:</p> <p>I. Visit https://eservices.nsd.com for registering.</p> <p>II. Select 'Register Online Ideas for IDeAS Portal' or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>III. Proceed with completing the required fields.</p> <p>IV. Follow steps given in point 1.</p>
	<p>3. Alternatively by directly accessing the e-Voting website of NSDL</p> <p>I. Open URL: https://www.evoting.nsd.com/.</p> <p>II. Once the home page of e-Voting system is launched, click on the icon 'Login' which is available under 'Shareholder / Member' section. A new screen will open.</p> <p>III. Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a verification code as shown on the screen.</p> <p>IV. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-Voting page.</p> <p>V. Click on Company name i.e 'Avanti Feeds Limited' or i.e KFinTech after which the Member will be redirected to KFinTech website for casting their vote during the remote e-Voting period.</p> <p>VI. Members can also download the NSDL Mobile App 'NSDL Speede' facility by scanning the QR code mentioned below for seamless voting experience.</p> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;"> <div data-bbox="762 1816 903 1955">  </div> <div data-bbox="927 1816 1067 1955">  </div> </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Existing user who have opted for Easi / Easiest <ol style="list-style-type: none"> I. Visit URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com. II. Click on New System Myeasi III. Login with your registered user id and password. IV. The members will see the e-Voting Menu. The Menu will have links of ESP i.e. KFinTech e-Voting portal. V. Click on e-Voting service provider name to cast your vote.
	2. User not registered for Easi/Easiest <ol style="list-style-type: none"> I. Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. II. Proceed with completing the required fields. III. After successful registration please follow the steps given in point 1 above.
	3. Alternatively, by directly accessing the e-Voting website of CDSL <ol style="list-style-type: none"> I. Visit URL: www.cdslindia.com. II. Provide your demat Account Number and PAN No. III. System will authenticate member by sending OTP on registered Mobile & e-mail as recorded in the demat Account. IV. After successful authentication, please enter the e-Voting module of CDSL. Click on the e-Voting link available against the name of the Company i.e. 'Avanti Feeds Limited' or select 'KFinTech'. V. Members will be re-directed to the e-Voting page of KFinTech to cast their vote without any further authentication.
Individual Shareholder login through their demat accounts / Website of Depository Participant	<ol style="list-style-type: none"> i. Members can also login using the login credentials of your demat account through your DP registered with NSDL /CDSL for e-Voting facility. ii. Once logged-in, members will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. iii. Click on options available against Avanti Feeds Limited or e-Voting service provider – KFinTech and you will be redirected to e-Voting website of KFinTech for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot user ID and Forgot Password option available at respective websites.

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

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 224 430.
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

Details on Step 2 are mentioned below:

- ii) Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.
- (A)** Members whose e-mail addresses are registered with the Company / Depository Participants (s), will receive an e-mail from KFinTech which will include details of e-Voting Event Number (EVEN), USER ID



and password. They will have to follow the following process:

- i. Launch internet browser by typing the URL: <https://emeetings.kfintech.com/>.
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (e-Voting Event Number) xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFinTech for e-Voting, you can use your existing User ID and password for casting the vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail 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.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'Avanti Feeds Limited-29th AGM' and click on "Submit".
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/ demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify.

Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

(B) Members whose e-mail addresses are not registered with the Company / Depository Participants(s), and consequently the Notice of AGM and e-Voting instructions cannot be serviced, will have to follow the following process:

- i. Members who have not registered their e-mail addresses and in consequence the Notice of AGM and e-Voting instructions cannot be serviced, may temporarily get their e-mail address and mobile number provided with KFinTech, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>. Members are requested to follow the process as guided to capture the e-mail address and mobile number for sending the soft copy of the notice and e-Voting instructions along with the User ID and Password. In case of any queries, member may write to einward.ris@kfintech.com.
- ii. Alternatively, member may send an e-mail request at the e-mail id: einward.ris@kfintech.com along with scanned copy of the signed copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Notice of AGM and the e-Voting instructions.
- iii. After receiving the e-Voting instructions, please follow all steps above to cast your vote by electronic means.

Details on Step 3 are mentioned below:

Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC / OAVM and Voting during the meeting.

- i. Member will be provided with a facility to attend the AGM through VC / OAVM platform provided by KFinTech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-Voting login credentials provided in the e-mail received from KFinTech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned above.
- ii. Facility for joining AGM through VC / OAVM shall open at least 30 minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops / Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC / OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. As the AGM is being conducted through VC / OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views / send their queries in advance mentioning their name, demat account number / folio number, e-mail id, mobile number at investors@avantifeeds.com. Questions / queries received by the Company till 5th August, 2022 shall only be considered and responded during the AGM.

The Members who wish to speak during the AGM may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from KFinTech. On successful login, select 'Speaker Registration' which will be opened from 9th August, 2022 to 11th August, 2022. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.

- vi. The Members who have not cast their vote through remote e-Voting shall be eligible to cast their vote through e-Voting system available during the AGM. e-Voting during the AGM is integrated with the VC / OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
- vii. A Member can opt for only single mode of e-Voting i.e., through Remote e-Voting or e-Voting during the AGM. If a Member casts votes by both modes, then voting done through Remote e-Voting shall prevail and vote during the AGM shall be treated as invalid.
- viii. Facility of joining the AGM through VC / OAVM shall be available for at least 1000 members on first come first served basis. The large shareholders (i.e., shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the chairpersons of the Audit committee, Nomination and Remuneration committee and Stakeholders Relationship committee, auditors, etc., may be allowed to attend the meeting without restriction on account of first come first served principle.
- ix. Institutional Members are encouraged to attend and vote at the AGM through VC / OAVM.

27. OTHER INSTRUCTIONS

- i. In case of any query and/or grievance, in respect of voting by electronic means or technical assistance for VC/OAVM participation, Members may refer to the Help & Frequently Asked Questions (FAQs) and e-Voting user manual available at the download section of <https://evoting.kfintech.com> or contact Mr. Rajiv Kumar, an official of KFinTech or dial to KFinTech toll free No. 1800-309-4001 or send an e-mail to at



evoting@kfintech.com for any further clarifications.

- ii. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 5th August, 2022 are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date i.e. 5th August, 2022 should treat this Notice for information purposes only.
- iii. In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for e-Voting, he / she may obtain the User ID and Password in the manner as mentioned below:
 - i. If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may send SMS: MYEPWD <space> e-Voting Event Number+Folio No. or DP ID Client ID to 9212993399
 - 1. Example for NSDL: MYEPWD <SPACE> IN12345612345678
 - 2. Example for CDSL: MYEPWD <SPACE> 1402345612345678
 - 3. Example for Physical: MYEPWD <SPACE> xxxx1234567890
 - ii. If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com/>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

28. General Instructions:

- i. The Chairman shall formally propose to the members participating through VC / OAVM facility to vote on the resolutions as set out in the Notice of the AGM and announce the start of the casting of vote through the e-Voting system of KFinTech.
- ii. The Scrutinizer shall, immediately after the conclusion of e-Voting during the AGM, first count the votes cast at the meeting, thereafter unblock the votes through e-Voting in the presence of at least two witnesses, not in the employment of the Company and make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the Company, who shall countersign the same.
- iii. The Scrutinizer shall submit his report to the Chairman and Managing Director or Joint Managing Director of the Company, who shall declare the result of the voting. The results declared along with the scrutinizer's report shall be placed on the Company's website www.avantifeeds.com and on the website of KFinTech <https://evoting.kfintech.com> and shall also be communicated to the stock exchanges. The resolutions shall be deemed to be passed at the AGM of the Company.

By Order of the Board
For AVANTI FEEDS LIMITED

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

Place: Hyderabad
Date: 12th May, 2022

Explanatory Statement

In conformity with Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all material facts relating to the special business mentioned in the accompanying Notice and should be taken as forming part of the Notice. As per SEBI Listing Regulations an explanatory statement in relation to Item No.5 is also furnished and shall be taken as forming part of the Notice.

Item No. 5

In terms of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014, made thereunder, the term of the present Independent Auditors of the Company, M/s. Tukaram & Co. LLP, Chartered Accountants (Registration No. 004436S/S200135), will be completing at the conclusion of the 29th Annual General Meeting of the Company.

The Board of Directors at its meeting held on 12th May, 2022, after considering the recommendation of the Audit Committee, had recommended the re-appointment of M/s. Tukaram & Co. LLP, Chartered Accountants, as the Independent Auditors of the Company for approval of the members. The proposed Auditors shall hold office for a period of five (5) consecutive years from the conclusion of the 29th Annual General Meeting till the conclusion of 34th Annual General Meeting of the Company.

M/s. Tukaram & Co., LLP, Chartered Accountants, Hyderabad was constituted in the year 1979, having firm registration No. 004436S/S200135. The firm is having extensive, hard core and penetrating experience in the areas of statutory audit, internal audit, information systems audit, and tax audit, enterprise resource planning implementations and ERP audits, management consultancy, accounting, taxation, company law, costing and related areas. Currently, the firm is having six (6) partners with varied experience in the fields of Audit, Advisory and taxation.

M/s. Tukaram & Co., LLP, Chartered Accountants, have consented to the aforesaid re-appointment and confirmed that their re-appointment, if made, will be within the limits as specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be reappointed as the Independent Auditors in terms of the Act, and the rules made thereunder.

The Board of Directors based on the recommendation of the Audit Committee proposes the re-appointment and fixing the remuneration of M/s. Tukaram & Co., LLP, Chartered Accountants, (Membership No. 004436S/S200135), as the Independent Auditors of the Company. If approved by the members, the re-appointment of M/s. Tukaram & Co., LLP as the Independent Auditors will be for a period of five(5) years commencing from the conclusion of this 29th AGM till the conclusion of the 34th AGM at such remuneration plus reimbursement of out-of pocket, travelling and living expenses etc. Besides the audit services, the Company would also obtain certifications which are to be mandatorily received from the statutory auditors under various statutory regulations and certifications required by clients, banks, statutory authorities and other requirements as required from time to time, for which the auditors will be remunerated separately on mutually agreed terms. The Board of Directors and the Audit Committee shall approve the remuneration including revisions to the remuneration of the Independent Auditors, for the five year tenure based on performance review and any additional efforts on account of changes in regulations, restructuring or other considerations.

Pursuant to Section 139 of the Act, approval of the members is required for re-appointment of the Independent Auditors and fixing their remuneration by means of an ordinary resolution. Accordingly, approval of the members is sought for re-appointment of M/s. Tukaram & Co., LLP, Chartered Accountants as the Independent Auditors of the Company and to authorise the Board of Directors, on the recommendation of the Audit Committee, to determine the remuneration payable to them.

None of the Directors, Key Managerial Personnel of the Company and their respective relatives are concerned or interested in the Resolution. The Board of Directors recommend the resolution for approval of the members.

Item No. 6 & 7

Revision in Managerial Remuneration of Sri A. Indra Kumar, Chairman and Managing Director and Sri A. Venkata Sanjeev, Executive Director of the Company.

- (i) Increase in overall maximum percentage of Managerial Remuneration:



- a) In the Extraordinary General Meeting (“EGM”) of the Company held on 23rd March, 2022, shareholders approved the Maximum Managerial Remuneration payable to Whole-Time Directors to 15% from the earlier limit of 10% of the profits of the Company effective from the FY 2022-23, recognising the need for the increasing the remuneration payable to Whole-Time Directors of the Company.
 - b) Ever since incorporation in the year 1993, the Company has been paying Managerial Remuneration within the limits of 10% on profits to Whole-Time Directors in pursuance of the provisions of the Act. Further, the Non-Executive Directors were not paid commission, though the provisions of the Act permits up to 1% of the profits of the Company.
 - c) Over the years, the Company has made significant growth in terms of business as well as profits with the consistent commitment and hard work of the Whole-Time Directors in the best interest of the Company, investors and other stakeholders. However, the terms of compensation paid to them remain at the same level.
 - d) Recognizing the commitment and hard work of the Whole-Time Directors of the Company, your Company proposed to increase in overall maximum managerial remuneration payable to the Directors of the Company and the same was approved by the majority of the shareholders of the Company at its EGM held on 23rd March, 2022. The shareholders approved increase in overall maximum managerial remuneration payable to the Executive Directors of the Company from its existing limit of 10% to the revised limit of 15% of the net profits of the Company effective from FY 2022-23 and also approved payment of commission to Non-Executive Directors of the Company, which is effective from the FY 2021-22.
- (ii) Proposal to revise the remuneration payable to Sri A. Indra Kumar, by increasing his remuneration:
- a) Sri A. Indra Kumar, was re-appointed as Chairman and Managing Director of the Company by the Board at its meeting held on 22nd June, 2021 for a period of 5 years i.e., from 1st July, 2021 to 30th June, 2026. The same was subsequently approved by the members at the AGM held on 14th August, 2021.
 - b) The Company under the leadership of Sri A. Indra Kumar, has made significant growth in terms of business as well as profits with his consistent commitment and hard work which is in the best interest of the Company, investors and other stakeholders.
- (iii) Proposal to revise the remuneration payable to Sri A. Venkata Sanjeev, by increasing his remuneration:
- a) Sri A. Venkata Sanjeev, was appointed as Executive Director of the Company by the Board at its meeting held on 7th June, 2019 for a period of five years i.e., from 9th August, 2019 to 8th August, 2024. The same was subsequently approved by the members at the AGM held on 9th August, 2019.
 - b) Sri A. Venkata Sanjeev, is a graduate in Mechanical Engineering and worked as Manager-Operations in the company for about five years and appointed as Executive Director in the year 2019. His innovative thinking, hard work and strong commitment to achieve higher performance levels has proven as an asset to the organisation for future growth.
 - c) The Company under his able leadership of Feed manufacturing units of the Company made a significant growth in terms of business as well as profits with his consistent commitment and hard work which is in the best interest of the Company, investors and other stakeholders.

Based on the recommendations of Nomination and Remuneration Committee and Audit Committee at their Meetings held on 11th May, 2022, the Board of Directors at their meeting held on 12th May, 2022, considered and approved the proposal, subject to the approval of shareholders, to increase the managerial remuneration payable to Sri A. Indra Kumar and to Sri A. Venkata Sanjeev as stated in the Resolution(s) w.e.f 1st April, 2022 for the remaining term of their appointment.

Your Directors recommend the Special Resolutions at Item Nos. 6 & 7 of the Notice of AGM to the Members for their approval.

None of the Directors and Key Managerial Personnel of the Company other than Sri A. Indra Kumar and Sri A. Venkata Sanjeev are interested in the passing of the Resolutions as item No. 6 & 7. The relatives of Sri A. Indra Kumar and Sri A. Venkata Sanjeev may be deemed to be interested in the Resolution(s), to the extent of their shareholding interest, if any, in the Company.

I. General Information:

1. Nature of Industry: Manufacture of Shrimp Feed
2. Date of commencement of commercial production of Shrimp Feed:

Sl. No.	Details	Location	Date of Commercial Production
1	Plant – I	Kovvur, West Godavari District, Andhra Pradesh	01.11.1994
2	Plant – II	Vemuluru, West Godavari District, Andhra Pradesh	08.06.2001
3	Plant – III	Kovvur, West Godavari District, Andhra Pradesh	15.03.2014
4	Plant – IV	Bandapuram, West Godavari District, Andhra Pradesh	04.08.2016
5	Plant – V	Balda Village, Valsad District, Gujarat	12.08.2011
6	Hatchery	Gudiwada Village, S. Rayavaram Mandal, Visakhapatnam District, Andhra Pradesh	12.11.2020

3. In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not applicable.

4. Financial performance:

(₹ in Lakhs)

Financial Parameters	2021-22	2020-21	2019-20
Turnover	4,04,754.95	3,24,250.80	3,16,257.16
Net Profit as computed under Section 198 of Companies Act, 2013	24,450.27	35,556.34	35,571.26
Net profit as per Statement of Profit and Loss	19,925.50	30,537.09	28,597.67
Amount of dividend paid	8,515.35 (proposed)	8,515.35	6,948.53
Rate of dividend declared per equity share	₹6.25 proposed	₹6.25	₹0.10 ps – Final Dividend, ₹5.00- Interim Dividend

5. Foreign Investments or collaborations, if any:

The shareholding details of FIIs, FPIs, NRIs as on 31st March, 2022 are as under:

Sl. No.	Category	Number of equity shares of ₹1/- each	Percentage of paid-up capital
1	Foreign Portfolio Investors, Foreign Portfolio – Corp, Foreign Institutional Investors		
	a) Thai Union Group	3,29,85,456	24.21%
	b) Others	86,93,668	6.38%
	Sub-Total	4,16,79,124	30.59%
2	Non-resident Indians and Foreign Nationals	12,62,668	0.93%
	Grand Total	4,29,41,792	31.52%



The Company has technical, financial and marketing collaboration from Thai Union Group PLC who is also a shareholder in the Company.

II. Information about the appointee:

1. Background details:

Sri A. Indra Kumar : Sri A. Indra Kumar started his journey by Managing 100% EOU Srinivasa Cystine Private Limited ("SCPL"), which was manufacturing L-Cystine amino acid from human hair since 1986 as General Manager. He became Managing Director in SCPL in the year 2002.

Sri A. Indra Kumar was part of pioneering group of undertaking Shrimp culture actively in a larger scale during early 90's in Andhra Pradesh, initially, he actively involved in developing Shrimp Culture as a lively hood for population in coastal areas and a valuable foreign exchange earner for the country by export of Shrimps.

As the high quality of Shrimp Feed were not available in the country, he promoted Avanti Feeds Limited to produce high quality Shrimp Feed to cater to the Indian Shrimp culture achieving along with his father late Sri A. Venkateswara Rao. He joined the company as an Executive Director in 1993 and later promoted as Managing Director in 2002 and become Chairman and Managing Director in 2014.

Presently, Sri A. Indra Kumar is the Chairman & Managing Director of Avanti Feeds Limited, a Company engaged in the business of Aquaculture having operations in Shrimp Feed Manufacturing, Hatcheries, Farms and Shrimp Processing Plants for the last 29 years. He had identified the opportunity in blue revolution in its nascent stage and promoted this company to set up first Shrimp Feed manufacturing plant in India.

Avanti Group has substantial presence with about 50% market share in Aqua Culture Industry in India undertaking related activities such as Hatchery, Farm, Feed manufacturing, processing and export and supply of health care products.

His strong leadership and vast experience is instrumental in development of quality Shrimp Feed and Shrimp Processing industry in India. He was instrumental in identifying that sustainability of Shrimp industry is possible by educating the farmers on good practices in Shrimp culture. This was achieved by organising seminars and trainings to the farmers on regular basis by experts not only from India but from abroad such as Thailand, Vietnam and other Countries who follow better Shrimp culture practices and have advance disease control and management techniques. A number of Shrimp testing laboratories are established in all the major areas of the aqua culture by Avanti Feeds Limited to help the farmers to test soil, water, seed and Shrimp.

Under his leadership, Avanti has developed markets for Frozen Shrimps and value added Shrimps in the countries like USA, Europe, Canada & Japan.

His visions helped the Company to provide end to end solutions for developing sustainable Shrimp culture.

Sri A. Venkata Sanjeev : Sri A. Venkata Sanjeev has graduated in Engineering (Mechanical). He worked, as a Manager-Operations, in the Company for about 5 years. Later on he was appointed as Executive Director w.e.f 09th August, 2019. His major achievements during his tenure are-

- (i) Setting up new Shrimp Feed manufacturing facility at Bandapuram and subsequent further expansion in a record time.
- (ii) Modernisation of Shrimp Feed Plant at Kovvur.
- (iii) Ensuring production of Shrimp Feed with consistent quality maintenance in all the Feed Plants.

2. Past Remuneration:

The remuneration drawn by Sri A. Indra Kumar and Sri A. Venkata Sanjeev during last three (3) years are as under:

(₹ in Lakhs)

SL. No	Financial Year	Sri A. Indra Kumar, CMD Remuneration paid	Sri A. Venkata Sanjeev, ED, Remuneration paid
1	2021-22	1,222.44	78.54
2	2020-21	1,946.36	66.39
3	2019-20	1,941.32	42.97

3. Recognition or Awards:

- i. 2020: Business Today – India's Best CEO for 2020.
- ii. 2019: INDIA'S MOST TRUSTED CEO'S 2019 – WCRC LEADERS ASIA
- iii. 2019: Dun & Bradstreet – Corporate Award 2019 A "Best Growth Performance - Food Products" held on 29th May 2019.
- iv. 2018: INDIA'S MOST TRUSTED CEO'S 2018 – WCRC LEADERS ASIA.
- v. 2017: Seasonal Magazine corporate awards "India Inc's Top Performer" received during 2016. Best CEO award.
- vi. 2017: Business World – India's Best CEO for 2017.
- vii. 2017: FORBES INDIA LEADERSHIP AWARDS FILA - 2017 - Value Creator
- viii. 2016: FIEO Regional Export Award for the year 2014-15 under the category of Top Export House in Telangana (Gold) in Chennai.
- ix. 2016: Business Today – India's Best CEO for 2016.
- x. 2015: Avanti Feeds Limited has been selected for "FORBES ASIA BEST UNDER A BILLION"

4. Job Profile and suitability:

Sri A. Indra Kumar: Providing strategic inputs to Board for decision making for expansions, diversifications and business strategy developments. Apart from implementing the decisions of Board at operational level, on day to day functioning he oversees Production, Quality, Marketing, Purchases, Industrial Relations and Public Relations and leads a team of professionals and senior executives. His rich experience and deep understanding of the dynamics and potential opportunities of the aqua culture industry is most valuable to the Company.

Sri A. Venkata Sanjeev:

1. Planning Production, raw material procurement, quality control and dispatches at all Feed Plants and implementation of the same.
2. Assist the Board in strategic planning for expansion and establishing new units.
3. Ensure achievement of corporate objectives under the guidance of the Board.
4. Responsible for efficient management of the operations.

In view of his innovative thinking, hard work and strong commitment to achieve higher performance levels, his knowledge and experience is value addition to the operations of the Company.

5. Remuneration Proposed: As set out in the Resolution at Item No. 6 & 7.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:



Taking into consideration the size of the Company, the profile of Sri A. Indra Kumar and Sri A. Venkata Sanjeev and the responsibilities shouldered by them, the aforesaid remuneration package is commensurate with the remuneration package paid to managerial position in other Companies.

7. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any:

Sri A. Indra Kumar is the father of Sri A. Venkata Sanjeev, except this they do not have any pecuniary relationship directly or indirectly with the Company except for the position they are holding and they do not have any relationship with any managerial personnel in the Company.

III. Other information:

1. Reasons of loss or inadequate profits:

The nature of Shrimp culture activity on which Shrimp Feed consumption depends is highly volatile. The Shrimp culture success depends on many factors such as climatic conditions, availability of good quality seed, free from attack of any disease, good culture practices etc. Moreover, the international export price of the Shrimp also influences Shrimp culture to a great extent. India has seen in earlier years drastic fall in Shrimp culture activity due to wide spread deceases, steep fall in international prices of Shrimp etc., due to which the profitability of feed declined significantly leading to loss or inadequacy of profits. In order to assure remuneration for the services rendered by Sri A. Indra Kumar and Sri A. Venkata Sanjeev, minimum remuneration set out in Resolution at Item No. 6 & 7 are considered necessary.

2. Steps taken or proposed to be taken for improvement:

In order to mitigate the hardships caused by the reasons mentioned above, the Company initiates the following steps:

- a. Educate the farmers to follow good culture practices to prevent any spread of diseases.
 - b. Extend technical support to the farmers during culture period rendering timely advice to enable the farmer to reap good harvest.
 - c. Assist the farmer in selection of good quality seed.
 - d. To take such initiatives to maintain price mechanism in association with Seafood Exporters Association and other Governmental Agencies, in the best interest of the stakeholders.
 - e. Expansion of activities to different States to balance reduction/calamity in one region.
3. Expected increase in productivity and profits in measurable terms:

With sustained growth of sea food consumption globally year after year, the demand for Shrimp is estimated to grow at about 5% CAGR. India being one of the major source of Shrimp culture and supply of processed Shrimp, the growth Year-on-Year is estimated at 5%-7% with an estimated sustainable margin of about 8%-10%.

The combined remuneration paid to Sri A. Indra Kumar, Chairman & Managing Director and Sri A. Venkata Sanjeev, Executive Director exceeds the limits prescribed under Reg.17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations. As per Reg.17(6)(e) w.e.f 1st April, 2019, remuneration payable in excess of prescribed limits under SEBI (LODR) Regulations, 2015 to Executive Directors who are Promoters or members of Promoter Group shall be, subject to approval of shareholders by Special Resolution.

Sri A. Indra Kumar and Sri A. Venkata Sanjeev is interested in the Resolution set out at Item No. 6 & 7 of the Notice. The relatives of Sri A. Indra Kumar and Sri A. Venkata Sanjeev may be deemed to be interested in the Resolution, to the extent of their shareholding interest, if any, in the Company. Save and except the 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 the Resolution at Item No. 6 & 7.

The Board recommends the Special Resolution set out at Item No. 6 & 7 of the Notice for approval by the members.

By Order of the Board
For AVANTI FEEDS LIMITED

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

Place: Hyderabad
Date: 12th May, 2022



Annexure

Details of the Directors retiring by rotation and seeking re-appointment / appointment at the Annual General Meeting pursuant to (i) Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standards on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India (ICSI) are as under:

A Details of Directors proposed to re-appoint:

(i) Sri N. Ram Prasad (ii) Mr. Bunluesak Sorajjakit

Name of the Director	Sri N. Ram Prasad	Mr. Bunluesak Sorajjakit
Director Identification No.	00145558	02822828
Date of Birth	02.03.1956	09.02.1961
Age (Years)	66	61
Qualification	MS (Chemical Engineering) from USA	Bachelor Degree of Production Technology, King Mongkut's Institute of Technology, Ladkrabang.
Experience (including expertise in specific functional area) / Brief Resume	He is a Post Graduate in MS (Chemical Engineering) from United States of America with vast industrial and management experience.	He is the Chief Executive Officer of Thai Union Feeds Mill PCL, Thailand. He is a Technocrat and instrumental in bringing in changes in Shrimp farming methods and feed marketing methods.
Terms and Conditions of Re-appointment	Non-Executive, Non Independent Director, liable to retire by rotation	Non-Executive, Non-Independent Director, liable to retire by rotation.
Remuneration proposed to be paid (including sitting fees if any)	Sitting fees as disclosed in report on Corporate Governance forming part of the Annual Report for the FY 2021-22	Sitting fees as disclosed in report on corporate governance forming part of the Annual Report for the FY 2021-22.
Date of first appointment on the Board	07.04.1993	30.01.2010
Shareholding in the Company as on 31 st March, 2022	2,29,701 Equity shares (on behalf of HUF)	Nil
Relationship with other Directors / Key Managerial Personnel	Spouse of Sri A. Indra Kumar's sister.	Not related to any Director/Key Managerial Personnel.
Number of meetings of the Board attended during the financial year (2021-22)	6	6

Directorships of other Boards as on 31 st March, 2022	<ol style="list-style-type: none"> 1 Srinivasa Cystine Private Limited. 2 Pumps India Private Limited 3 Southern Electrodes Limited 4 SE Gases Private Limited 	<ol style="list-style-type: none"> 1 Thai Union Hatchery Co. Ltd. (TUH) 2 TCM Fishery Co. Ltd. 3 TMAC Co. Ltd. (TMAC) 4 Thai Union Hatchery Co. Ltd. (TUH) 5 TMK Farm Co. Ltd. 6 Avanti Frozen Foods Private Limited. 7 PT. Thai Union Kharisma Lestari PTE Ltd. (TUKL)
Membership / Chairmanship of Committees of other Boards as on 31st March, 2022	<p><u>Avanti Feeds Limited</u></p> <ol style="list-style-type: none"> 1 Chairperson of Stakeholders Relationship Committee. 2 Member of Corporate Social Responsibility committee. 	Nil

By Order of the Board
For **AVANTI FEEDS LIMITED**

A. Indra Kumar
DIN: 00190168
Chairman & Managing Director

Place: Hyderabad
Date: 12th May, 2022





www.avantifeeds.com

Registered Office

Flat No. 103, Ground Floor
'R' Square, Pandurangapuram
Visakhapatnam - 530003
Andhra Pradesh, India.

Corporate Office

G-2, Concorde Apartments
6-3-658, Somajiguda
Hyderabad - 500082.
Telangana State, India.

Ph: 040-23310260, 23310261

E-mail: avantiho@avantifeeds.com

Form No. MR-3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2022**

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

To
The Members of
Avanti Frozen Foods Private Limited
CIN: U05000AP2015PTC096509
Flat No. 103, Ground Floor,
"R" Square, Pandurangapuram,
Vishakhapatnam, AP-530003

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Avanti Frozen Foods Private Limited (Subsidiary Company of a Listed Company i.e. Avanti Feeds Limited)** (herein after 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, the explanations and clarifications given to us and the representations made by the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31.03.2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Avanti Frozen Foods Private Limited** for the financial year ended on 31.03.2022, according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) Other applicable Acts

- (a) The Factories Act, 1948
- (b) The Industrial Disputes Act, 1947
- (c) The Payment of Wages Act, 1936
- (d) The Minimum Wages Act, 1948
- (e) The Employee State Insurance Act, 1948
- (f) The Employees Provident Funds and Miscellaneous Provisions Act, 1952
- (g) The Payment of Bonus Act, 1965
- (h) The Payment of Gratuity Act, 1972
- (i) The Contract Labour (Regulation & Abolition) Act, 1970
- (j) The Maternity Benefit Act, 1961
- (k) The Child Labour (Prohibition & Regulation) Act, 1986
- (l) The Industrial Employment (Standing Order) Act, 1946
- (m) The Employee Compensation Act, 1923
- (n) The Apprentices Act, 1961
- (o) Equal Remuneration Act, 1976
- (p) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956
- (q) Customs Act, 1962
- (r) The Shops and Establishment Act, 1988
- (s) The water (Prevention and control of pollution) Act 1974
- (t) The Air (Prevention and control of pollution) Act 1981
- (u) The Environment Protection Act, 1986 and rules made there under
- (v) The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013
- (w) Hazardous Waste (Management and Handling and transboundary Movement) Rules, 2008
- (x) The Food Safety and Standards Act, 2006
- (y) The Biological Diversity Act, 2002
- (z) The Marine Products Export Development Authority Act, 1972 and rules made thereunder
- (aa) The Coastal Aquaculture Authority Act, 2005 and rules made thereunder

We have relied on the representations made by the company, its officers and reports of Internal Auditors for systems and mechanism framed by the Company for compliances under other acts, Laws and regulations applicable to the company as mentioned above.

We have also examined compliance with the applicable clauses of the Secretarial Standards (“SS”) issued by The Institute of Company Secretaries of India (“ICSI”).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, except that Appointment of Chief Financial Officer as per Section 203 of the Companies Act, 2013 and respective rules made thereunder, as amended from time to time.

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.

The decisions at the Board Meetings are carried out unanimously and there were no members dissenting the resolution(s) during the year under review.

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.

We further report that, the compliance by the company of applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

We further report that, during the audit period the company has carried the following transactions/actions bearing on the company affairs in pursuance of above applicable acts, rules and regulations etc.

1. During the year under review, the first term of appointment of Sri K Rama Mohana Rao, Independent Director for a period of five years, was completed on May 27, 2021 and he was re-appointment for second term of five years by passing special resolution in the Extraordinary General Meeting held on May 24, 2021.
2. Sri Venkata Divakara Soma Raju Nanduri,(DIN: 05183133) was appointed as an Additional Director to hold the office as an Independent Director on August 02, 2021.
3. Sri Venkata Divakara Soma Raju Nanduri,(DIN: 05183133) Additional Director was appointed as an Independent Director in the Annual General Meeting held on August 11, 2021.

Further during the review period, the following Key managerial personnel changes took place
(i) Ms. Lakshmi Sharma, Company Secretary of the Company was resigned from the position w.e.f. August 31, 2021.

(ii) Sri. Anand Addanki, Chief Financial Officer of the Company was resigned from the position w.e.f. September 15, 2021.

(iii) Mr. Narender Sharma, having ICSI Membership No. 48547, was appointed as a Company Secretary of the Company w.e.f. November 15, 2021.

V.Bhaskara Rao and Co
Company Secretaries

V.Bhaskara Rao
Proprietor
FCS No.5939, CP No.4182
Peer Review No.670/2020
UDIN: F005939D000300475

Place: Hyderabad
Date: 10.05.2022

This Report is to be read with our letter of even date which is given as Annexure-A and forms an integral part of this report.

‘ANNEXURE A’

To,
The Members of
Avanti Frozen Foods Private Limited
CIN: U05000AP2015PTC096509
Flat No. 103, Ground Floor,
"R" Square Pandurangapuram,
Vishakhapatnam, AP-530003.

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
Peer Review No.670/2020
UDIN: F005939D000300475

Place: Hyderabad
Date: 10.05.2022