

#### **Chatha Foods Limited**

(Formerly Known as Chatha Foods Private Limited)

Regd. Office: 272, Mota Singh Nagar Jalandhar Punjab, Pin code -144001, Phone No. 0181-4616381

Date: 07.08.2025

CIN: L15310PB1997PLC020578, E-mail: cs@cfpl.net.in, Website: https://cfpl.net.in

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai-400001
Maharashtra, India
(Scrip Code: 544151)

Sub: Integrated Annual Report for the Financial Year ended 31st March, 2025

Dear Sir/Ma'am,

This is to inform that 28th Annual General Meeting ("AGM") of the Members of Chatha Foods Limited will be held on Saturday, August 30, 2025 at 12:00 P.M. (IST) through Video Conferencing/Other Audio Visual Means (VC/OAVM) in accordance with the relevant circulars issued by Ministry of Corporate Affairs and Securities and Exchange Board of India ("SEBI").

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Integrated Annual Report of the Company for the Financial Year 2024-25, the same is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company/ Registrar and Transfer Agent (RTA)/Depository Participants (DPs).

The Annual Report for the Financial Year 2023-24 is being uploaded on the Company's website at <a href="https://www.cfpl.net.in/documents/annual reports">https://www.cfpl.net.in/documents/annual reports and agm/Annual%20Report%2024-25 Final.pdf</a>

You are requested to kindly take the above information on record.

Yours Faithfully,
For Chatha Foods Limited

Priyanka Oberoi
Company Secretary and Compliance Officer

Encl. as above



# CHATHAFOODSLIMITED

PROCESSED & FROZEN FOOD



CORPORATE INFORMATION

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Forward-looking statements:

The report may contain some statements on the Company's business or financials which may be considered as forward-looking based on the management's plan and assumptions. The actual results may be materially different from these forward-looking statements, although we believe we have been cautious.

# In the art of endurance, those who master reinvention ascend unchallenged.



#### Chairman's Reflections

Resilience, Renewal, and the Road Ahead

As we close another financial year, I extend my heartfelt thanks to everyone who has been part of Chatha Foods' journey — our employees, customers, partners, and board members. Your trust and belief keep us moving forward with clarity and conviction.

Over the past year, we made quiet but meaningful progress — expanding capacities, building partnerships, and investing in technologies that will define our next phase. More importantly, we laid the foundation for where we want to go, not just what we want to become.

One of the major steps in this direction is our new vegetarian production facility. This unit shall give us the dedicated strength to cater to a growing consumer segment in the Ready-to-Eat (RTE) and Ready-to-Cook (RTC) space. It is an important part of our larger vision to stay diversified in a dynamic food landscape.

In parallel, our joint venture with the Allana Group is opening up new possibilities. With shared values and complementary capabilities, the collaboration has brought advanced systems and enhanced capacity into our fold. The integration was executed with precision, bringing not only expanded infrastructure but also enhanced operational strength.

We also scaled up the processing capacity of our existing plant this year, with carefully planned upgrades that aligned with market demand. These expansions aren't just about quantity; these are about enabling agility, improving processes, and being better prepared for market conditions.

While our topline grew at a steady pace, we took a conscious decision to invest in infrastructure, quality, and systems — planting seeds for future efficiency. As we move ahead, sharper financial discipline will help us convert scale into stronger returns, with a focus on sustainability over speed.

Looking to the future, we have defined key focus areas that will guide us across business verticals. First, our capital expenditure

will be return-centric — prioritising projects with a high internal rate of return (IRR), and strengthening overall asset productivity.

Next, we will work on improving margins through structural reforms. Automation, smarter procurement, and better SKU-level analysis will be central to driving real and measurable efficiencies.

On the technology front, smart packaging, and IoT-based predictive maintenance will become part of our plant and process—driving better control, speed, and precision.

We are also harmonising standard operating procedures across units, improving product fidelity and reducing internal variability. This is essential for building a truly unified Chatha Foods experience.

In parallel, we are upgrading our commitment to sustainability — with renewable energy adoption, water recycling systems, and low-emission refrigeration as part of our engineering blueprint. These efforts reflect our deep and ongoing accountability to the planet.

Customer-centricity will also deepen. Through smart analytics and co-creation with B2B partners, we aim to deliver transparency, innovation, and trust with every product. That's our commitment—to our clients, and to ourselves.

As we step into a new chapter, our promise is simple: to make products that are convenient, trustworthy, and of the highest quality. But the way we deliver it will continue to evolve — through data, discipline, design, and above all, deliberate progress.

Thank you for walking with us.

Warm regards,

Paramjit Singh Chatha Chairman & Managing Director

# Chatha Foods: Foundation, Philosophy & Promise

When purpose fuels resilience; challenges become momentum, and possibilities transform into precision.



hatha Foods began its journey in 1998 with a clear goal—to make food that is tasty and consistent. What started as a small venture in Northern region of India has now become a trusted and dependable name in the food industry. We have grown steadily by using automation and improving our systems, building a strong base for future progression.

Over the last 25 years, Chatha Foods has gone through many changes. From a privately held company, we have become a publicly listed one. We have expanded our product range and strengthened our customer base. Our move into flexitarian products is an example of foresightedness, helping us meet new and challenging demands in the market.

At the heart of our growth lies our belief in three important values:

- Honest sourcing
- Careful processing
- \* Reliable delivery

These values are not just rules for business — they shape how we work every day. Whether we are making new products or improving service, we follow these principles with full integrity.

We are also entering new markets with a steady and thoughtful approach. We are growing step by step making sure that quality is never compromised. The planned expansion is helping us reach more QSRs while learning more about consumers' tastes and preferences.

At Chatha Foods, we believe food is more than just something we eat. It connects people and creates moments to remember. We bring together the science of making food and the feeling of sharing it. This strong synergy of emotion and excellence is what makes our products special.

This past year, we also worked quietly on many improvements. Built new capacities, formed new partnerships, and upgraded technology. Each step helped lay a strong foundation for the next chapter of our journey.

#### **Our Commitment:**

- To grow with purpose and care
- ❖ To stay true to our values at all time
- To provide clean, easy-to-use, and dependable products

We aim to become India's most trusted name in ready-to-cook and ready-to-eat food solutions — served with honesty, taste, and heart.

#### **OUR JOURNEY**

#### THE TRAIL OF TASTE AND TENACITY

What began in 1998 as a modest pursuit to serve premium frozen foods, has steadily transformed into a purpose-driven enterprise shaping culinary experiences. With every expansion, milestone, and partnership, our journey reflects a singular commitment - to grow with precision, deliver with integrity, and evolve with intent. Each step forward in our timeline isn't just a date - it's a reflection of resilience, reinvention, and the trust we've earned along the way.

> Onboarded with Taco Bell, Tim Horton's, Burger King, Popeye's, Fine Dine Restaurants & Cafés like Blue Tokai, Third Wave Coffee, and further processed RTE/RTC like Rice Bowls Concept & Sweet Snacks like Empanadas.

New 16K MTVeg facility in progress. Production to start in Oct '25 for RTE/RTC segment under IV with 'Allana Group'. Developed R&D & • Expanded capacity of existing plants. •

2025

Augmented portfolio with brands like Chinese Wok, Zomato HyperPure, OLA foods, Cineline, SRS Cinemas during this phase.

Entered into plant based meat category with 'Field Grill'







Started construction of a new plant for ready-to-eat vegetarian products.



With R&D and Food Safety Systems being our forte, we acquired additional B2B brands across India like Burger King, Burger Singh, Nik Bakers...







Entered a phase of rigorous R&D to develop products for both B2B and Retail sectors.

During this stage, acquired key clients including Chilis, Café Coffee Day, Dunkin Donuts, Papa John's Pizza, and more.







Constructed a plant to process ready-to-eat premium retorted foods. Successfully started bulk supplies to ITC Kitchens of India, Sugar & Spice, and the Indian Army through distributors.





2005

Commenced focussed R&D for chilled & frozen processed food products and proactively started working towards development of products for the Subway brand.





Initiated supplies to Domino's with Pepperoni, followed by other toppings.

Partnerships with global chains like Domino's and Subway, led to exponential growth in product volumes.



#### **GOOD GOVERNANCE**



Paramjit Singh Chatha Chairman & Managing Director

- 25+ years in frozen foods and RTE/RTC sector.
- Leads commercial strategy aligned with long-term growth.
- Strengthens client relationships and drives customer-centric partnerships.



Gurucharan Singh Gosal Whole-time Director

- 47+ years in food and hospitality operations.
- Leadership roles in Canadian ventures including La Bouche.
- Oversees financial affairs of the company and supports robust fiscal governance.



Gurpreet Chatha
Whole-time Director

- 20+ years in food manufacturing and operations.
- Heads procurement and supply chain strategy.
- Ensures cost-efficient sourcing, smart and effective negotiations, and vendor management.



Chinmayee Swarup Deulgaonkar

Non-executive Independent Director

- 25+ years in quality, audit, and compliance.
- FSSAI-recognised FOSTAC national trainer.
- Worked with Monginis, DNV, FoodChainID in regulatory systems.



Purnachand Upadrashta Non-executive Independent Director

- 30+ years in food enterprise development.
- Expert in market entry and scaling strategies.
- Advises on structured growth, strategic business planning, and scalable operational expansion



**Sanjiv Swarup**Non-executive Independent
Director

- 40+ years in consulting, legal, and finance.
- Holds law and accountancy degrees.
- Brings deep cross-disciplinary insight, industry experience, and strategic perspective to board deliberations.

# ORGANIZATIONAL OVERVIEW

#### **BOARD OF DIRECTORS**

- Paramjit Singh Chatha
   Chairman & Managing Director
- Gurucharan Singh Gosal
   Whole-time Director
- Gurpreet Chatha
   Whole-time Director
- Chinmayee Swarup Deulgaonkar
   Non-executive Independent Director
- Purnachand Upadrashta
   Non-executive Independent Director
- Sanjiv Swarup
   Non-executive Independent Director

REGISTRAR AND TRANSFER AGENT

Skyline Financial Services Private Limited D-153 A| Ist Floor | Okhla Industrial Area, Phase-I New Delhi-110 020.

Email id: admin@skylinerta.com

Phone no: 011-26812682-83, 40450193 to 97

- DETAILS OF CHATHA FOODS LIMITED
- REGISTERED OFFICE
   272, Mota Singh Nagar, Jalandhar, Punjab-14400
- Corporate Office

Village Chaundheri PO Dappar, District Mohali, Dappar Ad, Mohali, Dera Bassi, Punjab, India, 140506

Email id : cs@cfpl.net.in

Phone No : 0181-4616381

website : https://cfpl.net.in/

 COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Priyanka Oberoi

- CHIEF FINANCIAL OFFICER
   Mr. Vishal Singh Sirmauria
- STATUTORY AUDITORS
   M/s. A. Bafna & Co., Chartered Accountant
- PRACTICING COMPANY SECRETARY
   Jaspreet Dhawan & Associates, Company Secretaries
- BANKERSKotak Mahindra Bank

#### STRATEGIC MILESTONES 2024-25

#### **EXPANDING CAPABILITIES, ELEVATING POSSIBILITIES**

FY 2024-25 was a year marked by pivotal accomplishments that reinforced Chatha Foods' strategic roadmap and operational breadth.

#### **Scaling for Diversification**

A new vegetarian production facility with a capacity of 16,000 MT to support India's growing QSR segment is almost ready for operations. Equipped with modern food safety systems and automation, the unit focuses on wholesome and ingredient-led food offerings.

This marks a strategic step in expanding our product range to meet changing consumer preferences.

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#### A Collaboration with Purpose

A joint venture with the Allana Group, a respected global leader in protein foods, to set up a modern RTE and RTC meat facility in Aurangabad. This plant will produce 7,000 MT of value-added products for both Indian and international markets.

This marks a synergistic step, combining expertise and scale to strengthen our presence in protein solutions.

#### **Tailored Products**

Onboarded several new QSRs and launched multiple SKU variants, further validating our capacity for customisation, speed-to-market, and culinary relevance. These additions reinforce our agility in adapting to evolving food service demands.

Each product extension exemplifies our approach to hyper-segmented responsiveness.

#### **Base Broadening**

Expanded the capacity of existing processing plant to meet rising demand from both domestic and export clients. This upgrade included smarter layouts, improved automation, and better throughput planning to boost day-to-day efficiency.

This expansion strengthens our ability to deliver consistently in a volatile demand environment.

#### **KEY FOCUS AREAS: FY 2025-26**

#### MANUFACTURING CAPITAL

#### **Building Capacity, Elevating Efficiency**

To strengthen our manufacturing capabilities and improve returns on investment, we will focus on the following priorities:

- ◆ **Technological Upgradation:** Implement ERP systems to reduce production losses by optimizing energy use, manpower, waste management, and equipment efficiency.
- Real-Time Production Diagnostics: Integrate real-time trend analysis and full product traceability into the ERP system, with insights available within minutes.
- Facility Expansion: Investing in new production lines to increase capacity for onboarding new customers and scaling volumes for existing ones.
- ◆ Capacity Optimisation: Use ERP data analytics for better raw material planning, predictive scheduling, identifying bottlenecks, and ensuring consistent production output.



#### **TECHNOLOGICAL CAPITAL**

#### **Accelerating Precision through Digital Leverage**

To further consolidate our technological capital, the following strategic imperatives have been identified:

- Predictive Maintenance Systems: Deployment ERP System with Maintenance Module, to anticipate wear & tear replacements and avoid unplanned downtimes.
  - ◆ **Product Scale up simulations:** Creating SOPs and specification systems at NPD to simulate product scales ups, monitor quality variations and overheads impacts for targeted costings
  - ◆ End-to-End Traceability Framework: Blockchain-integrated systems for batch-wise transparency from source to shelf.



#### **HUMAN CAPITAL**

#### Nurturing Human Ingenuity as Strategic Asset

To strengthen our intellectual capital and maintain a competitive edge, we are focussing on the following strategic initiatives:

- ◆ Talent Acquisition: Partnering with a leading international HR service provider to recruit skilled professionals for key roles in Engineering, Operations, and Quality Assurance.
- System Integration & Audits: Engaged a consultant to implement MIS-based food safety systems, identify gaps in quality and operations, and conduct regular internal audits of the facility and processes.



#### **NEW PRODUCT DEVELOPMENT FOCUS**

#### Accelerating Innovation to Unlock Scalable Growth

- QSR-Centric Innovation: Launching customized, scalable product lines for strategic QSR partners, designed for
  operational efficiency and consumer appeal.
- High-Growth Categories: Expanding into fast-growing segments including shelf-stable RTE gravies, global flat breads (tortilla, Malabari paratha, roti canai), and ready-to-heat rice meals — targeting both International and Domestic markets.
- Ingredient-Led Differentiation: Partnering with global suppliers to enhance texture, flavor, and clean-label appeal in both formats. Chatha Foods is also looking into setting up an in-house unit to blend proprietary functional premixes and seasoning blends enabling IP protection, cost optimization, and tighter control over product consistency.
- ◆ Compliance-Ready Development: All new products are developed with FSSAI, BRC, HalaI, and USDA compliance or any other country of export in mind ensuring readiness for both Indian and global markets.
- Intellectual Human Capital: Strengthening our R&D and product development teams with skilled professionals who bring deep expertise in international food standards, regulatory compliance, and consumer preferences. This strategic hiring supports our goal of developing export-ready products aligned with global and domestic market requirements.



#### FINANCIAL CAPITAL

#### Strengthening Fundamentals to Support Scalable Growth



- Efficient Capital Deployment: Allocation of funds, including prudent use of share issue proceeds, to maximise returns.
- Working Capital Stability: Liquidity and enhancing operational efficiency through tighter control of receivables and inventory.
- ◆ Data-Driven Decision Making: Analytics and digital tools across functions to support scalable, insight-led growth.



#### STRATEGIC PRIORITIES - FY26

#### **Disciplined Capital Allocation**

- Ongoing Facility Investments: Continued capital infusion into new infrastructure, including the Vegetarian Unit and JV Unit.
- ◆ Utilisation of Raised Funds: Out of ₹5,502 lakhs raised via IPO, preference issue, and share warrants, ₹3,286 lakhs have been efficiently deployed.
- Prudent Fund Management: Remaining funds securely parked in deposits and to be disbursed in alignment with project milestones.



#### **RECEIVABLES & WORKING CAPITAL MANAGEMENT**

#### **Balancing Growth Ambitions with Financial Discipline**

- ◆ Strategic Credit Extension: Receivables rose in FY25 due to planned credit terms to new and key accounts;
- ◆ Cash Flow Optimization: Temporary impact on operating cash flows being addressed through targeted cash conversion cycle of 50–55 days;
- ♦ Internal Funding for Expansion: Enhancing working capital efficiency to support future growth through internally generated cash flows.



#### **OPERATIONAL EFFICIENCY & CASH FLOW FOCUS**

#### Driving Growth through Productivity Gains and Prudent Investments

- Efficiency through Automation: With automation now stabilizing and production volumes scaling up, focus is on improving operating efficiency, optimizing product mix, and strengthening cost structures.
- Cash Flow Recovery: Though upfront investments and extended credit terms impacted cash flows in FY25, improved utilization and recurring volumes from new customers are expected to drive stronger cash generation.
- Self-Funded Expansion: Internal accruals to play a key role in funding future growth and capacity expansion through disciplined financial planning.



#### CAPITAL EFFICIENCY & BALANCE SHEET OPTIMIZATION

Maximising Returns on Assets While Unlocking Liquidity for Self-Sustained Growth

- ◆ Asset Productivity Enhancement: Following a ~37% increase in total assets during FY25, emphasis now shifts to improving returns from newly deployed capacities.
- Cash Cycle Optimization: Targeting reduction in the cash conversion cycle to improve liquidity and operational agility.
- Strengthening Internal Accruals: Enhancing working capital efficiency to boost internal cash generation and fuel future growth with minimal external dependency.



#### SYSTEMS & TEAM ENABLEMENT

Building Agile Teams and Intelligent Systems for Scalable, Insight-Driven Operations

- Team Strengthening: Preparing for multi-plant operations by developing agile teams aligned with business goals.
- Integrated Decision Support Systems: Rolling out ERP-linked dashboards and business intelligence platforms to enable data-driven decision-making.
- ♦ Enhanced Operational Visibility: Leveraging digital tools for real-time insights, streamlined reporting, and quicker cross-functional responses across locations.



#### **INTERNAL FINANCIAL CONTROLS & GOVERNANCE**

Laying the Foundation for Transparent, Compliant, and Capital-Efficient Growth

- Strengthening Internal Frameworks: Advancing internal controls, compliance systems, and audit readiness to match our growing scale and complexity.
- ◆ Deeper Governance Integration: Embedding governance protocols across business units in alignment with SEBI LODR, Companies Act, and evolving stakeholder expectations.
- Capital-Efficient Growth Enablement: With robust systems and prudent financial controls, we are positioned
  to drive sustainable, risk-managed growth and unlock long-term value from recent investments.

#### **COLLABORATIONS THAT INSPIRE CONFIDENCE**

















































































































#### VITAL. VERSATILE. VENDORS.

#### **NON - VEGETARIAN & VEGETARIAN VENDORS**









#### **SPICES, COATINGS & FLAVORS VENDORS**

















#### **OTHER VENDORS**















CHATHA FOODS LIMITED

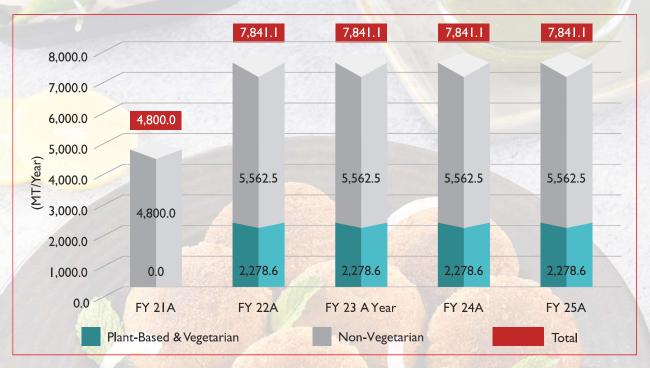


FINANCIAL PERFORMANCE 2024-2025

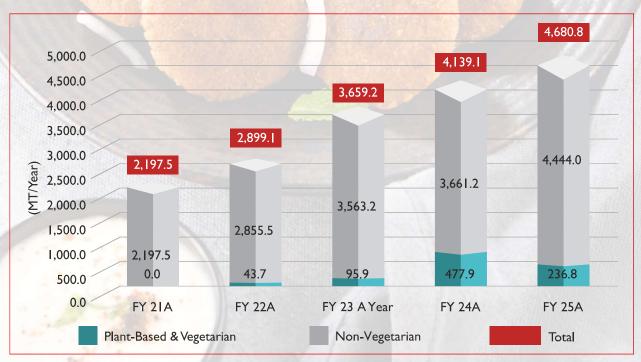
#### **FINANCIAL PERFORMANCE 2024-25**

#### **Production Capacity 2024-25**

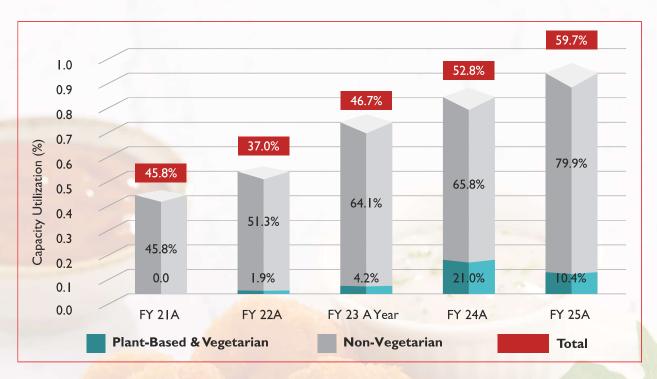
Production Capacity by Product Category (Based on 2 shifts of 8 hours each & 365 days/year)



Capacity Utilization by Product Category
(Based on 2 shifts of 8 hours each & 365 days/year)

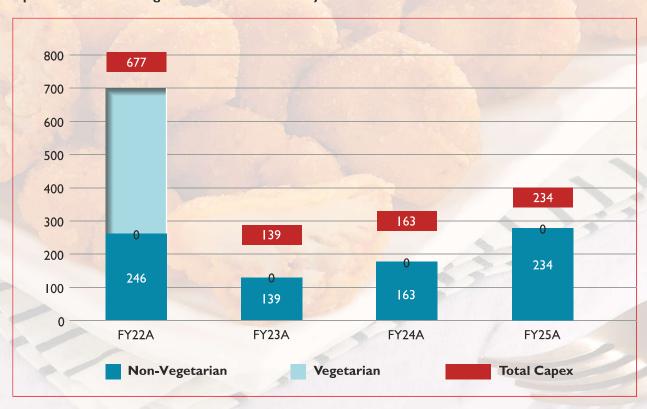


Capacity Utilization (%)
(Based on 2 shifts of 8 hours each & 365 days/year)

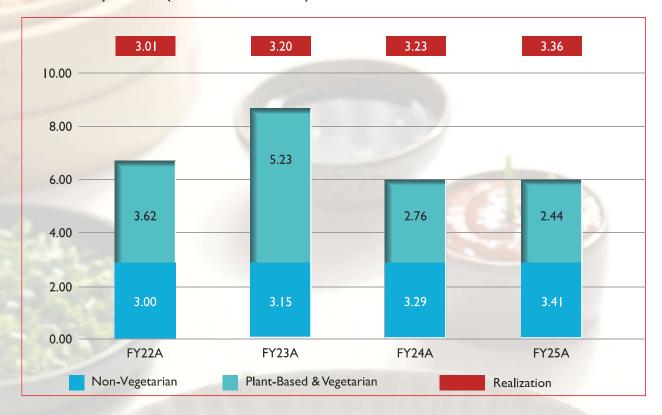


#### **Update on Revenue Segmentation and Other Key Metrics**

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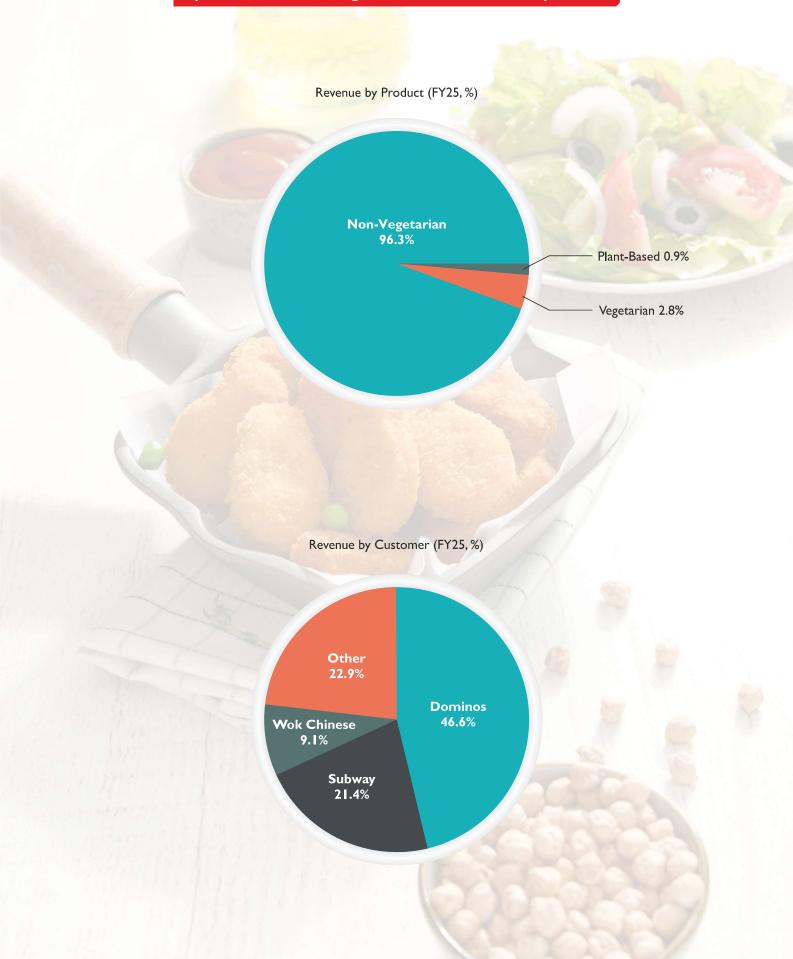


#### Realization by Product (INR Lakhs/Metric Ton)



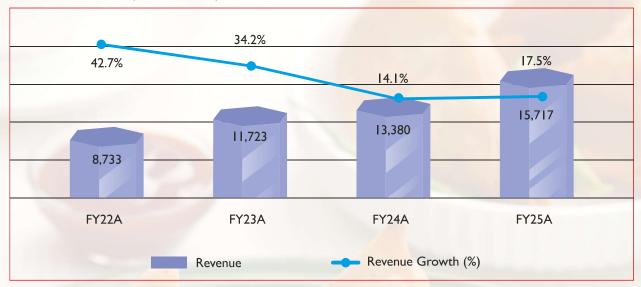
Key Metrics	As on 31 <sup>st</sup> March 2025
Distributors	31
Cities	40
QSRs (Quick Service Restaurants)	316
SKUs (Stock Keeping Units)	194
Non-vegetarian	144
Plant-based	29
Vegetarian	21
Customers	39
Employees	440

#### **Update on Revenue Segmentation and Other Key Metrics**

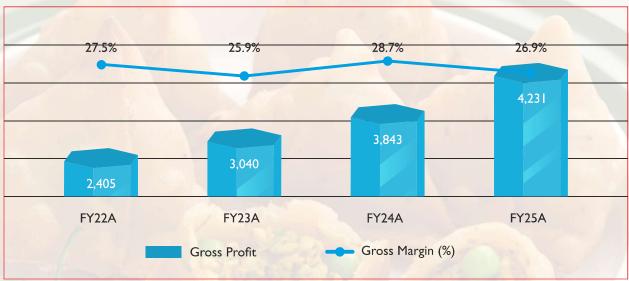


#### **Financial Performance FY 2024-25**

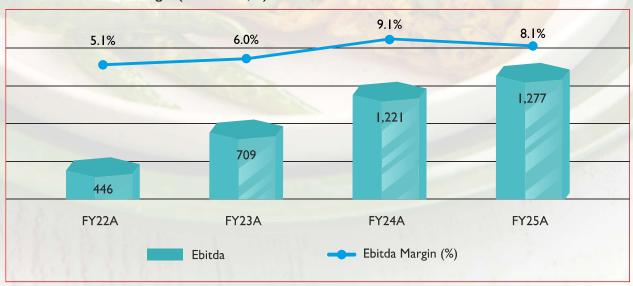
#### Revenue & Growth (INR Lakhs, %)



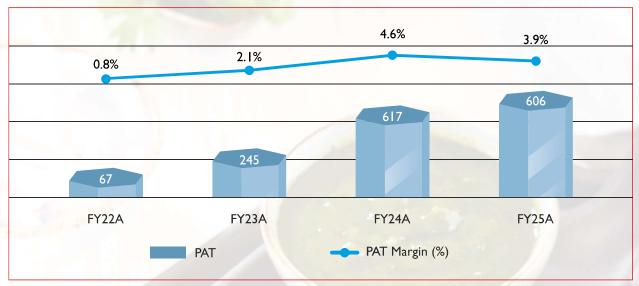
#### Gross Profit & Gross Margin (INR Lakhs, %)



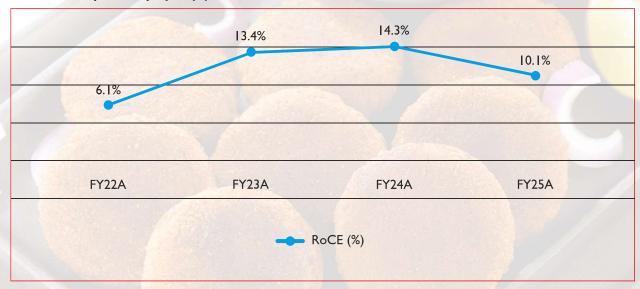
#### EBITDA & EBITDA Margin (INR Lakhs, %)



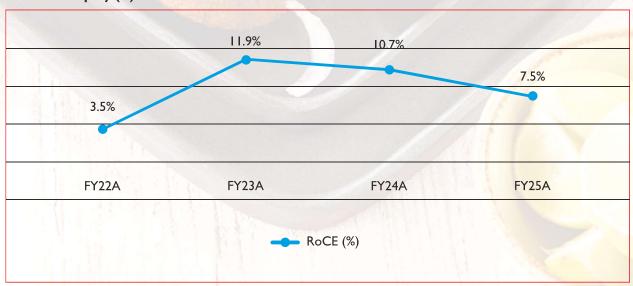
#### PAT & PAT Margin (INR Lakhs, %)



#### Return on Capital Employed (%)

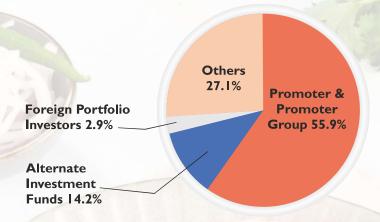


#### **Return on Equity (%)**<sup>2</sup>



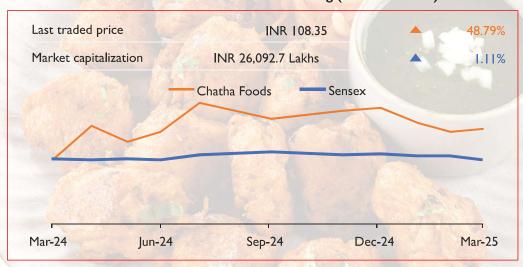
#### **Capital Market Data**

#### Shareholding Pattern (as on 31st March 2025, %)



**Total Number of Shareholders - 903** 

#### Share Price Performance - Since Listing (rebased to 100)



#### **Key Institutional Investors** (as on 31st March 2025, %)

Particulars	Holding
Negen Undiscovered Value Fund	11.26%
Aurum SME Trust I	1.95%
Nova Global Opportunities Fund	2.22%

#### **AWARDS AND ACCREDITATIONS**

#### FOOD SAFETY & QUALITY CERTIFICATIONS ARE THE BEDROCK OF OUR ORGANIZATION











2012 - 2018

2018 - 2025



















#### **CUSTOMER AUDITS**

Multiple customers through various agencies evaluate our facilities once a year



#### **REGULATORY & FSMS AUDITS**

FSSAI & FSMS BRCGS audit our facilities once a year through different agencies



#### WE HAVE CONSISTENTLY RECEIVED AWARDS AND ACCREDITATIONS



Business Partnership Award Dominos Pizza



Business Partnership Award Dominos Pizza & Dunkin' Donuts



Business Partnership Award Dominos Pizza, Jubilant FoodWorks & Dunkin' Donuts



Second Prize-Best Stall
Display Food Expo in
I Ith Agro Tech



Business Partnership Award Dominos Pizza, Jubilant FoodWorks & Dunkin' Donuts



Supplier of the Year Award Subway



'Long Term Association' Award Business Partner's Conference



Award from Jubilant
FoodWorks & Hong's Kitchen
for contribution towards
launch of Hong's Kitchen



Certificate of Appreciation from the Ministry of Finance for prompt GST filing and payment



Certificate of Appreciation from the Ministry of Finance for prompt GST filing and payment



Long Term Partnership Award 2024 by Jubilant FoodWorks

NOTICE is hereby given that the 28<sup>th</sup> (twenty-eighth) Annual General Meeting (AGM) of Chatha Foods Limited (the "Company") will be held on Saturday, August 30, 2025 at 12:00 P.M. through video conference (VC) and other audio-visual means (OAVM), to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company situated at 272, Mota Singh Nagar, Jalandhar-144001, Punjab,India.

#### **Ordinary Business:**

- 1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2025 together with the Reports of the Board of Directors and Auditors thereon, and
- 2. To appoint a director in place of Mr. Gurpreet Chatha (DIN:01389143), who retires by rotation and being eligible, offers himself for reappointment.

#### **Special Business**

3. To consider and approve material related party transactions with Allana CF Foods Private Limited

To consider and pass with or without modification(s), the following resolution as Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Regulations 2(1)(zc), 23 and other relevant regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), as amended from time to time, Sections 177, 188 and other applicable provisions of the Companies Act, 2013 ("Act") read with rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Company's Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions and further, in accordance with the approval and recommendation of the Audit Committee and the Board of Directors of the Company (hereinafter referred to as 'Board') respectively, the approval of the members of the Company, be and is hereby accorded, to enter into Material Related Party Transactions with Allana CF Foods Private Limited, Subsidiary Company as detailed in the explanatory statement to this resolution, for an amount not exceeding Rs. 40,00,00,000/- (Rupees Forty Crore) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) on such material terms and conditions may be mutually agreed between the related party and the Company;

**RESOLVED FURTHER THAT** the Board of Directors of the Company which term shall be deemed to include the Audit Committee of the Board and any duly constituted committee empowered to exercise its powers, be and are hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution and ensure compliance with applicable laws and regulations."

By order of Board of Directors of Chatha Foods Limited

Sd/-

Priyanka Oberoi

**Company Secretary & Compliance Officer** 

Place: Mohali

Date: 06.08.2025

#### **NOTES:**

1. The Ministry of Corporate Affairs ("MCA") vide its General Circular No. 09/2024 dated September 19, 2024 read with General Circular No. 09/2023 dated September 25, 2023, General Circular Nos. 2/2022 dated May 05, 2022, 21/2021 dated December 14, 2021, 02/2021 dated January 13, 2021, 20/2020 dated May 05, 2020, 17/2020 dated April 13, 2020 and 14/2020 dated April 08, 2020 (collectively referred to as "MCA Circulars") permitted holding of the Annual General Meeting ("AGM") through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without physical presence of the Members at a common venue, upto September 30, 2025.

Further, the Securities and Exchange Board of India ('SEBI'), vide its circulars dated May 12, 2020, and subsequent circulars issued in this regard, the latest being October 3, 2024 (collectively referred to as 'SEBI Circulars'), has provided relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

In compliance with the applicable provisions of the Companies Act, 2013 ('Act'), the Listing Regulations, MCA Circulars, SEBI Circulars and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI"), the 28<sup>th</sup> AGM of the Company is being held through VC/OAVM on Saturday, August 30, 2025, at 12:00 p.m. (IST) with the deemed venue being the Registered Office of the Company situated at 272, Mota Singh Nagar, Jalandhar-144001, Punjab, India.

- 2. An Explanatory Statement pursuant to Section 102 of the Act, which sets out the details relating to the Special Business to be transacted at the AGM, is annexed hereto.
- 3. Pursuant to MCA Circulars, since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
- Institutional members intending to appoint their authorized representative(s) to attend the AGM through VC/OAVM on its behalf and to vote through remote evoting are requested to send (in advance), scanned copy (PDF/JPG Format) of a duly certified copy of the relevant Board Resolution/Letter of Authority/ Power of Attorney, together with the respective specimen signatures of those representative(s), to the Scrutinizer through e-mail to csgagneetkaur@gmail.com, with a copy marked to cs@cfpl.net.in
- Green Initiative: Members who have not registered their e-mail address are requested to register their e-mail address to receive all communication from the Company electronically.

- Inspection: All the relevant documents, referred to in this
  Notice and other statutory register shall be open for
  inspection by the Members online during the AGM
  throughVC/OAVM.
- 7. Submission of questions or queries prior to AGM/ Registration of Speakers: Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and client ID/Folio no, No. of shares, PAN, mobile number in advance at least 10 days prior to meeting at cs@cfpl.net.in. Such questions shall be taken up during the meeting or replied by the Company suitably. Those Members who have registered themselves as a speaker will be allowed to express their views, ask questions during the AGM. The Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the AGM.
- 8. In accordance with the MCA circulars and SEBI circular dated October 7, 2023, the Notice of AGM is being sent only through the electronic mode to those Members whose e-mail addresses are registered with the Company/Registrar and Share Transfer Agent ('RTA'), or the Depository Participant(s). The Company will not be dispatching physical copies of the Notice of AGM to any Member. Members are requested to register/ update their e-mail addresses, in respect of electronic holdings with the Depository through the concerned Depository Participants and in respect of physical holdings with RTA, by following due procedure.
- 9. A copy of the Notice of this AGM is available on the Company's website at <a href="https://www.cfpl.net.in/">https://www.cfpl.net.in/</a>, website of the Stock Exchange i.e. BSE Limited at <a href="www.bseindia.com">www.bseindia.com</a>, and also on the website of Central Depository Services (India) Limited (CDSL) at <a href="https://www.cdslindia.com">https://www.cdslindia.com</a>
- 10. Members are requested to notify immediately about any change in their postal address/E-mail address/dividend mandate/ bank details to their Depository Participant (DP) in respect of their shareholding in DEMAT mode and in respect of their physical shareholding to the Company's RTA, viz. Skyline Financial Services Private Ltd having its office at D-153 A| Ist Floor | Okhla Industrial Area, Phase I, New Delhi-IIO 020 or E-Mail at info@skylinerta.com
- II. The Securities and Exchange Board of India ('SEBI') has mandated the submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN to the RTA.

- 12. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address/e-mail id or staying abroad or demise of any members as soon as possible. Members are also advised not to leave their Demat Account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified.
- 13. Members who hold shares in physical form in multiple folios in identical names or joint accounts in the same order of names are requested to send share certificates to the Company for consolidation into a single folio. Members who hold shares in physical form are advised to convert their shareholding in dematerialized form with any depository participant.
- In all correspondences with the Company, members are requested to quote their account/folio numbers and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID No(s).
- **15.** Since the AGM will be held through VC/OAVM Facility, the Route Map of Venue is not annexed to this Notice.
  - General instructions for accessing and participating in the AGM through VC/OAVM Facility and Voting through electronic means including remote e-Voting
- The Members can join the AGM in the VC/OAVM mode 30 16. minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1.000 members on a first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Committees of the Board, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis. Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM through VC/OAVM and vote thereat.
- 17. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- 18. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Listing Regulations, and the MCA Circulars and Secretarial Standard- 2 issued by Institute of Company Secretaries of India, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by Central Depository Services (India) Limited (CDSL)

- 19. The remote E-voting period for item of business contained in this notice of AGM shall commence from Wednesday, August 27, 2025 at 9:00 a.m. (IST) and will end on Friday, August 29, 2025 at 5:00 p.m. (IST). The E-Voting module shall be disabled by Central Depository Services (India) Limited (CDSL), for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently.
- 20. The cut-off date for determining the eligibility of shareholders to exercise remote E-voting rights and attendance at AGM is Saturday, August 23, 2025. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the above-mentioned cut-off date, shall be entitled to avail the facility of remote E-voting or voting at the meeting through electronic mode. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date. A person who is not a member as on the cut-off date should treat this Notice for information purpose only.
- 21. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolution through remote E-voting and are otherwise not barred from doing so, shall be eligible to vote through E-voting system during the AGM.
- 22. The Members who have cast their vote by remote E-voting prior to the AGM may also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again. Members are requested to carefully read the instructions for E-voting before casting their vote.
- 23. At the AGM, the Chairperson of the meeting shall after discussion on the resolution on which voting is to be held, allow voting by electronic means to all those members who are present at the meeting but have not casted their votes by availing the remote E-voting facility. The Board of Directors of your Company have appointed Ms. Gagneet, Practicing Company Secretary (CP No. 28126) of M/s Gagneet & Associates, Company Secretaries, as the Scrutinizer to scrutinize the remote e-voting process and voting through E-voting system at the AGM in a fair and transparent manner.
- 24. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, will first download the votes cast at the meeting and thereafter unblock the votes cast through remote E-voting in the presence of at least 2 (Two) witnesses not in the employment of the Company. Thereafter the Scrutinizer shall, submit a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson, or a person authorized by him in writing who shall countersign the same and declare the result of voting forthwith. The result of evoting along with consolidated Scrutinizer's report will be declared upon conclusion of the Meeting, within the permissible timelines.

25. The results declared along with the Scrutinizer's report shall be placed on the website of the Company and shall also be communicated to the Stock Exchange. The Resolution, if approved, shall be deemed to be passed, on the date of AGM.

#### 26. THE INSTRUCTIONS FOR SHAREHOLDERS

# FOR REMOTE E-VOTING AND JOINING GENERAL MEETINGAREAS UNDER:

**Step I** :Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

#### Type of shareholders

# Individual Shareholders holding securities in Demat mode with CDSL Depository

#### **Login Method**

- Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab.
- 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.
- 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
- 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Individual Shareholders holding securities in demat mode with **NSDL Depository** 

- I) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
- 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
- 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be

Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP) able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Wednesday, August 27, 2025 at 09:00 a.m. (IST) and ends on Friday, August 29, 2025 at 05:00 p.m. (IST) During this period shareholders' of the Company, holding shares in dematerialized form, as on the cut-off date (record date) Saturday, August, 23, 2025 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

In order to increase the efficiency of the voting process, pursuant

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

**Step I**: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

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

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

## <u>Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login</u> through Depository i.e. CDSL and NSDL

Login type Individual Shareholders holding securities in Demat mode with CDSL	Helpdesk details  Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022 - 4886 7000 and 022 - 2499 7000

- **Step 2**: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
- (ii) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,

- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to <u>www.evotingindia.com</u> and voted on an earlier evoting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.  Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)		
PAN			
	<ul> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>		
Dividend Bank Details OR Date of Birth (DOB)	<ul> <li>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</li> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>		

- (iii) After entering these details appropriately, click on "SUBMIT" tab.
- (iv) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL
- platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (v) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (vi) Click on the EVSN for the "CHATHA FOODS LIMITED" on which you choose to vote.
- (vii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option

- "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (viii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (ix) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (x) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xiii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiv) Additional Facility for Non Individual Shareholders and Custodians –For Remote Voting only.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to

- www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a>.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@cfpl.net.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

# INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

- The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
- The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- 3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
- 4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- 5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- 7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
- 8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- 9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted

- their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM/EGM.
- 10. If any Votes are cast by the shareholders through the evoting available during the AGM/EGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of evoting during the meeting is available only to the shareholders attending the meeting.

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

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

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, AWing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 21 09911.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("THE ACT") AND ADDITIONAL INFORMATION AS REQUIRED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("LISTING REGULATIONS")

## ITEM 3:To consider and approve material related party transactions with Allana CF Foods Private Limited

Pursuant to Regulation 23(1) of SEBI Listing Regulations, 2015 in case of a listed entity which has listed its specified securities on the SME Exchange, the threshold limit for determination of material related party transactions is the lower of Rs. 50 crore (Rupees Fifty crore) or 10% (ten percent) of the annual standalone turnover of the listed entity as per the last audited financial statements of the listed entity and such material related party transactions exceeding the limits, would require prior approval of Members by means of an Ordinary Resolution.

The Company proposes to enter into certain transactions with Allana CF Foods Private Limited, Subsidiary of the company,

which is a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations").

Taking into account the terms and conditions outlined in the shareholders' agreement entered into between the parties and for strategic commercial benefits, operational synergies, and in alignment with the Company's long-term growth objectives, the Company proposes to enter into the said transaction. The aggregate value of the proposed transaction is expected to exceed 10% of the annual standalone turnover of the Company, thereby qualifying as a material related party transaction requiring shareholder approval in terms of the provisions of Regulation 23(1) SEBI Listing Regulations, 2015.

The details of the transactions required to be disclosed in the Explanatory Statement pursuant to the SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, are as follows:

S. No.	Particulars	Description		
I.	Name of the Related Party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest	Allana CF Foods Private Limited is a subsidiary of Chatha Foods Limited.  Accordingly, Allana CF Foods Private Limited is a related party of Chatha Foods Limited as per Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI Listing Regulations.		
2.	Type, Tenure, Value and particulars of the proposed	Nature of Transaction	Total Amount (In Crores)	Tenure
	transaction	Corporate Guarantee	20.00	54 Months
		Sale of Capital Assets	10.00	One Time Event
		Procurement of goods, Services etc.	9.00	Period not exceeding I (one) financial year commencing from April 01, 2025 up to March 31, 2026 and shall require fresh approval thereafter of Audit Committee in terms of Regulation 23(2) of SEBI
		Reimbursement of expenses	0.25	
		Any Transfer of resources services or obligations to meet its objectives/requirements	0.75	
		Total	40.00	Listing Regulations, 2015
3.	Material terms of the proposed transaction	The Corporate Guarantee will be provided on behalf of Allana CF Foods Private Limited to serve as a financial guarantee for securing the Term Loan to be availed by it. The Corporate Guarantee of 15 Crore will be valid for 54 Months. In addition, further Guarantee of 5 Crore will be renewed annually to secure the Working Capital Facility.		

4.	Percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction (and for a RPT involving a subsidiary, such percentage calculated on the basis of the	In the event of sale of capital assets, if any, the transaction value shall be determined on an arm's length basis and the value shall not exceed Rs. I 0 Crore  Other transactions are in the ordinary course of business with terms and conditions that are generally prevalent in the industry segments that the Company operates in  The Company has only one subsidiary, Allana CF Foods Private Limited, which was incorporated on 08th April, 2025. Accordingly, the annual consolidated turnover cannot be ascertained for the financial year 2024–25.  Therefore, the materiality threshold for the purpose of evaluating the Related Party Transactions has been determined based on the Annual Standalone Turnover of the Company for the immediately preceding financial year, i.e., FY 2024–25.  Percentage of the listed entity's annual standalone turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction is as follows —	
	subsidiary's annual turnover on a standalone basis shall be additionally provided	Listed entity's annual standalone turnover as on March 31, 2025	Rs. 158.31 crores
		Value of the proposed transactions	Rs. 40.00 crores
		%	25.27
5.	Justification as to why the RPT is in the interest of the listed entity;	The proposed transactions are in consonance with the terms and conditions outlined in the shareholders' agreement entered into between the parties and for strategic commercial benefits, operational synergies, and in alignment with the Company's long-term growth objectives, the Company proposes to enter into Related Party Transactions with Allana CF Foods Private Limited.	
		Further, the proposed Corporate Guarantee is in the interest of the listed entity as it supports the business operations and financial stability of its subsidiary, Allana CF Foods Private Limited. By extending this guarantee, the subsidiary will be able to secure necessary credit facilities to meet its operational and growth requirements. This will enhance the consolidated financial position and long-term value of the listed entity.	
6.	Percentage of the counter- party's annual consolidated turnover that is represented by the value of the proposed RPT on a voluntary basis;	Not applicable, since Allana CF Foods Private Limited was incorporated on 8th April, 2025 and hence, no financial data is available	
7.	A copy of the valuation or other external party report, if any such report has been relied upon;	Not Applicable	

By order of Board of Directors of Chatha Foods Limited

Sd/-Priyanka Oberoi Company Secretary & Compliance Officer Membership No. 32400

Place: Mohali Date: 06.08.2025

#### **ANNEXURE TO THE NOTICE**

DETAILS OF DIRECTOR SEEKING SHAREHOLDERS APPROVAL FOR APPOINTMENT PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 READ WITH CLAUSE 1.2.5 OF SECRETARIAL STANDARD SS- 2 ON GENERAL MEETINGS

Name	Mr. Gurpreet Chatha	
Directors Identification Number (DIN)	01389143	
Date of Birth	03 <sup>rd</sup> December, 1979	
Age	45 Years	
Original Date of Appointment	30 <sup>th</sup> August, 2004	
Education Qualification	Higher Secondary	
Experience (in years)	20+ years	
Experience in special functional area	20 years of experience in the frozen and ready-to-eat processed food industry	
	actively engaged in the purchase and supply chain section of the Company	
	currently serving as a Wholetime Director, where he, inter alia, leads the purchase department.	
Terms and conditions of appointment/re-appointment	As per the Appointment Letter	
List of Directorship held in other Companies	NIL	
Relationship with other Directors, Managers and KMPs	No relationship with other Directors, Managers and KMPs	
No. of Board Meetings attended during Financial Year 2024-25	5 (Five) Board Meetings	
Chairmanships/ Memberships of the Committee of the Board of Directors of the Company	Stakeholders Relationship Committee (Member)	
Chairmanships/Memberships of the Committee of the Board of Directors of other Public Limited Companies including Listed Companies	NIL	
Listed Entities from which the director has resigned in the past 3 years.	NIL	
No. of shares held in the Company	34,72,277 Shares	

#### **BOARD REPORT**

#### To the Members.

The Board of Directors are pleased to present the 28<sup>th</sup> Board Report of Chatha Foods Limited (CIN: L15310PB1997PLC020578) formerly known as Chatha Foods Private Limited ("the Company"), together with the Audited Financial Statements for the Financial Year ended March 31, 2025.

#### I. Financial Summary:

(₹ in Lakhs)

Particulars	For the period ended on March 31, 2025	For the period ended on March 31, 2024
Revenue from Operations	15716.59	13,379.93
Other Income	114.47	3.27
Total Income	15,831.05	13,383.20
Total Expenses	15,000.11	12,527.33
Profit before exceptional and extraordinary items	830.95	855.87
Exceptional items	-	-
Extraordinary items	-	-
Profit before tax	830.95	855.87
Current Tax	257.48	230.69
Deferred tax	(32.69)	8.50
Minimum Alternate Tax (MAT) credit entitlement	-	-
Profit for the year	606.15	616.68

# 2. <u>State Of Company's Affairs and Review of Operations:</u>

Standalone revenue from operations of  $\stackrel{?}{\stackrel{?}{\stackrel{?}{$\sim}}}$  15,716.59 Lakhs in Financial Year 2024-25 which was 17.46 % higher than the revenue from operations of  $\stackrel{?}{\stackrel{?}{\stackrel{?}{\stackrel{?}{$\sim}}}}$  13,379.93 Lakhs in Financial Year 2023-24.

The Company has recorded profit before tax and profit after tax for the Financial Year 2024-25 at ₹ 830.95 Lakhs and ₹ 606.15 Lakhs, respectively as compared to the profit before tax and Profit after tax of ₹ 855.87 Lakhs and ₹ 616.68 Lakhs, respectively for Financial Year 2023-24.

#### 3. Change In the Nature of Business, If Any:

Throughout the financial year under review, the Company continued its primary business activity of manufacturing and supplying processed meat across India. There was no change in the nature of business of company.

The Board of Directors remains confident in the Company's strategic direction and operational capabilities. With a focus on growth and efficiency, they are hopeful for an enhanced performance and a rise in revenue in the forthcoming financial year.

#### 4. Dividend:

In order to conserve the resources for long run working capital requirement and expansion of business, the Board of Directors has not recommended any Dividend for the financial year ended March 31,2025.

#### 5. General Reserves:

During the period under review the Company has not transferred any amount to the General Reserves for the financial Year ended March 31,2025.

#### 6. Share Capital:

#### \* Authorised Share Capital:

During the financial year under review, there was no change in the Authorised Share Capital of the Company. The Authorised Share Capital of your Company as on March 31, 2025 is Rs. 25,00,00,000/- (Rupees Twenty-Five Crore only) comprising of 2,50,00,000 (Two Crore Fifty lacs only) equity shares of the face value of Rs 10 (Ten Rupees).

#### \* Issued and Paid-Up Share Capital:

During the financial year under review, the Company issued 15,85,000 (Fifteen Lakh Eighty-Five Thousand) equity shares of face value ₹10/- each, fully paid-up, for cash consideration, to Non-Promoter Investors on a preferential basis. These shares were allotted at an issue price of ₹127/- per share (including a premium of ₹117/- per share), aggregating to a total consideration of ₹20,12,95,000/- (Rupees Twenty Crore Twelve Lakh Ninety-FiveThousand Only).

Consequent to the above allotments, the Issued, Subscribed and Paid-Up share capital of your Company as on March 31, 2025 is Rs. 24,08,18,790/- (Rupees Twenty-four Crore Eight Lakh Eighteen Thousand Seven Hundred and Ninety Only) divided into 2,40,81,879 (Two Crore Forty Lacs Eighty-One Thousand

Eight Hundred and Seventy-Nine) of the face value of Rs 10 (Ten Rupees) each.

#### Warrants:

During the period under review, the Company has further issued 1,19,000 (One Lakh Nineteen Thousand) fully convertible warrants ('Warrant(s)') and each warrant is convertible into one equity share of face value of ₹10/- (Rupees Ten Only) each fully paid-up ('Equity Share') of the Company, at any time within 18 (eighteen) months from the date of allotment of the Warrants as per the SEBI ICDR Regulations, at a price (including the warrant Subscription price and the Warrant Exercise Price) of ₹127/-(Rupees One Hundred Twenty-Seven only) per warrant (including premium of ₹117/- per warrant) ('Warrant Issue Price') for cash consideration aggregating to ₹1,51,13,000/-(Rupees One crore Fifty One Lakh and Thirteen Thousand Only) on preferential basis to Promoter and Promoter Group, ('Warrant Holder(s)'/ 'Proposed Allottee(s)'), with the upfront payment of Warrant Subscription Price of ₹31.75/- (Rupees Thirty-one decimal point seven five Only) for each Warrant aggregating to ₹37,78,250/- (Rupees Thirty Seven Lakh Seventy Eight Thousand Two Hundred Fifty Only) which is equivalent to 25% (twenty-five percent) of the total consideration, entitling the Warrant Holder(s) to seek conversion of Warrant(s) in one or more tranches, within a maximum period of 18 (eighteen) months from the date of allotment of Warrants, upon the payment of Warrant Exercise Price of ₹95.25/- (Rupees Ninety-Five decimal point two five only), equivalent to 75% (Seventy five per cent) of the Warrant Issue Price ('Warrant Exercise Price'), and be allotted one fully paid-up Equity Share of the Company of face value of ₹10/- each at a price of ₹127/- per share (including

premium of ₹117/- per share), against each Warrant.

#### Preferential Issue and Listing of Shares in Stock Exchange

During the year under review, the Company completed fund raising through the mode of Preferential Issue for 15,85,000 (Fifteen Lakh Eighty-Five Thousand) equity shares of face value ₹10/- each, fully paid-up, for cash consideration, to Non-Promoter Investors on a preferential basis. These shares were allotted at an issue price of ₹127/- per share (including a premium of ₹117/- per share), aggregating to a total consideration of ₹20,12,95,000/- (Rupees Twenty Crore Twelve Lakh Ninety-Five Thousand Only).

Pursuant to preferential issue, 15,85,000 (Fifteen Lakh Eighty-Five Thousand) Equity shares of the company were listed on the BSE on March 25, 2025 through its letter bearing reference LOD/PREF/MV/441/2024-2025.

#### 6. <u>Directors and Key Managerial Personnel:</u>

The leadership framework of any company is built upon its Board of Directors and Key Managerial Personnel (KMP). Together, they guide the organization toward achieving its strategic goals while maintaining regulatory compliance and ethical standards.

#### a) Composition of Board:

The Board of Directors of the company comprises of 6 (Six) Directors, consisting of I (One) Managing Director, 2 (Two) Whole-time Directors, and 3 (Three) Non-Executive Independent Directors including I (One) Independent Women Director. The constitution of the Board of the Company is in accordance with the provisions of the Companies Act, 2013.

The Board of Directors of your Company comprises of the following Directors, as on March 31st, 2025: -

Sr. No.	Name of the Director	Designation	
1.	Mr. Paramjit Singh Chatha	Chairman & Managing Director	
2.	Mr. Gurpreet Chatha	Whole-time director	
3.	Mr. Gurcharan Singh Gosal	Whole-time director	
4.	Mr. Sanjiv Swarup	Non-Executive Independent Director	
5.	Mr. Purnachand Upadrashta	Non-Executive Independent Director	
6.	Ms. Chinmayee Swarup Deulgaonkar	Non-Executive Independent Director	

#### b) Director retiring by rotation:

Pursuant to section 149(13) of the Act and Articles of Association of the Company, all Directors except Independent Directors are liable to retire by rotation.

Pursuant to the provisions of Section 152(6) of the Act, Mr. Gurpreet Chatha (DIN: 01389143), Whole-time Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offered himself for reappointment.

Such retirement and re- appointment of the Whole-time Director does not affect his appointment as a Whole-time Director of the Company and he shall continue to hold their

office as a Whole-time Director from the date of original appointment.

Based on the recommendation of Nomination & Remuneration Committee, the Board has recommended for the approval of the Members, re-appointment of Mr. Gurpreet Chatha at the ensuing AGM. A brief profile of Mr. Gurpreet Chatha and other requisite information are provided as part of the Notice of AGM.

#### c) Key Managerial Personnel (KMP):

During the financial year under review, there has been no change in the composition of the Key Managerial Personnel (KMP) of the Company. Pursuant to the provisions of Section 203 of the Companies Act, 2013 the Key Managerial Personnel of the Company as on the date of this report are:

Sr No.	Name of the Key Managerial Personnel	Designation
I.	Mr. Paramjit Singh Chatha	Managing Director
2.	Mr. Gurpreet Chatha	Whole Time Director
3.	Mr. Gurcharan Singh Gosal	Whole Time Director
4.	Mr. Vishal Singh Sirmauria	Chief Financial Officer
5.	Ms. Priyanka Oberoi	Company Secretary & Compliance Officer

#### d) Disclosures by Directors:

The Board of Directors have submitted their notice of interest in Form MBP I under Section 184(I) as well as Declaration by Directors in Form DIR 8 under Section 164(2) of the Companies Act, 2013 and other relevant declarations as to compliance with the Companies Act, 2013.

### e) Independence & Other Matters Pertaining to Independent Directors

The Independent Directors are Non-Executive Directors as defined under Regulation I6(I)(b) of the SEBI Listing Regulations and Section I49(6) of the Act. The Company has received requisite declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under Section I49(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation I6(I)(b) of the SEBI Listing Regulations.

In terms of Section 150 of the Companies Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have registered their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs. Further, in the opinion of the Board, the Independent Directors also possess the attributes of integrity, expertise and experience as required to be disclosed under Rule 8 (5) (iiia) of the Companies (Accounts) Rules, 2014.

Following are the Non-Executive Independent Directors as on financial year ended March 31,2025:-

#### I. Mr. Sanjiv Swarup

- 2. Mr. Purnachand Upadrashta
- 3. Ms. Chinmayee Swarup Deulgaonkar

In pursuance of Secretarial Standard-I and Schedule IV of the Companies Act, 2013; the Independent Directors of the Company have conducted a meeting dated January 16, 2025 without presence of Non-Independent Directors where they reviewed the performance of all Non-Independent Directors of the Company and the board as a whole, reviewed the performance of the Chairman of the Company and assess the quality, quantity and timeliness of flow of information between the Company management and the Board.

#### f) Number of Meetings of the Board of Directors

The Board meets at regular intervals to discuss and decide the business policy and strategies of the Company. The date of meetings of the Board of Directors and Committee are informed to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings.

The notice and agenda of the Board/ Committee meetings is circulated in accordance with the provisions of the Secretarial Standard on meetings of the Board of Directors (SS-I) issued by the Institute of Company Secretaries of India. The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the period under review, 6 (Six) Meetings of the Board of Directors were held on April 25, 2024, May 28, 2024, August 31, 2024, November 12, 2024, December 14, 2024 and February 14, 2025.

The details of attendance of each Directors at the Board Meetings are given below;

Name of the Director	Meetings of Board of Directors and their attendance thereof					
and Designation	25.04.2024	28.05.2024	31.08.2024	12.11.2024	14.12.2024	14.02.2025
Mr. Paramjit Singh Chatha	√	√	√	V	√	×
Mr. Gurcharan Singh Gosal	$\sqrt{}$	$\sqrt{}$	×	$\sqrt{}$	$\sqrt{}$	×
Mr. Gurpreet Chatha	√	√	√	$\sqrt{}$	х	√
Mr. Purnachand Upadrashta	$\sqrt{}$	$\sqrt{}$	V	V	$\sqrt{}$	√
Ms.Chinmayee Swarup Deulgaonkar	1	×	√	V	V	V
Mr. Sanjiv Swarup	√	√	√	√	V	√

The intervening gap between two consecutive meetings was within the maximum period mentioned under Section 173 of the Companies Act, 2013.

#### 8. Annual Evaluation of the Board

Pursuant to Section 134(p) and Section 178(2) of the Companies Act, 2013 and applicable provisions of SEBI (LODR) Regulations 2015, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

A separate meeting of Independent Directors was held without the presence of any Non-Independent Directors to discuss, inter-alia, the performances of Non-Independent Directors, the Board as a whole and the Chairman, taking into consideration the views of Executive Directors and Non-Executive Directors. The performance evaluation of all the Independent Directors has been done by the entire Board, excluding the Director being evaluated.

#### 9. Dematerialization

The Equity Shares of the Company are in Dematerialization mode as on March 31,2025. The ISIN of the Equity Shares of your Company is **INEOAH901011**. The ISIN of the Share warrants issued during the financial year under review is **INEOAH913016**.

### 10. Details of Subsidiary/Joint Ventures/Associate Companies

During the financial year under review, Chatha Foods Limited (CFL) entered into the **Shareholders' Agreement (SHA)** with Frigorifico Allana Private Limited (FAPL) on February II 2025, for the purpose of establishing a Joint Venture Company. As per the terms of the agreement, Chatha Foods Limited shall hold 70% equity in the Joint Venture Company, while the remaining 30% equity shall be held by Frigorifico Allana Private Limited (FAPL).

Details of the Joint Venture company is as follows: -

Name	Registered Office address	Authorised and Paid-up share capital (upto the date of the Board report)	
Allana CF Foods Private Limited (CIN: U56290PB2025PTC064144) Incorporated on 08th April, 2025	C/O Chatha Foods Ltd., village Chaundheri PO, Dappar Ad, Mohali, Dera Bassi, Punjab, India, 140506	Authorised Share Capital: - Rs. 30,00,00,000 (Thirty Crore Only) divided into 3,00,00,000 Equity shares of Rs. 10 each.	
		Paid Up Share Capital: - Rs.10,00,00,000 (Ten Crore Only) divided into 1,00,00,000 Equity shares of Rs.10 each.	

#### II. Committees of the Board

The Board has constituted various committees to focus on specific functional areas and to assist in the effective discharge of its responsibilities. These committees operate within the framework of authority delegated to them by the Board and are empowered to make informed decisions and recommendations

on matters falling within their respective domains.

The Board of directors have constituted the following committees in respect of their roles and responsibilities:-

#### a. Audit Committee

The Audit Committee is constituted in accordance with the

provisions of Section 177 of the Companies Act, 2013, to function in accordance with terms of reference specified by Board in writing in pursuance of sub-section (4) of section 177 of the Act.

The Audit committee of the company has conducted 2(Two)

meetings viz. May 28, 2024 and November 12, 2024 during the financial year under review. The composition of the Audit Committee and the details of meetings attended by its members are given below;

Name and Category of Members	Meetings and attendance of members there of			
	28.05.2024	12.11.2024		
Mr. Purnachand Upadrashta (Chairman and Independent Director)	V	$\checkmark$		
Ms. Chinmayee Swarup Deulgaonkar (Member and Independent Director)	V	<b>V</b>		
Mr. Paramjit Singh Chatha (Member and Managing Director)	V	V		

During the year under review, the Board has accepted all recommendations of the Audit Committee and accordingly, no disclosure is required to be made in respect of non-acceptance of any recommendation of the Audit Committee by the Board.

#### a. Nomination and Remuneration Committee

The Nomination and Remuneration Committee is constituted in

accordance with the provisions of Section 178 of the Companies Act, 2013

The Nomination and Remuneration committee of the company has conducted I(One) meeting viz. August 31,2024 during the financial year under review. The composition of the Committee and the details of meetings attended by its members are given below;

Name and Category of Members	Meeting and attendance of members thereof 31.08.2024
Mr. Purnachand Upadrashta (Chairman and Independent Director)	V
Ms. Chinmayee Swarup Deulgaonkar (Member and Independent Director)	√
Mr. Sanjiv Swarup (Member and Independent Director)	√

The function of the Nomination and Remuneration Committee ("NRC") is to oversee the Company's nomination process for the Board and senior management and specifically to assist the Board in identifying, screening and reviewing individuals qualified to serve as Executive Directors, Non-Executive Directors and determine the role and capabilities required for Independent Directors consistent with the criteria as stated by the Board in its Nomination and Remuneration Policy. The Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013, has been published on the Company website at https://www.cfpl.net.in/.

#### a. Stakeholders' Relationship Committee

The Stakeholders Relationship Committee is duly constituted in accordance with the provisions of Section 178(5) of the Companies Act, 2013. The Stakeholders Relationship Committee conducted I (One) meeting viz. March 31, 2025 during the financial year under review.

The composition of the Committee and the details of meetings attended by its members are given below;

The composition of the Committee and the details of meetings attended by its members are given below:

Name and Category of Members	Meetings and attendance of members thereof
	31.03.2025
Mr. Purnachand Upadrashta (Chairman and Independent Director)	$\vee$
Mr. Paramjit Singh Chatha (Member and Managing Director)	V
Mr. Gurpreet Chatha (Member and Wholetime Director)	$\checkmark$

The Stakeholders' Relationship Committee considers and resolves the grievances of the stakeholders including complaints relating to non-receipt of annual report, transfer and transmission of securities, issue of new/duplicate certificates, general meetings and such other Grievances as may be raised by the security holders and other stakeholders of the Company, from time to time.

#### 12. Risk Management Policy

Your Company has an elaborated risk Management procedure and adopted systematic approach to mitigate risk associated with accomplishment of objectives, operations, revenues and regulations. Your Company believes that this would ensure mitigating steps proactively and help to achieve stated objectives. The entity's objectives can be viewed in the context of four categories Strategic, Operations, Reporting and Compliance. The Risk Management process of the Company focuses on three elements, viz. (1) Risk Assessment; (2) Risk Management; (3) Risk Monitoring.

Audit Committee has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's enterprise wide risk management framework; and (b) Overseeing that all the risk that the organization faces. The key risks and mitigating actions are also placed before the Audit Committee of the Company. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

#### 13. Corporate Governance

The Company is committed to upholding the highest standards of corporate governance, rooted in the principles of transparency, accountability, integrity, and fairness. However, your Company, being listed on BSE SME segment, the provisions as regards to Corporate Governance and related disclosures in the Annual Report are not applicable to it, as provided under Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements), 2015.

### 14. Non-Applicability of the Indian Accounting Standards

As your Company being listed on SME Platform of BSE Limited, is covered under the exempted category as provided under the provision of Rule 4(1) of the companies (Indian Accounting Standards) Rules, 2015 notified vide Notification No. G.S.R III(E) on February 16th, 2015, and therefore, is not required to comply with IND-AS for preparation of financial statements beginning with period on or after April 1st, 2017.

#### 15. Employee Stock Option Plan

There is no employee stock option plan subsisting or continuing as on date.

#### 16. Auditors

#### A. Statutory Auditors

Pursuant to the provisions of Section 139 of the Act, the members at the 26<sup>th</sup> Annual General Meeting appointed M/s A. Bafna & Co, Chartered Accountants (ICAI Firm Registration No. 003660C) as Statutory Auditors of the Company to hold office for a term of 5 (five) consecutive years from the conclusion of 26<sup>th</sup> Annual General Meeting till the conclusion of the 3 I<sup>st</sup> Annual General Meeting of the Company to be held in the year 2028. Accordingly, the Statutory Auditors will hold office until the conclusion of 3 I<sup>st</sup> Annual General Meeting of the Company.

#### Auditor's Report

The Auditor's Report on the financial statements of the Company for the financial year ended March 31, 2025 forms part of the Annual Report. The said report was issued by the Statutory Auditors with an unmodified opinion and does not contain any qualifications, reservations or adverse remarks. During the year under review, the Auditors have not reported any fraud under Section 143(12) of the Act and therefore disclosure of details under Section 134(3)(ca) of the Act is not applicable. The Audit Committee periodically reviews the independence of Auditors through quarterly affirmations, review of non-audit services, internal checks and balances to mitigate conflict of interest, etc.

#### Internal Financial Controls and its Adequacy

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, size and complexity of its business operations. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, compliance with policies, procedures, applicable laws and regulations and that all assets and

resources are acquired economically, used efficiently and adequately protected.

The Audit Committee evaluates the efficiency and adequacy of financial control system in the Company, its compliance with operating systems, accounting procedures, and strives to maintain the standards in Internal Financial Control.

#### B. Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, The Board of Directors of the Company, had appointed M/s Jaspreet Dhawan & Associates, Practicing Company Secretary (CoP No. 8545), as the "Secretarial Auditors" of the Company, to conduct the Secretarial Audit for the Financial Year 2024-25. The Company has received requisite consent and certificate of eligibility from Mr. Jaspreet Singh Dhawan, Practicing Company Secretary, confirming that he is not disqualified from being appointed as the Secretarial Auditor of the Company and he satisfies the prescribed eligibility criteria.

#### Secretarial Audit Report

The Secretarial Audit Report submitted by Mr. Jaspreet Dhawan & Associates, the Secretarial Auditors, for the Financial Year 2024-25 is annexed as "Annexure-A" to this Board's Report. The reply/clarifications to the observations made by Secretarial Auditors is annexed as addendum therewith. Further, during the year under review, the Secretarial Auditor has not reported any fraud under Section 143(12) of the Act and therefore disclosure of details under Section 134(3)(ca) of the Act is not applicable.

#### C. Appointment Of Internal Auditor

Pursuant to the provisions of Section 138 of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, M/S. D J N K & CO. (LLP), was appointed as an Internal Auditor of the Company for the Financial Year 2024-25. The Board has approved the re-appointment of M/S D J N K & CO. (LLP) as the Internal Auditors of the Company for the Financial Year 2025-26. They will conduct the Internal Audit of the Company as required under Section 138 of the Companies Act and their reports shall be reviewed by the Audit committee and the Board of Directors.

## D. Details in respect of frauds reported by auditors under sub-Section (12) of Section 143 of the Companies Act, 2013

During the year under review, there are no frauds reported by the Statutory Auditors of the Company under Section 143 (12) of the Companies Act 2013.

17. Material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and to the date of the report

Pursuant to the provisions of Section 134(3)(I) of the Companies Act, 2013, the Board of Directors states that, following are the material changes and commitments affecting the financial position of the Company up to the date of this report:

#### I. JointVentureAgreement:

On February II, 2025, the Company entered into a Shareholders' Agreement with Frigorifico Allana Private Limited (FAPL) for the formation of a Joint Venture Company. As per the agreement, Chatha Foods Limited will hold 70% equity in the Joint Venture Company, with the remaining 30% to be held by FAPL. This strategic partnership is expected to expand the Company's product offerings and market reach.

### 2. <u>Preferential Allotment of Equity Shares and Issue of Share Warrants:</u>

The members of the Company in the Extra-Ordinary General Meeting held on January 06, 2025 approved issue of equity shares and fully convertible warrants on preferential basis to nonpromoters as well as the persons who are not the shareholders of the company and promoter & promoter group of the company. Pursuant to this preferential issue, the Company allotted issued & allotted 15,85,000 (Fifteen Lakh Eighty-Five Thousand) equity shares of face value ₹10/- each, fully paid-up, for cash consideration, to Non-Promoter Investors on a preferential basis. These shares were allotted at an issue price of ₹127/- per share (including a premium of ₹117/- per share), aggregating to a total consideration of ₹20,12,95,000/- (Rupees Twenty Crore Twelve Lakh Ninety-Five Thousand Only), which were subsequently listed on the BSE on March 25, 2025, through letter reference LOD/PREF/MV/441/2024-2025. The proceeds from this issue are intended to be utilized for business expansion and working capital requirements.

The Company has further issued 1,19,000 (One Lakh Nineteen Thousand) fully convertible warrants ('Warrant(s)') and each warrant is convertible into one equity share of face value of ₹10/-(Rupees Ten Only) each fully paid-up ('Equity Share') of the Company, at any time within 18 (eighteen) months from the date of allotment of the Warrants as per the SEBI ICDR Regulations, at a price (including the warrant Subscription price and the Warrant Exercise Price) of ₹127/- (Rupees One Hundred Twenty-Seven only) per warrant (including premium of ₹117/- per warrant) ('Warrant Issue Price') for cash consideration aggregating to ₹1,51,13,000/- (Rupees One crore Fifty One Lakh and Thirteen Thousand Only) on preferential basis to Promoter and Promoter Group.

### 3. <u>Alteration to Memorandum of Association of the</u> Company:

During the year under review, the Company has made alterations to its **Memorandum of Association (MOA)** in accordance with the provisions of the Companies Act, 2013. The shareholders approved the said alterations by passing a **Special Resolution** at the Annual General Meeting held on **Tuesday, September 24,2024.** 

The key changes are as follows:

- Object Clause: The Object Clause of the Memorandum of Association i.e Clause III was amended to align with the Company's current and future business activities.
- ☐ Liability Clause: The Liability Clause of the Memorandum of Association i.e. Clause IV was amended

to ensure compliance with the requirements of the Companies Act, 2013 and to reflect the nature of liability of members more precisely.

### 4. Shareholder Approvals under Section 180(1)(a) & (c) of the Companies Act, 2013

During the financial year under review, the Company obtained requisite shareholder approvals under Section 180(1)(a) and Section 180(1)(c) of the Companies Act, 2013, through Special Resolutions passed at the Annual General Meeting held on Tuesday, September 24, 2024.

Pursuant to Section 180(1)(c), the shareholders authorized the Board of Directors to borrow funds, from time to time, in excess of the aggregate of the paid-up share capital, free reserves, and securities premium of the Company, subject to a maximum borrowing limit of ₹60 crore (Rupees Sixty Crore) or the aggregate of the paid-up share capital, free reserves, and securities premium of the Company, whichever is higher.

Further, under Section 180(1)(a), the shareholders authorized the Board to create mortgages, charges, hypothecation, or other forms of security on the whole or substantially the whole of the Company's movable and immovable properties—both present and future—in favor of banks, financial institutions, or other lenders for securing borrowings or financial assistance availed/to be availed by the Company, up to ₹60 crore (Rupees Sixty Crore), inclusive of existing borrowings.

These approvals empower the Board to raise and secure funds effectively, ensuring financial flexibility for the Company's operational and strategic initiatives.

#### 18. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future

During the year under review, there is no Significant Order passed by the Regulators or courts or Tribunals impacting the going concern status and Company's operations in future.

#### 19. Deposits

During the year under review, Pursuant to Section 73 and 76 of the Companies Act 2013, read with Companies (Acceptance of Deposits) Rules, 2014 the Company has not accepted any deposits and hence there were no outstanding deposits and no amount remains unclaimed with the Company as on 31st March 2025.

### 20. Particulars of Loans, Guarantees or Investments Under Section 186 of the Companies Act, 2013

Details of the loans, guarantees and investments, as required under Section 186 of the Act, are provided as part of the notes to the financial statements of the Company.

As of the date of this Board Report, Chatha Foods Limited has invested ₹7,00,00,000/- (Rupees Seven Crore only) by subscribing to 70,00,000 (Seventy Lakh) equity shares of ₹10/-each in Allana CF Foods Private Limited (CIN: U56290PB2025PTC064144), JointVenture Company.

### 21. Conservation of energy, technology absorption and foreign exchange earnings and outgo

The information pertaining to conservation of energy, technology absorption, foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure** "B".

### 22. Particulars of contracts or arrangements with related parties

All the related party transactions were conducted in the ordinary course of business and on arm's length basis. There were no materially significant related party transactions that could have a potential conflict with the interests of the Company at large.

The details of related party transactions, as per the applicable Indian Accounting Standards, have been appropriately disclosed in the notes to the standalone financial statements forming part of this Annual Report.

Accordingly, the disclosure of particulars of contracts or arrangements with related parties in Form AOC-2, as required under Section 134(3) of the Companies Act, 2013, is not applicable.

However, in line with the requirements of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, applicable to your Company with effect from April 01, 2025 the Board of Directors of your Company in their meeting held on May 16, 2025 adopted a Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions. The same is available on the website of the Company at <a href="https://www.cfpl.net.in/">https://www.cfpl.net.in/</a>.

The Company at the ensuing Annual General Meeting seeks to obtain, approval of the members of the Company, pursuant to the provisions of Regulation 23(4) of SEBI Listing Regulations, 2015 for approval of transactions material in terms of proviso to regulation 23(1) with Allana CF Foods Private Limited, Subsidiary of the Company.

### 23. Details of application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016

During the year under review, no application or proceeding has been pending under the Insolvency and Bankruptcy Code, 2016.

## 24. Details of difference between valuation amount on one time settlement and valuation while availing loan from bank and financial institutions

During the period under review, there was no instance of onetime settlement of loans/ financial assistance taken from Banks or Financial Institutions, hence the Company was not required to carry out valuation of its assets for the said purpose.

#### 25. Corporate Social Responsibility

The Company remains fully committed to its Corporate Social Responsibility (CSR) and recognizes the importance of contributing towards the betterment of society. In alignment with the guidelines laid down under the Companies Act, 2013, the

Company has adopted a proactive approach in integrating social, environmental, and ethical responsibilities into its business operations.

The Company's vision on CSR is to act as a responsible corporate citizen and make meaningful contributions toward building a healthier and more equitable society. The CSR initiatives of the Company are focused primarily on key areas

such as education, healthcare, environmental sustainability, and other activities as prescribed under Schedule VII of the Companies Act, 2013.

During the financial year under review, the Company incurred CSR expenditure on the initiatives falling within the scope of activities specified in Schedule VII of the Companies Act, 2013.

Following are the CSR expenditure made during the year: -

Particulars	FY 21-22 (In Lacs)	FY 22-23 (In Lacs)	FY 23-24 (In Lacs)	Avg. of 3 Years (In Lacs)
Net Considerable Amount	119.92	364.62	855.87	446.80
PAT	67.24	245.20	616.68	309.71

CSR Amount = Rs. 8,93,670 (2% of 446.80 Lacs, the average net profits for the preceding three years). The detailed report on the CSR is herewith furnished in **Annexure** "C".

## 26. Obligation of Company under the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013

In accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"), the Company has adopted a comprehensive internal policy to prevent and redress incidents of sexual harassment at the workplace.

This policy is applicable to all employees, irrespective of gender, designation, or employment status, and includes provisions for:

- Constitution of an Internal Complaints Committee (ICC) at each office/unit with ten or more employees, as mandated under Section 4 of the Act.
- A clearly defined grievance redressal mechanism, enabling aggrieved women to file complaints directly with the ICC.
- Provision for escalation to the Board of Directors or designated senior management, where appropriate.

Regular awareness and sensitization programs to foster a safe and inclusive work environment.

The Management and Board of Directors together confirm a total number of complaints received and resolved during the year is as follows:

a) No. of Complaints received Nil

b) No. of Complaints disposed

c) No. of cases pending for a period exceeding 90 days Nil

The policy on Prevention of Sexual Harassment as approved by the Board is available on the Company's website viz: <a href="https://www.cfpl.net.in/">https://www.cfpl.net.in/</a>.

#### 27. Particulars of Employees

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, disclosure

pertaining to remuneration and other details are provided in **Annexure-D** which forms part to this Report.

#### 28. Cost Records

During the year under review, the Company is not required to maintain cost records as specified by the Central Government under sub-Section (1) of Section 148 of the Companies Act, 2013.

#### 29. CostAudit

During the year under review, the Company is not required to carry out the CostAudit as specified by the Central Government under sub-Section (2) of Section 148 of the Companies Act, 2013.

#### 30. Management Discussion and Analysis

In terms of Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 read with ScheduleV of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, Management Disclosure and Analysis Report is attached separately which forms part of Annual report.

### 31. Statement of Compliance of Applicable Secretarial Standards

The Company has ensured compliance with the Secretarial Standard I & II with respect to Board Meetings and General Meetings, specified by the Institute of Company Secretaries of India constituted under Section 3 of the Company Secretaries Act, 1980, and as approved by the Central Government under Section 118(10) of the Companies Act, 2013.

### 32. Transfer of Amounts to Investor Education and Protection Fund

During the financial year, the Company had no funds lying unpaid or unclaimed which were required to be transferred to the Investor Education and Protection Fund (IEPF) pursuant to the provisions of the Companies Act, 2013 and the rules made thereunder.

#### 33. Directors' Responsibility Statement

Pursuant to sub-Section (5) of Section 134 of the Companies Act, 2013 and to the best of their knowledge and belief and according to the information and explanations obtained/ received from the operating management, your Directors make the following statement and confirm that:

Nil

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period;
- c) the directors have 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 have prepared the annual accounts on a going concern basis; and
- e) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- f) proper internal financial controls were followed by the Company and such Internal financial controls are adequate and were operating effectively.

#### 34. Annual Return

Pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, a copy of Annual Return is available for inspection by the Members at the Registered office of the Company in the working hours and also on the website of the Company viz; https://www.cfpl.net.in/investor.php

#### 35. SEBI Complaints Redress System (Scores)

The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are centralized database of all complaints; online upload of Action Take Reports\(ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status. Your Company has been registered on **SCORES** and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint. The Company has not received any complaint on the SCORES during financial year 2024-25.

#### 36. Details of the Complaint Received/Solved/Pending During the year

Sr. No.	Complaints received from	Complaints received	Complaints resolved	Complaints pending
I	Directly received from investors	NIL	NIL	NIL
2	SEBI SCORES	NIL	NIL	NIL
3	Stock Exchange	NIL	NIL	NIL
4	Others sources (if any)	NIL	NIL	NIL
	Total	NIL	NIL	NIL

#### 37. Vigil Mechanism

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards the Company encourages the employees to raise their genuine concerns without fear of criticism. Therefore, Company has Vigil Mechanism and has established necessary framework to protect genuine whistle blowers, employees, third parties from any unfair treatment. The Policy provides for adequate safeguards against victimisation of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee. The same is hosted on the website of the Company viz. https://www.cfpl.net.in/.

During the year under review, the status of the concerns or complaints reported stands as follows:-

No. of concerns or complaints outstanding as at April 1,2024 Nil No. of concerns or complaints received during the year Nil

No. of concerns or complaints resolved during the year

No. of concerns or complaints outstanding as at March 31,2025

Nil

Nil

#### 38. Prohibition of Insider Trading:

The Company has adopted Code of Conduct to regulate, Monitor and Report Trading by Designated Persons & Code of Practices and Procedures for fair disclosure of UPSI, in line with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. The Company Secretary is the Compliance Officer for monitoring adherence to the said regulations. The same is hosted on the website of the Company viz. https://www.cfpl.net.in/.

### 39. Statement of Compliance under Maternity BenefitAct, 1961

The Company is in full compliance with the provisions of the Maternity Benefit Act, 1961 and rules made thereunder. The company ensures that all eligible women employees are granted

maternity benefits including paid leave, protection against dismissal during maternity, and a safe working environment as prescribed under the Act.

We further confirm that no woman employee is engaged in tasks that may be harmful during pregnancy, and the company is committed to upholding the rights and welfare of its women employees in accordance with the applicable laws.

#### 40. Acknowledgement

The Board of Directors wishes to place on record its sincere appreciation for the continued support, guidance, and cooperation received from the Central and State Government

authorities, regulatory bodies, and other statutory agencies. The Board also acknowledges with gratitude the support and trust extended by the Company's stakeholders—shareholders, customers, dealers, suppliers, vendors, bankers, business associates, and partners, whose confidence has been integral to the Company's performance and growth during the financial year under review. The Directors further express their deep appreciation for the dedication, commitment, and hard work of all employees across the organization. Their efforts have been crucial in navigating challenges and driving the Company's progress. The Board remains confident of the continued goodwill, support, and partnership of all stakeholders in the years to come.

For and on behalf of CHATHA FOODS LIMITED (Formerly Known as Chatha Foods Private Limited)

Sd/-Gurcharan Singh Gosal Wholetime Director DIN: 01389179 Sd/Paramjit Singh Chatha
Managing Director
DIN: 01154225

Place: Mohali Date: 06.08.2025

#### (ANNEXURE "A")

#### Form MR-3

### SECRETARIAL AUDIT REPORT OF CHATHA FOODS LIMITED For the financial year ended on March 31, 2025

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

To, The Members,

#### **CHATHA FOODS LIMITED**

272, MOTA SINGH NAGAR, Jalandhar City, Jalandhar - I, Punjab, India, I 4400 I

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CHATHA FOODS LIMITED** having **CIN-LI5310PB1997PLC020578** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts, statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31,2025

- complied with the statutory provisions listed hereunder and
- 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 **CHATHA FOODS LIMITED** for the financial year ended on 31st March, 2025 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 Byelaws 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 Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.,
  - (a) The Securities and Exchange Board of India

- (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (The provisions of the said regulations are not applicable to the Listed Entity during the review period).
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (The provisions of the said regulations are not applicable to the Listed Entity during the review period).
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (The provisions of the said regulations are not applicable to the Listed Entity during the review period).
- (h) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; (The provisions of the said regulations are not applicable to the Listed Entity during the review period).
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (k) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003;

- (vi) We relied on the representations made by the Company and its officers in respect of systems and mechanism formed/followed by the Company for the compliance of the following laws applicable specifically to the Company:
  - I. Food Safety and Standards Act, 2006
  - 2. Food Safety and Standards Rules, 2011
  - 3. The Food Safety and Standards (Packaging and Labelling) Regulations, 2011.
- (vii) We have also examined compliance with the applicable clauses of the following:
  - (i) Secretarial Standards with regard to Meetings of Board of Directors (SS-I) and General Meetings (SS2) issued by The Institute of Company Secretaries of India;(ii) The Listing Agreement(s) entered into by the Company with BSE Limited,

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

- I. In terms of SEBI (Prohibition of Insider Trading)
  Regulations, 2015, it was observed that:-
- (a) there has been delay in Closure of Trading Window under Clause 4 of Schedule B read with Regulation 9 for the half year & year ended March 31, 2024 pertaining to declaration of the Financial Results.
- (b) a designated person executed a contra trade in violation of Clause 10 of Schedule B of SEBI (PIT) Regulations, 2015.
- 2. In terms of Chapter V of Preferential Issue of SEBI (Issue of Capital and Disclosure Requirements)
  Regulations, 2018 –
- (a) Pursuant to Regulation 167(6), the entire pre-preferential allotment shareholding of the allottees must be locked-in from the relevant date i.e., December 07, 2024. However, the same were locked in w.e.f., December 28, 2024.
- (b) Pursuant to Regulation 160(f), the Company was required file the Application for obtaining In-Principle Approval with Stock Exchange on the same day when the notice has been sent in respect of the general meeting seeking shareholders' approval by way of special resolution i.e., December 15, 2024 but the same was filed on December 24, 2024. Therefore, a delay of 9 days has been observed.
- 3. In terms of Regulation 31(4) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, there has been delay in submission of Disclosure of encumbered shares by the promoters of the Company for the financial year ended on March 31,2024.

#### We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and
- a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

We further report that that during the audit period following event occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

### a) Entered into Shareholders Agreement with Frigorifico Allana Private Limited –

On February 11,2025, the Company entered into a Shareholders Agreement with Frigorifico Allana Private Limited with the primary objective of incorporation of a Joint Venture Company and managing and operating the Joint Venture Company thereof. Pursuant to this, On April 08, 2025 a Joint Venture Company was incorporated in the name of Allana CF Foods Private Limited. The Company holds 70% equity shares in the Joint Venture Company and the remaining 30 % equity shares are held by Frigorifico Allana Private Limited.

### b) Preferential Allotment of Equity Shares and Issue of Share Warrants –

On March 25, 2025, the Company has listed on BSE Limited, its 15,85,000 (Fifteen Lakh Eighty-Five Thousand) equity shares of face value ₹10/- each, fully paid -up, issued and allotted pursuant to Preferential Allotment to non-promoters as well as the persons who are not the shareholders of the company.

The Company has further issued 1,19,000 (One Lakh Nineteen Thousand) fully convertible warrants ('Warrant(s)') and each warrant is convertible into one equity share of face value of ₹10/-(Rupees Ten Only) each fully paid-up ('Equity Share') of the Company, at any time within 18 (eighteen) months from the date

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of allotment of the Warrants at a price (including the warrant Subscription price and the Warrant Exercise Price) of ₹127/- (Rupees One Hundred Twenty-Seven only) per warrant (including premium of ₹117/- per warrant) ('Warrant Issue Price') for cash consideration aggregating to ₹1,51,13,000/- (Rupees One crore Fifty One Lakh and Thirteen Thousand Only) on preferential basis to Promoter and Promoter Group.

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

For Jaspreet Dhawan & Associates
Company Secretaries

Sd/-Jaspreet Singh Dhawan M. No. 9372 CP. NO: 8545

PR No. 1335/2021

(UDIN: F009372G000917697)

Date: 06/08/2025 Place: Mohali

#### 'Annexure-A'

To,
The Members.

#### **CHATHA FOODS LIMITED**

272, MOTA SINGH NAGAR, Jalandhar City, Jalandhar - I, Punjab, India, 144001

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

- 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 my audit.
- We have followed the audit practices and process 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 process and practices, We followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events, etc.
- 5. Compliance with 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 compliance by the Company of the applicable financial laws like direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed by us since the same have been subject to the review by statutory auditors and other professionals.
- 7. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices;
- 8. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Jaspreet Dhawan & Associates
Company Secretaries

Sd/-Jaspreet Singh Dhawan M. No. 9372 CP. NO: 8545 PR No. 1335/2021

(UDIN: F009372G000917697)

Date: 06/08/2025 Place: Mohali

# ADDENDUM TO SECRETARIAL AUDIT REPORT OF CHATHA FOODS LIMITED FOR THE YEAR ENDED MARCH 31, 2025 ADDRESSING THE OBSERVATIONS MADE BY THE SECRETARIAL AUDITOR THE REUNDER

THIS ADDENDUM IS BEING ISSUED TO PROVIDE MANAGEMENT'S CLARIFICATION AND RESPONSE TO THE OBSERVATIONS MADE BY THE SECRETARIAL AUDITOR IN THEIR REPORT, AND TO OUTLINE CORRECTIVE ACTIONSTAKEN OR PROPOSED TO BETAKEN

Ref No.	SECRETARIAL AUDITOR'S OBSERVATIONS	COMPANY'S REPLY
I. (a)	In terms of SEBI (Prohibition of Insider Trading) Regulations, 2015, it was observed that:- there has been delay in Closure of Trading Window under Clause 4 of Schedule B read with Regulation 9 for the half year & year ended March 31, 2024 pertaining to declaration of the Financial Results.	The Company got listed on March 27, 2024. It acknowledges the delay in the closure of the Trading Window for the quarter ended March 31, 2024, and has since taken steps to strengthen its internal compliance mechanisms. Process improvements have been initiated to ensure timely adherence to regulatory requirements in the future.
I (b)	a Designated Person executed a contra trade in violation of Clause 10 of Schedule B of SEBI (PIT) Regulations, 2015.	The aforesaid trade was executed inadvertently by the Designated Person due to a lack of awareness regarding the contra trade restrictions under the Company's Code of Conduct for the Prevention of Insider Trading. The Designated Person was not in possession of any Unpublished Price Sensitive Information (UPSI) at the time of the transaction, and the trade occurred outside the Trading Window closure period.
		The following remedial actions have been taken:
		The profit earned from the contra trade was remitted to the Investor Protection and Education Fund (IPEF) administered by SEBI, in accordance with applicable regulations.
		2. The violation was reported to the stock exchanges in the prescribed format, as per SEBI Circular dated July 23, 2020.
		3. A warning letter was issued to the concerned Designated Person.
2(a)	In terms of Chapter V of Preferential Issue of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 – Pursuant to Regulation 167(6), the entire pre-preferential allotment shareholding of the allottees must be locked-in from the relevant date i.e., December 07, 2024. However, the same were locked in w.e.f., December 28, 2024.	The lock-in of the pre-preferential allotment shareholding of the allottees was inadvertently effected from December 28, 2024, instead of the relevant date of December 07, 2024, as prescribed under the Regulations. This oversight occurred due to an unintentional administrative lapse.
2 (b)	In terms of Chapter V of Preferential Issue of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 — Pursuant to Regulation I60(f), the Company was required file the Application for obtaining In-Principle Approval with Stock Exchange on the same day when the notice has been sent in respect of the general meeting seeking shareholders' approval by way of special resolution i.e., December 15, 2024 but the same was filed on December 24, 2024. Therefore, a delay of 9 days has been observed.	The application for obtaining In-Principle Approval was filed with the Stock Exchange on December 24, 2024, instead of December 15, 2024, which was the date of dispatch of the notice of the general meeting seeking shareholders' approval. The delay of 9 days was inadvertent and occurred due to internal procedural oversight during the timeline management of the preferential issue process.

3.

In terms of Regulation 31(4) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, there has been delay in submission of Disclosure of encumbered shares by the promoters of the Company for the financial year ended on March 31, 2024. The delay in submission was inadvertent and occurred due to an oversight in tracking the regulatory timeline. Upon identification of the delay, the disclosure was promptly filed by the promoters. The Company has sensitized the promoters and their representatives regarding the disclosure requirements and has advised them to ensure timely compliance going forward.

#### (ANNEXURE "B")

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Pai	rticulars	Remarks
A) >	CONSERVATION OF ENERGY: the steps taken or impact on conservation of energy;	Your Company is taking due care when using electricity in the office and its units.
>	the steps taken by the company for utilizing alternate sources of energy;	Your Company continues to take due care to ensure the optimum utilization of energy across its operations. Various
>	the Capital investment on energy conservation equipment's.	initiatives have been undertaken to monitor and reduce energy consumption, promote energy efficiency, and adopt sustainable practices wherever feasible. No capital investment on energy conservation equipment made during the financial year.
В)	TECHNOLOGYABSORPTION:	The products of your company are developed using internal
>	the efforts made towards technology absorption;	know-how; no outside technology is used for operational tasks.  As a result, technological immersion is not necessary. This
>	the benefits derived like product improvement, cost reduction, product development or import substitution; in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	strategy ensures that all products are developed in accordance with our specific standards and gives your company total control over the production process. By continuously innovating and adapting to shifting customer demands, your Company can
	(a) the details of technology imported;	maintain a competitive edge in the market by relying on internal
	(b) the year of import;	know-how.
	(c) whether the technology been fully absorbed;	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; Not applicable since 5 years period is over	
>	the expenditure incurred on Research and Development	Your Company has not incurred any expenditure on Research and Development for the Financial year 2024-25
(c) >	FOREIGN EXCHANGE EARNINGSAND OUTGO: The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows	Foreign Exchange Earnings (In Lakhs): For FY 2024-25: NIL For FY 2023-24: NIL Foreign Exchange Outgo (In Lakhs): For FY 2024-25: NIL For FY 2023-24: NIL

For and on behalf of CHATHA FOODS LIMITED (Formerly Known as Chatha Foods Private Limited)

Date: 06.08.2025 Place: Mohali Sd/-Gurcharan Singh Gosal (Wholetime Director) DIN: 01389179 Sd/Paramjit Singh Chatha
(Managing Director)
DIN: 01154225

#### (ANNEXURE "C")

#### I. Brief outline on CSR Policy of the Company.

Pursuant to Section 135 of the Companies Act, 2013 and Rules framed thereunder, the Company has formulated a Corporate Social Responsibility (CSR) Policy. The CSR Policy relates to the activities to be undertaken by the Company as specified in Schedule VII of the Act and the expenditure thereon and focuses on Eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects, programs relating to water conservation and maintaining quality of soil, air and water.

#### 2. Composition of CSR Committee:

As per section 135(9) read with "CSR Rules", the requirement

for constitution of the Corporate Social Responsibility Committee is not be applicable and the functions of such Committee is discharged by the Board of Directors of the company.

- 3. Provide the web-link(s) where the CSR Policy are disclosed on the website of the company: https://www.cfpl.net.in/
- 4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.: **Not applicable**
- 5. (a) Average net profit of the company as per section 135(5).

Year	Profit / Loss (-) (Amount in Lakhs.)
2021-2022	119.92
2022-2023	364.62
2023-2024	855.87
Total	1340.41
Average Net Profits	446.80

- (b). Two percent of average net profit of the company as per section I 35(5):Rs.8,93,670.00
- (c). Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- (d). Amount required to be set off for the financial year, if any:
- (e). Total CSR obligation for the financial year (b + c d).: **Rs. 8,93,670.00**
- **6.** (a) Amount spent on CSR Projects (both Ongoing Project and other than ongoing Projects): NIL
  - (b) Amount spent in Administrative Overheads: NIL
  - (c) Amount spent on Impact Assessment, if applicable: NIL
  - (d) Total amount spent for the Financial Year (a+b+c): NIL
  - (e) CSR amount spent or unspent for the Financial Year:

#### Amount Unspent (in Rs.)

Total Amount Spent for the Financial Year (in Rs.)		Total Amount trail Unspent CSR Acc section (6) of sect	ount as per sub-	Amount transferred to any fund specified under Schedule VII as persection (5) section 135.	
8,93,670.00	Amount	Date of Transfer	Name of the fund	Amount	Date of Transfer
	Nil	NA	PM CARES FUND	8,93,670.00	29-03-2025

(e) Excess amount for set off, if any

S. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	8,93,670.00
(ii)	Total amount spent for the Financial Year	8,93,670.00
(iii)	Excess amount spent for the financial year [(ii)-(l)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years[(iii)-(iv)]	Nil

I. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under sub- section (6) of section I35 (in Rs.)	Amount Spent in the Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(5), if any.		Amount remaining to be spent in succeeding financial years. (in Rs.)	Deficiency, if any
					Amount (in Rs).	Date of transfer.		
Nil	Nil	Nil	Nil	8,93,670.00	8,93,670.00	29-03-2025	Nil	Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No** 

If Yes, enter the number of Capital assets created/acquired:

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

SI. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registere d Address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries).

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135.**NA** 

For and on Behalf of the Board of Directors
Chatha Foods Limited

Sd/-Gurcharan Singh Gosal (Wholetime Director) DIN: 01389179 Sd/-Paramjit Singh Chatha (Managing Director) DIN: 01154225

Date: 06/08/2025 Place: Mohali

#### (ANNEXURE "D")

#### **EMPLOYEES DETAILS**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) & 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are mentioned below:

### (A) Information as per Rule 5(I) of the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014

I. Remuneration of each Director and Key Managerial Personnel (KMP) along with particulars of increase in remuneration during the financial year, Ratio of remuneration of Directors to the Median Remuneration of employees.

S. No.	Name of Director/ Key Managerial Personnel	Designation	Remuneration (INR) 2024-2025	Remuneration (INR) 2023-24	% Increase in Remuneration in the year 2024-25	Ratio of Remuneration of each Director to Median remuneration of employee
1.	Paramjit Singh Chatha	Managing Director	60,00,000	60,00,000	0%	37.47
2.	Gurpreet Chatha	Whole-time director	14,40,000	14,40,000	0%	8.99
3.	Gurcharan Singh Gosal	Whole-time director	9,66,600	9,66,600	0%	6.03
4.	Vishal Singh Sirmauria	Chief Financial Officer	13,23,000	9,00,000	47.00%	8.26
5.	Priyanka Oberoi	Company Secretary and Compliance Officer	11,43,000	4,90,000	47.00%	7.13

#### Note:

- i. The median remuneration of the Company for its employees is INR 30,371 per month for the financial year 2024-25. The remuneration of employees exclusive of workers is taken into consideration for the purpose of determining the median remuneration of the Company.
- ii. The Percentage increase in median remuneration of employees in the FinancialYear: 14.60 %
- iii. Number of permanent employees on the roll of the Company: 440 (inclusive of 330 workers) (As on March 31, 2025).
- iv. Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year 2024-25 was 10.01% whereas the increase in the remuneration of managerial personnel was 10.98%. The annual increment in remuneration is as per the terms of appointment and is in conformity with the remuneration policy of the Company.
- v. We, hereby affirm that pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the remuneration paid to the Directors, Key Managerial Personnel is as per the remuneration policy of the Company.

S. NO.	Name of Employee	Designation	Salary (per month) (In Rs.)	Nature of Employment	Qualification	Age	Experience (in years)	Date of joining	Last Employment	Relative of any director/ manager
I.	Paramjit Singh Chatha	Managing Director	5,00,000	Permanent	Higher Secondary	55	28	8/10/1997	-	No
2.	Kulbeer Walia	Chief Accounts Officer	2,15,250	Permanent	B. Com, CA Inter	58	27	01/04/1998	-	No
3.	June Odelia Swer	Plant & Quality Head	2,15,000	Permanent	MSC Food Tech	48	20	13/05/2006	M/S. Mansan Fruit Products	No
4.	Prashant Verma	National Sales Head	1,99,304	Permanent	MBA Marketing	48	24	03/07/2015	M/S Zydus Wellness Ltd	No
5.	Sandeep Bhardwaj	General Manager	1,90,000	Permanent	Graduate	54	32	17/05/2004	M/S Renaissance Distilleries & Breweries Ltd.	No
6.	Roohi Puri	General Manager-Sales and Marketing	1,86,278	Permanent	Diploma in Electronics and Communication Engineering	47	29	15/01/2020	M/S Trivitron Healthcare Pvt Ltd	No
7.	Bhim Gurung	Employee	1,68,000	Permanent	M.Com	52	28	11/04/2023	M/S Dass Food & Beverages Pvt Ltd	No
8.	Harish Chandra Sahu	Quality Assurance Head	1,65,000	Permanent	M.Sc, PG Diploma	41	17	16/08/2024	M/S Mortan Foods Ltd	No
9.	Gurpreet Chatha	Whole time Director	1,20,000	Permanent	Higher Secondary	45	21	30/08/2004	-	No
10.	Vishal Singh Sirmauria	Chief Financial Officer	1,10,000	Permanent	B. Com, CMA	33	9	01/06/2019	-	No

#### MANAGEMENT DISCUSSION AND ANALYSIS

### GLOBAL OUTLOOK: STABILITY AMID STRUCTURALSHIFTS

The global economy in 2025 is charting a cautious yet resilient course, with GDP growth projected at 3.3%, broadly steady compared to the previous year. However, this headline stability masks divergent regional performances. The United States continues its upward momentum, buoyed by tech-driven investment and robust consumer demand, while the Eurozone edges toward recovery following energy price moderation and fiscal recalibration. Meanwhile, China presents a mixed picture—strong in manufacturing and exports but uneven in retail and housing.

Trade policy disruptions and **monetary divergence** remain central themes. The escalation of tariffs, notably by the US, is forcing a rethink of global supply chains and export dynamics. Inflation, while easing globally to an estimated **4.2%**, is stubbornly elevated in food and housing across developing economies. Geopolitical tensions—from Middle East conflicts to strategic competition among major powers—are adding layers of uncertainty to investor sentiment.

Across sectors, Al adoption has emerged as a pivotal investment priority, reshaping strategic planning in technology, financial services, and logistics. Energy markets continue to display firm demand, with OPEC forecasting stable throughput driven by summer travel and industrial momentum.

#### INDIA: A BEACON OF ECONOMIC RESILIENCE

India continues to stand out as a global growth leader, with FY2025–26 GDP growth revised to **6.3**%, underpinned by strong household balance sheets, robust public capital investment, and favorable macroeconomic conditions. Private consumption has gained momentum, buoyed by rising real incomes, tax relief, and steady food inflation.

The fiscal consolidation path appears credible, with the deficit targeted to narrow from **4.8**% **to 4.4**% **of GDP.** On the monetary front, the Reserve Bank of India has initiated rate cuts totaling **50 basis points**, signaling confidence in inflation containment and broader economic stability.

Key sectors such as manufacturing and exports have shown notable strength. Defence exports, in particular, have tripled, signaling a maturing industrial base and growing international trust. The labour market is gradually formalizing, with improving participation rates—especially among women—and ongoing reforms in social security and employment codes.

### INDUSTRY OVERVIEW — FROZEN READY-TO-EAT (RTE) FOOD SEGMENT

The frozen RTE food segment has emerged as a dynamic component of India's processed foods industry, reflecting broader consumer and infrastructure shifts. The sector's trajectory is underpinned by evolving lifestyles, growing urbanization, and increasing preference for convenience without compromising nutritional standards.

#### GLOBAL PERSPECTIVE

Globally, the frozen RTE market is projected to reach USD 130 billion by 2030, advancing at a CAGR of 6.8%–7.2%. Growth is driven by cold chain modernization, dietary evolution, and innovation in plant-based and clean-label alternatives. Europe retains the largest market share, while the Asia-Pacific region continues to deliver the fastest growth.

#### INDIAN CONTEXT

In India, the RTE segment is expanding rapidly, with market size estimated at USD 1.10 billion in FY2024, expected to reach USD 3.41 billion by FY2032, growing at a CAGR of 16.4%. Key drivers include expanding e-commerce ecosystems, increasing female workforce participation, and proliferation of smart storage logistics. Tier II and III cities are witnessing rapid adoption, enhancing national penetration beyond urban enclaves.

SWOT Analysis - Frozen Ready-to-Eat (RTE) Food Segment					
Strengths	Weaknesses				
Strong domestic and export demand, aligned with evolving lifestyle trends     Product innovation in millet-based, regional, and clean-label offerings     Growing acceptance across demographics, working professionals, millennials, families	High dependency on cold chain logistics, with regional infrastructure gaps     Limited consumer awareness beyond Tier-I cities     SKU shelf-life challenges vs. fresh food perceptions				
Opportunities	Threats				
Expansion into air-fryer and health-oriented RTE formats     Tier 2 & Tier 3 market penetration via e-commerce and D2C channels     Strategic export partnerships in diaspora-heavy markets (US, UAE, UK)     Brand positioning around sustainability and traceability	Volatility in input costs (cold chain fuel, packaging materials)     Stringent FSSAI norms and potential regulatory disruption     Competition from global and domestic players with deeper distribution networks     Growing consumer scrutiny of additives and labelling claims				

#### **SWOTANALYSIS**

The Frozen Ready-to-Eat (RTE) segment continues to demonstrate high-growth potential, underpinned by evolving consumer preferences, innovation in regional and nutrition-rich offerings, and strong export momentum. While operational dependence on cold chain infrastructure and input cost volatility remain key challenges, strategic penetration into Tier 2/3 markets, digital-first distribution models, and policy-backed incentives—particularly for millet-based formats—offer compelling upside. Management remains focused on balancing product innovation with compliance excellence and positioning the segment as a driver of sustainable, non-linear growth.

#### STRATEGIC OUTLOOK

CFL stands at an inflection point in its growth journey, anchored by its commitment to delivering globally inspired, hygienically prepared food products to the domestic and international markets. Building on its BRC, FSSC 22000, HACCP, and ISO-certified operations, the company is strategically expanding its capacity through the commissioning of a dedicated 16,000 MT vegetarian facility. The recent joint venture with Frigorifico Allana

marks a significant milestone in CFL's diversification into meat-based RTE/RTC formats, enhancing its capabilities in product innovation and export readiness. As consumer demand continues to favor convenience-led, culturally relevant offerings, CFL's integrated B2B model—serving leading QSRs, CDRs, cafés, and institutional partners—positions the company for scalable, stakeholder-driven growth across domestic and global foodservice ecosystems.

#### **PRODUCT-WISE PERFORMANCE**

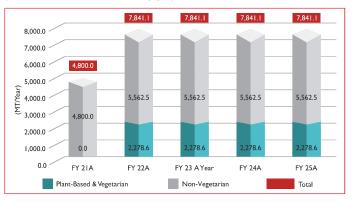


During the year, the Company advanced multiple product-led initiatives aligned with its strategic objectives. It deepened its innovation focus for Quick Service Restaurant (QSR) partners, developing scalable solutions tailored to evolving industry formats. Notably, it introduced bake-friendly fried products that enabled operational flexibility while enhancing consumer experience. The clean-label portfolio was further strengthened to meet growing market demand for ingredient transparency and responsible formulation. Complementing these efforts, pan-India rollouts were successfully commercialized, affirming the Company's execution capabilities and reinforcing its commitment to nationwide reach.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has established robust internal control systems commensurate with the size and nature of its operations. These systems are designed to ensure the orderly and efficient conduct of business, safeguard assets, prevent and detect frauds and errors, maintain the accuracy and completeness of accounting records, and facilitate the timely preparation of reliable financial information. Periodic reviews, both internal and external, affirm the adequacy and effectiveness of these controls. The Audit Committee and the Board are regularly apprised of key findings, ensuring continuous oversight and timely corrective actions where necessary.

Production Capacity by Product Category (Based on 2 shifts of 8 hours each & 365 days/year)

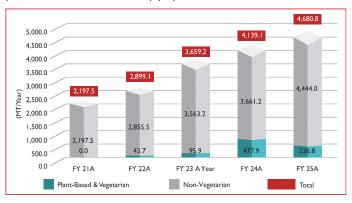


### OPERATIONAL DRIVERS OF FINANCIAL PERFORMANCE

 Capacity, Production & Utilization Trends (FY24 vs FY25):

During FY25, Chatha Foods maintained its installed production capacity at 7,841.1 metric tonnes (MT) per annum, unchanged from FY24. This comprised 5,562.5 MT of non-vegetarian capacity and 2,278.6 MT for plant-based and vegetarian products. Production volumes increased from 4,139.1 MT in FY24 to 4,680.8 MT in FY25, driven primarily by increase in wallet share from the existing customers and introduction of new products in non-vegetarian segment.

Capacity Utilization by Product Category (Based on 2 shifts of 8 hours each & 365 days/year)



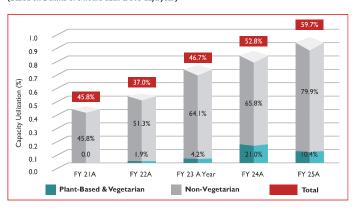
Non-vegetarian output rose by 21% year-on-year to 4,444 MT, primarily driven by increased wallet share from existing customers and new product launches, highlighting strong engagement with QSR partners and efficient supply chain utilization.

Conversely, vegetarian production volumes declined to 236.8 MT from 477.9 MT in FY24, reflecting our current strategic pause on this segment pending the commissioning of our dedicated vegetarian unit, post which new client onboarding will commence.

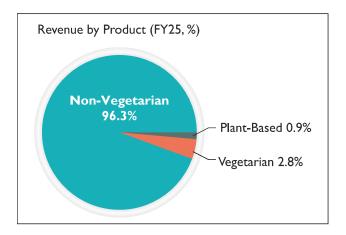
Overall capacity utilization improved from 52.8% to 59.7%, with non-vegetarian lines achieving a notable rise from 65.8% to 79.9%.

Management Commentary: FY25 marked a strong step-up in production performance, with total output rising I3%YoY to

Capacity Utilization (%)
(Based on 2 shifts of 8 hours each & 365 days/year)

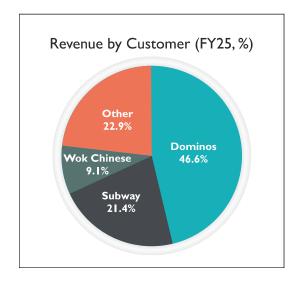


4,680.8 MT. Non-vegetarian volumes led growth, expanding 21% on the back of increased wallet share and successful new product introductions across QSR channels — boosting line utilization to 79.9%. Vegetarian output declined due to a strategic pause ahead of capacity expansion; client onboarding to resume post commissioning of the dedicated unit in FY26. The plant-based category remained muted due to negligible market demand, and resource deployment was minimal. Overall utilization improved to 59.7%, reflecting operational efficiency gains and stronger product-market alignment.



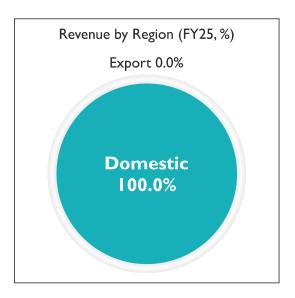
#### Revenue Mix – Product, Customer, and Region

Total revenue from operations grew 17% year-on-year to  $\[ \]$  15,716.6 lakhs in FY25, driven primarily by strong performance in non-vegetarian categories. Non-vegetarian products contributed  $\[ \]$  15,138.9 lakhs (96.3%), up 26% over FY24, supported by volume growth and higher realization rates ( $\[ \]$  341/kg vs  $\[ \]$  329/kg in FY24).



Revenue from vegetarian products declined to ₹438.6 lakhs, down from ₹977.3 lakhs in FY24, reflecting planned scale-down ahead of unit expansion. Plant-based revenue also dropped to ₹139.1 lakhs, from ₹340.0 lakhs, due to limited demand and reduced commercial focus. Realization in the combined veg and plant-based category fell to ₹244/kg.

Jubilant FoodWorks continued to lead the customer mix with ₹7,329.4 lakhs in revenue, contributing 47% of the total. Notably, Lenexis FoodWorks (Chinese Wok) and Impel Pro Solutions (Taco Bell) scaled significantly, posting ₹1,434.4 lakhs and ₹1,238.1 lakhs respectively. Other accounts such as Burger Singh and Coffee Day Global demonstrated resilient growth, while



early-stage alt-protein clients like Blue Tribe and Shaka Harry saw reduced traction, reflecting broader market challenges.

All revenue in FY25 was generated from domestic operations. Export sales are expected to commence post commissioning of new facility.

#### **Management Commentary:**

The revenue mix in FY25 reflects our core operational strength in non-vegetarian lines and deep integration with leading QSR partners. Growth in newer accounts like Taco Bell and Wok Chinese signals successful client diversification. Plant-based and vegetarian segments saw muted contributions, in line with strategic realignment. Looking ahead, we aim to enhance product diversity and geographic reach, with export-readiness and facility-led expansion slated to accelerate from FY26 onward.

FINANCIAL RATIO VARIATIONS							
Ratio	As on March 31, 2025	As on March 31, 2024	% Change				
Current Ratio	2.44	2.60	-6.10%				
Debt-equity ratio	0.14	0.14	1.58%				
Debt service coverage ratio	4.77	9.50	-49.78%				
Return on equity ratio	7.45	15.51	-51.98%				
Inventory turnover ratio	12.33	12.78	-3.52%				
Trade receivables turnover ratio	9.22	12.82	-28.05%				
Trade payables turnover ratio	10.94	9.13	19.84%				
Net Capital Turnover Ratio	4.58	4.18	9.59%				
Net Profit Ratio	3.86	4.61	-16.32%				
Return on capital employed	10.12	14.30	-29.27%				

The notable variations exceeding 25% in key financial ratios are indicative of structural and strategic shifts within the company. The decline in the Debt Service Coverage Ratio is attributable to an increase in short-term debt repayments availed to support expanded working capital requirements, following business growth and onboarding of new clients. The ratio is still healthy. Similarly, the Return on Equity has dropped significantly by 36.32%, primarily due to the issuance of fresh equity share capital deployed for a new plant that is yet to commence operations—temporarily diluting returns. A fall in the Trade Receivable Ratio can be attributed to the onboarding of new clients and extended credit periods, leading to a buildup of receivables. Additionally, the decline in Return on Capital Employed results from an expanded equity base related to the same new plant, whose commercial activity has not begun. These changes collectively reflect transitional investments and operational expansions that may bear fruit in future periods but have temporarily impacted efficiency metrics

### HUMAN RESOURCES AND INDUSTRIAL RELATIONS

During the financial year, the Company reaffirmed its dedication

to nurturing a resilient, agile, and performance-oriented workforce. As of March 31, 2025, the total employee strength reached **440**, driven by both organic growth and targeted hiring across key business verticals.

In line with its strategic priorities, the Company launched several capability-building initiatives, with a strong emphasis on leadership development, digital upskilling, and crossfunctional agility. These programs aim to future-proof the workforce and foster a culture of continuous learning and innovation.

Industrial relations remained **cordial and cooperative**, supported by robust engagement channels and proactive dialogue with workforce representatives. The Company's approach focused on transparency, mutual respect, and timely resolution of operational concerns.

Furthering its position as an **employer of choice**, the Company broadened its wellness portfolio, offering holistic support for employees' mental and physical health. Expansion of **hybrid work arrangements** provided greater flexibility and work-life balance, contributing to improved employee satisfaction and retention.

#### Independent Auditor's Report

To
The Board of Directors,
Chatha Foods Limited
(Formerly known as Chatha Foods Private Limited)

#### Report on the Audit of the Financial Statements

We have audited the standalone financial statements of **Chatha Foods Limited** (Formerly known as Chatha Foods Private Limited) ("the Company"), which comprise the balance sheet as at March 31, 2025, the statement of profit and loss, statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the material accounting policies and other explanatory information.

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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31,2025, its profit and its cash flows for the year ended on that date.

#### **Basis of Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our 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.

S.no	Key Audit Matter	Auditor's Response
I.	Revenue Recognition:	
	Revenue is one of the key profit drivers. Cut-off is the key assertion insofar as revenue recognition is concerned, since an inappropriate cut-off can result in material misstatement of results for the year.	Our audit procedures with regard to revenue recognition included testing controls, around dispatches / deliveries, inventory reconciliations and substantive testing for cut-offs and analytical review procedures.

### Information other than the financial statements and Auditor's Report thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this audit report.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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, since these reports are expected to be made available to us after the date of this audit report hence currently, we have nothing to report in this regard.

#### Management's Responsibilities for the Standalone Financial Results

The Company's Board of Directors are 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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 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 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements 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.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- 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 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 financial statements, including the disclosures, and whether the 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 company to express an opinion on the statement.

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.

#### 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 section 143(11) of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- Further to our comments in Annexure I, as required by section I43(3) of the Act, based on our audit, we report, to the extent applicable, that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
- 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 financial statements dealt with by this report are in agreement with the books of account;
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021;
- e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 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 with reference to financial statements of the Company as on 31 March 2025 and operating effectiveness of such controls, refer to our separate report in Annexure II wherein we have expressed unmodified opinion; and
- 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 II 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:
  - The company has disclosed the impact of pending litigation on its financial position in its financial statements – Refer Note No. 36 to the financial statements.
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 3 I March 2025:
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31st March 2025:
  - The management has represented that, to the best of its knowledge and belief, as disclosed in Note No.37(a) to the financial statements, no funds have

been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person or entity, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- ii. The management has represented that, to the best of its knowledge and belief, as disclosed in Note No.37(a) to the financial statements, no funds have been received by the Company from any person or entity, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- iii. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.
- I. Based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with & the audit trail has been preserved by the company as per the statutory requirements.

For A Bafna & Co.

**Chartered Accountants FRN:** 003660C

Sd/-(Vivek Gupta) Partner M.No. 400543

UDIN:- 25400543BMLIGG4738

Place: Mohali Date: 16<sup>th</sup> May 2025

#### ANNEXURE ITO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Paragraph I under' Report on other legal and regulatory requirement' section of our report to the members of Chatha Foods Limited of even date for the year ended 31st March 2025.

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- I. In respect of the Company's Property, Plant and Equipment, and Intangible Assets:
  - a) (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
     (ii) The Company has maintained proper records showing full particulars of Intangible assets.
  - b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets every year. Pursuant to the program, Property, Plant and Equipment were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that the title of all the immovable properties (Other than properties where the company is a lessee & the lease agreement is dully executed in favour of the lessee) disclosed in the Note I3 to the financial statements are held in the name of the company as at the balance sheet date.
  - d) The Company has not revalued its Property, Plant and Equipment and Intangible assets during the year.
  - e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.
- 2. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency together with coverage & procedure of verification are reasonable, further the management has not found discrepancies of more than 10% or more in the aggregate for each class of inventory.
  - (b) The Company has been sanctioned working capital limits in excess of Rs. 500 Lakhs, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets, we have broadly reviewed the quarterly returns / statement filed by the company with such bank and

- the books of accounts of the company and no material discrepancies were observed.
- 3. The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties during the year. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- 4. The Company has not entered into any transaction covered under sections 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- 5. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- 6. The maintenance of cost records has not been specified by the Central Government under sub-section (I) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- 7. In respect of statutory dues:
  - (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities by the Company, though there have been slight delays in a few cases. Further, no undisputed amounts payable in respect thereof 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 statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute except

Name of Statute	Nature of Dues	Period to which amount related	Forum where Dispute is pending	Amount (Rs. In lakhs)
Income Tax Act, 1956	TDS	AY 2024-25 AY 2025-26	Traces	1.36

- According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.
- 9. a) According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any financial institution or banks or lender.
  - b) According to the records of the company examined by us and as per the information and explanations given to us, The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
  - c) In our opinion and according to the information and explanations given to us, money raised by way of term loans were applied for the purposes for which these were obtained.
  - d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilized for long term purposes.
  - e) According to the information and explanations given to us, the Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) and clause 3(ix)(f) of the Order is not applicable to the Company.
- 10. a) In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of initial public offer in March 2024 for which they were raised and unutilized amount has been parked in Fixed Deposit with bank. The Company did not raise any money by way of further public offer (including debt instruments) during the year.
  - b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made preferential allotment of Equity shares to nonpromoters and fully convertible warrants to Promoter and Promoter Group during the year and the requirement as specified under section 42 and section 62 of the Companies Act 2013 have been complied. The Company has utilized the money for

- the purpose for which it was raised and unutilized amount has been parked in the fixed deposits with bank.
- a) A To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.
  - b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under subsection 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.
  - c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistleblower complaints received by the Company during the year.
- The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- 13. In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements etc., as required under Accounting Standard (AS) 18, Related Party Disclosures specified in Companies (Accounting Standards) Rules, 2021 as prescribed under section 133 of the Act.
- 14. i) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
  - ii) We have considered the internal audit reports of the company issued till date, for the period under audit.
- 15. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.
- 16. The Company is not required to be registered under

- section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.
- 17. The Company has not incurred any cash losses in the current as well as the immediately preceding financial year.
- 18. There has been no resignation of the statutory auditors of the Company during the year.
- 19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the plans of the Board of Directors and management 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.
- 20. The According to the information and explanations given to us and based on our examination of the records of the company, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII to the companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.
  - In our opinion, there are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.
- 21. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For A Bafna& Co.
Chartered Accountants
FRN: 003660C

Sd/-(Vivek Gupta) Partner M.No. 400543

UDIN:- 25400543BMLIGG4738

Place: Mohali

Date: 16th May 2025

#### ANNEXURE II TO THE INDEPENDENT AUDITORS' REPORT

Report on the Internal Financial Controls with reference to Standalone Financials Statements under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting **Chatha Foods Limited**. ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls with reference to Standalone Financial Statements 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". 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### Meaning of Internal Financial Controls with reference to financial statements

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:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

# Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to standalone financial statement

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 has maintained, in all material respects, adequate internal financial control over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2025, 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 A Bafna& Co.

**Chartered Accountants** 

FRN:003660C

(Vivek Gupta)

**Partner** 

M.No. 400543

UDIN:- 25400543BMLIGG4738

Place: Mohali

Date: 16th May 2025

## Chatha Foods Limited (Formerly Known as Chatha Foods Private Limited) CIN-L15310PB1997PLC020578

#### Balance Sheet as at 31 March 2025

(All amounts are in ₹lakhs unless stated otherwise)

Particulars	Notes		As at	
		31 March2025	31 March 2024	
EQUITY AND LIABILITIES				
Shareholders' funds				
Share capital	3	2,408.19	2,249.69	
Reserves and surplus	4	5,808.90	3,527.08	
Money received against share warrants	5	37.78		
Total equity		8,254.87	5,776.77	
Non-current liabilities				
Long-term borrowings	6	358.18	123.51	
Deferred tax liabilities (net)	7	212.17	244.88	
Long-termprovisions	8	225.72	205.47	
Total non-current liabilities		796.07	573.86	
Current liabilities				
ShortTerm Borrowings	9	813.96	684.02	
Tradepayables	10			
Total outstanding dues of micro enterprises and small enterprises		65.64	73.09	
Total outstanding dues of creditors other than micro enterprises				
and small enterprises		1,072.13	946.04	
Other current liabilities	11	289.46	221.82	
Short-termprovisions Short-termprovisions	12	138.31	75.18	
Total current liabilities		2,379.51	2,000.15	
TOTAL EQUITY AND LIABILITIES		11,430.45	8,350.76	
ASSETS				
Non-current assets				
Property, plant and equipment and Intangible Assets				
i) Property, Plant and Equipment	13	3,150.95	2,752.68	
ii) Intangible Assets	13	0.40	0.49	
iii) Capital work-in-progress	13	827.26	-	
iv) Intangible Assets under Development		-	-	
Long-term loans and advances	14	1,522.80	358.29	
Other Non-Current Assets	15	115.30	35.05	
Total non-current assets		5,616.71	3,146.51	

Current assets			
Inventories	16	1,372.09	1,176.54
Trade receivables	17	2,280.07	1,128.43
Cash and bank balances	18	2,044.14	2,812.75
Short-term loans and advances	19	117.43	86.52
Total current assets		5,813.73	5,204.25
TOTAL ASSETS		11,430.45	8,350.76

#### Notes I to 40 form an integral part of these Financial Statements

This is the Balance Sheet referred to in our report of even date.

For A Bafna & Co,

Chartered Accountants
Firm's Registration No.:003660C

For and on behalf of the Board of Directors of

Chatha Foods Limited (Formerly Known as Chatha Foods Private Limited)

Sd/-

Vivek Gupta

Partner

Membership No. 400543

(UDIN No: 25400543BMLIGG4738)

Sd/-

Paramjit Singh Chatha

Managing Director (DIN No: 01154225)

Sd/-

**Gurpreet Chatha** 

Wholetime Director (DIN No:01389143)

Place: Mohali Date: 16/05/2025 Sd/-

Priyanka Oberoi

Company Secretary (Membership No:A32400)

Sd/-

Vishal Singh Sirmauria

Chief Financial Officer

#### Chatha Foods Limited (Formerly Known as Chatha Foods Private Limited)

#### CIN-L15310PB1997PLC020578

#### Statement of Profit and Loss for the year ended 31 March 2025

(All amounts are in ₹lakhs unless stated otherwise)

Particulars	Notes	For the year ended	For the year ended
		31 March2025	31 March 2024
Revenue			
Revenue from operations	20	15,716.59	13,379.93
Other income	21	114.47	3.27
Total revenue		15,831.05	13,383.20
Expenses			
Cost of materials consumed	22	11,630.43	9,583.38
Changes in inventory of finished goods and work-in-progress	23	(30.09)	(43.17)
Employee benefits expenses	24	1,426.13	1,255.23
Finance costs	25	122.70	85.78
Depreciation	26	293.08	279.53
Other expenses	27	1,557.85	1,366.59
Total expenses		15,000.11	12,527.33
Profit before tax		830.95	855.87
Tax expense			
Current tax		257.48	230.69
Current tax - earlier years			
Deferred tax		(32.69)	8.50
Profit after tax		606.15	616.68
Earning per equity share $(7)$ -Not Annualized	28		
Basic (₹)		2.67	3.71
Diluted (₹)		2.67	3.71

#### Notes I to 40 form an integral part of these Financial Statements

This is the Statement of Profit and Loss referred to in our report of even date

For A Bafna & Co,

**Chartered Accountants** 

Firm's Registration No.:003660C

Sd/-

Vivek Gupta

Partner

Membership No. 400543

(UDIN No: 25400543BMLIGG4738)

Place: Mohali, Date: 16/05/2025 For and on behalf of the Board of Directors of

Chatha Foods Limited (Formerly Known as Chatha Foods Private Limited)

Sd/-

Paramjit Singh Chatha

Managing Director (DIN No: 01154225)

Sd/-

Priyanka Oberoi

Company Secretary (Membership No: A32400)

(DIN No: 01389143)

Sd/-

Sd/-

Vishal Singh Sirmauria

Chief Financial Officer

**Gurpreet Chatha** 

Wholetime Director

## Chatha Foods Limited (Formerly Known as Chatha Foods Private Limited) Cash Flow Statement for the year ended 31 March 2025

(All amounts are in ₹lakhs unless stated otherwise)

Particulars		For the year ended	For the year ended
		31 March2025	31 March 2024
A.	Cash flow from operating activities:		
	Net profit /(loss) before tax		
	Adjustments for:	830.95	855.87
	Depreciation	293.08	279.53
	Loss on sale of property, plant and equipment (net)	-	-
	Interest income	(114.47)	(3.27)
	Interest expense	122.70	85.78
	Operating profit /(loss) before operating capital changes	1,132.27	1,217.92
	Adjustments for movement in:		
	Long-term provisions	20.25	24.95
	Trade payables	118.64	(109.16)
	Other current liabilities	76.47	(32.00)
	Short-term provisions	63.13	21.48
	Long-term loans and advances	117.57	87.83
	Inventories	(195.56)	(259.67)
	Trade receivables	(1,151.64)	(169.19)
	Short-term loans and advances	(30.86)	(42.27)
	Cash generated/(utilized in)from operating activities before taxes	150.27	739.89
	Income taxes (net)	(257.48)	(230.69)
	Net cash generated/(utilized in) from operating activities (A)	(107.21)	509.20
В	Cash flow from investing activities:		
	Purchase of property, plant and equipment (including capital work-in-		
	progress)	(1,525.03)	(163.22)
	Interest received	114.47	3.27
	Capital Advances	(1,282.08)	(138.41)
	Creditors for Capital Expenditure	(8.83)	(13.44)
	Other Non Current Assets	(80.24)	(6.40)
	Bank Deposits not considered as Cash and Cash Equivalent (Net)	350.53	(2,301.34)
	Proceeds from sale of property, plant and equipment	7.69	
	Net cash utilized in investing activities(B)	(2,423.50)	(2,619.54)
С	Cash flow from financing activities:		
	Proceeds from long-term borrowings	396.94	8.92
	Repayment of long-term borrowings	(162.27)	(51.60)
	Proceeds from issue of share capital	2,050.73	3,338.72
	Share Issue Expenses	(180.00)	(394.61)
	Net increase/(decrease) in short-term borrowings	129.95	(209.99)
	Interest paid	(122.70)	(85.78)
	Net cash (utilized in)/generated from financing activities(C)	2,112.65	2,605.68
	Net (decrease)/increase in cash and cash equivalents (A+B+C)	(418.06)	495.34
	Opening cash and cash equivalents	504.69	9.33
	Closing cash and cash equivalents	86.60	504.69

### Cash Flow Statement for the year ended 31 March 2025

(All amounts are in ₹lakhs unless stated otherwise)

### **Notes:**

- (a) The above cash flow statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 (AS-3) on "Cash flow statements" as specified under section 133 of Companies Act, 2013 read with of the Companies (Accounts Standards) Rules, 2021.
- (b) Figures in brackets indicate cash outflow.

		For the year ended	For the year ended
		31March2025	31 March2024
b)	Cash and cash equivalents include:		
	Cash in hand		
	Balances with banks	18.92	9.33
	in current account	67.68	495.36
	Cash and cash equivalents	86.60	504.69
	Other bank balance*		
	Deposit with maturity more than 3 months but less than 12 months	1,957.54	2,308.06
	Cash and bank balances	2,044.14	2,812.75
*0	ther bank balance includes which are restricted and not available for use.		

### Notes I to 40 form an integral part of these Financial Statements

This is the cash flow statement referred to in our report of even date

### For A Bafna & Co,

Chartered Accountants

Firm's Registration No.:003660C

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

Chatha Foods Limited (Formerly Known as Chatha Foods Private Limited)

Sd/-

**Vivek Gupta**Partner
Membership No. 400543

(UDIN No: 25400543BMLIGG4738)

Sd/-

Paramjit Singh Chatha Managing Director (DIN No: 01 154225) Sd/-

**Gurpreet Chatha**Wholetime Director
(DIN No: 01389143)

Sd/-

Priyanka Oberoi Company Secretary (Membership No: A32400) Sd/-

**Vishal Singh Sirmauria**Chief Financial Officer

Place: Mohali Date: 16/05/2025

### Chatha Foods Limited (Formerly Known as Chatha Foods Private Limited) CIN-L15310PB1997PLC020578

### Notes to the financial statements

(All amounts are in ₹lakhs unless stated otherwise)

### I Background and nature of operations

Chatha Foods Limited (Formerly known as Chatha Foods Private Limited) incorporated in 1997 with registered office situated at 272, Mota Singh Nagar, Jalandhar, Punjab, IN.

The Corporate identification number of the company is L15310PB1997PLC020578, the company was converted from a Private limited Company to Public limited company w.e.f 08/09/2023

The Company is engaged in the business of food processing in India. It is engaged in frozen and ready to eat meat, vegetarian product and vegan foods manufacturer and retails an array of ready to eat and frozen meat and vegan products under the brand "Tempter" and "The Field Grill'.

### 2 Significant accounting policies

### A Basis of preparation

These financial statements have been prepared under the historical cost convention on a going concern basis, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles in India (Indian GAP). Indian GAAP comprises mandatory accounting standards as specified under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 and other accounting pronouncements of The Institute of Chartered Accountants of India.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of its assets and liabilities.

### **B** Use of estimates

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Any revisions to accounting estates are recognized prospectively in the current and future years.

### C Revenue recognition

- a) Revenue from sale of goods is recognized when the significant risks and rewards in respect of ownership of the goods are transferred to the customer and is stated net of Goods and Services Tax and net of trade discounts, and sales returns. No significant uncertainties exist regarding the amount of consideration that will be derived from sale of goods.
- b) Revenue from sale of services is recognized as the service is performed by the completed service contract method.
- c) Interest income is recognized on a time proportion basis, taking into account the amount outstanding and the rate sapplicable.

### D Property, plant and equipment

Property, plant and equipment are stated at cost (gross block) less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price (net of tax credit availed) and any attributable cost of bringing the asset to its working condition for its intendeduse.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in statement of profit and loss, when the item is de-recognized. Such gains are not classified as revenue.

Expenditure on account of modification/alteration in plant and machinery/building, which increases the future benefit from the existing asset beyond its previous assessed standard of performance, is capitalized. Items of property, plant and equipment costing less than Rs. 5,000 are fully depreciated in the year of purchase.

Borrowing costs directly attributable to acquisition or construction of fixed assets, which necessarily takes a substantial period of time to get ready for their intended use arecapitalized.

The residual value of any asset is calculated at 5% of original cost of any asset in accordance with Schedule I of the Companies Act, 2013.

### **E** Depreciation

Depreciation is calculated on cost of items of PPE less their estimated residual values over their estimated useful lives using the straight-line method based on life prescribed as per Schedule II of the Companies Act, 2013.

Block of asset

Useful life as per

Buildings	30-60
Plant and machinery	15
Furniture and fixture	10
Office equipment	3-15
Computers & Printers	3-15
Vehicles	8-10

### F Intangible Assets and amortization

Intangible assets are stated at cost less accumulated amortization. Intangible assets are amortized on a straight line basis over their estimated useful life of 5 years.

### G CapitalWork-in-Progress

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the balance sheet date.

### **H** Inventories

Inventories are valued as follows:

- I Raw materials, stores and spares and packing materials: At cost as determined on the basis of First In First Out (FIFO Basis). However, materials and other items held for use in the production of inventories are written down below cost only when both raw material net realizable value and the finished goods in which they will be incorporated are expected to be sold below cost.
- Work in process and finished goods: Lower of cost and net realizable value. Cost includes direct materials and a proportion of labour and manufacturing overheads based on normal operating capacity. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion to make the sale. The valuation of work in process and Finished goods stocks are done on weightedaver age basis.

### I Employee benefits

Short-term employee benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, bonus, etc. are recognized in the statement of profit and loss in the period in which the employee renders there lated service.

### Post-employment benefits

### Defined contribution plan

The company makes specified contribution towards employee provident fund to Employees Provident Fund administered by the Regional Provident Commissioner. The Company's contribution to provident fund, being a defined contribution plan, is recognized in the statement of profit and loss in the financial year to which itrelates.

### Defined benefit plan

Gratuity is a post-employment defined benefit plan. The present value of obligation for gratuity is determined based on actuarial valuation using the Projected Unit Credit Method, together with adjustments for unrecoonized actuarial gains or losses and past service costs. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the year in which such gains or losses arise.

### Other long-term liability

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability determined based on actuarial valuation using the Projected Unit Credit Method at the balance sheet date.

### Actuarial gains/losses

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the statement of profit and loss in the year in which such gains or losses arise.

### J Accounting for taxes on income

Tax expense comprises current tax and deferred income tax.

Current tax is determined as the amount of tax payable in respect of taxable income for the year, computed in terms with the provision of Income Tax Act, 1961 and the rules made there under.

Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. In respect of carry forward losses and unabsorbed depreciation, deferred tax assets are recognized only to the extent there is virtual certainty that sufficient future taxable income will be available against which such losses can be realized.

Minimum Alternate tax (MAT' credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

### K Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

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

### L Leases

Leases of assets under which significant risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease rentals in respect of assets taken under an operating lease are charged to the statement of profit and loss on a straight-line basis over the lease term.

### M Provisions and contingent liabilities

A provision is created when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation at the reporting date. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The Company does not recognize assets which are of contingent nature until there is virtual certainty of realizability of such assets. However, if it has become virtually certain that an inflow of economic benefits will arise, asset and related income is recognized in the financial statements of the period in which the change occurs

### N Impairment of assets

The Company on an annual basis makes an assessment of any indication that may lead to impairment of assets. If any such indication exists, the Company estimates the recoverable amount of the assets. If such recoverable amount is less than the carrying amount, then the carrying amount is reduced to its recoverable amount by treating the difference as impairment loss and is charged to the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss is no longer valid, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

### O Cash and bank balances

Cash and bank balances comprise cash, Current accounts and deposit with banks. The Company has a policy of classifying highly liquid investments which have a tenure of less than three months and are readily convertible into fixed amounts of cash and cash equivalents.

### P Foreign Currency Transactions

- (a) Transactions denominated in foreign currencies are normally recorded on the initial recognition in the reported currency using the exchange rates prevailing on the date of transaction.
- (b) Monetary assets & liabilities denominated in foreign currencies are restated at the appropriate rates of exchange prevailing on the date of Balance Sheet. Resultant gain or loss is accounted in the period in which they arise.
- © Any income or expense on account of exchange difference either on settlement or on translation of monetary items are recognized in the Statement of Profit and Loss for the period in which they arise

### **Q** Borrowing Cost

Interest and other borrowing costs attributable to qualifying assets are capitalized. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over 12 months) to get ready for its intended use or sale. Other interest and borrowing costs are charged to statement of Profit & Loss.

### Chatha Foods Limited (Formerly Known as Chatha Foods Private Limited) CIN-LI5310PB1997PLC020578

### Notes to the financial statements

(All amounts are in ₹lakhs unless stated otherwise)

3 Sharecapital	As at 31 Ma	As at 31 March 2024		
	No. of shares	Amount	No. of shares	Amount
Authorized share capital				
Equity shares of ₹10each	2,50,00,000	2,500.00	2,50,00,000	2,500.00
Issued, subscribed and fully paid up				
Equity shares of ₹10each	2,40,81,879	2,408.19	2,24,96,879	2,249.69
Total	2,40,81,879	2,408.19	2,24,96,879	2,249.69

a. Reconciliation of equity sharecapital	As at 31Ma	arch2025	As at 3   March2024		
	No.of shares	Amount	No. of shares	Amount	
Equity share capital of ₹10 each fully paid up					
Balance at the beginning of the year	2,24,96,879	2,249.69	1,24,01,159	1,240.12	
Add: Bonus Shares issued during the year	-	-	41,33,720	413.37	
Add : IPO (Public Offering) Shares issued during the year	-	-	59,62,000	596.20	
Add: Issue of Equity shares under Preferential Allotment	15,85,000	158.50	-		
Balance at the end of the year	2,40,81,879	2,408.19	2,24,96,879	2,249.69	

- The Company has one class of equity shares having a par value of ₹10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity share holders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share holding. However, no such preferential amounts exist currently.
- The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the share holders in the ensuing Annual General Meeting.
- 3 The Company does not have any Holding Company/ Ultimate Holding Company.
- 4 No Ordinary Shares have been reserved for issue under options and contracts/commitments for the sale of shares/disinvestments as at the Balance Sheet date
- 5 No Calls are unpaid by any Director or Officer of the Company during the year.
- Pursuant to the special resolution passed in the extra ordinary general meeting held on 6thJanuary,2025. The Company has issued and allotted 15,85,000 equity shares of Rs 10 each, on Preferential allotment basis at an issue price of Rs 127 per share (Including Premium of Rs 117), to the Non-Promoter Group of the Company and on the receipt of Rs.2012.95 lakhs, the company made the allotment of such shares on 14th February,2025.

### b. Share holders holding more than 5% of Share Capital

Particulars	As a	t 31 March	2025	As at 31 March 2024			
			% change			% change	
	No. of shares	%	during the year	No. of shares	%	during the year	
Equity shares of ₹10 each							
Paramjit Singh Chatha	42,44,695	17.63%	-6.56%	42,44,695	18.87%	24.63%	
Gurpreet Singh Chatha	34,72,277	14.42%	-6.57%	34,72,277	15.43%	1.95%	
Gurcharan Singh Gosal	41,39,013	17.19%	-6.57%	41,39,013	18.40%	-7.46%	
Negen Undiscovered Value Fund	27,10,488	11.26%	53.20%	16,53,488	7.35%	100.00%	
Gursimar Singh Chatha	13,22,789	5.49%	-6.63%	13,22,789	5.88%	100.00%	

c Shares issued for consideration other than cash

There are no shares reserved for issue under options and contracts/commitments. Further, there are no shares that have been allotted during last 5 years pursuant to a contract without payment being received in cash or shares bought back. Except that, the Company has issued bonus shares in the ratio of 1:3 on 13th Sep 2023.

d Shares held by promoters at the end of year

Particulars	As at	31 March 2	2025	As at 31 March 2024			
	% change					% change	
	No. of shares	%	during the year	No. of shares	%	during the year	
Equity shares of ₹10 each							
Paramjit Singh Chatha	42,44,695	17.63%	-6.56%	42,44,695	18.87%	24.63%	
Gurpreet Singh Chatha	34,72,277	14.42%	-6.57%	34,72,277	15.43%	1.95%	
Gurcharan Singh Gosal	41,39,013	17.19%	-6.57%	41,39,013	18.40%	-7.46%	
Anmoldeep Singh Chatha	4,87,200	2.02%	-6.72%	4,87,200	2.17%	-26.50%	

Iqbal Singh Chatha has been reclassified as a non promoter w.e.f 08/09/2023 and subsequently classified as part of promoter group in the board meeting held on 17/01/2024.

4.	Reserves and surplus	As at 31 March	As at 31 March
	Securities premium	2025	2024
	Balance at the beginning and end of the year	2,890.97	915.56
	Less: Bonus issue	-	(413.37)
	Add: Proceeds from IPO	-	2,742.52
	Add:Additions during the year	1,854.45	-
	Less: IPO Related Expenses (Net of Deferred Tax impact)	(180.00)	(353.74)
		4,565.42	2,890.97
	Surplus/(Deficit) in the statement of profit and loss		
	Balance at the beginning of the year	636.11	19.43
	Add :Transferred from statement of profit and loss	606.15	616.68
	Add: Difference of MAT Entitlement	1.21	-
	Balance at the end of the year	1,243.48	636.11
	Total	5,808.90	3,527.08
5	Money Received against Share warrants	As at 31 March	As at 31 March
		2025	2024
	Money Received against Share warrants	37.78	-
		37.78	-

Pursuant to the special resolution passed in the extraordinary general meeting held on 6th January, 2025. The Company has issued and allotted 1,19,000 warrants, each convertible into one equity share of ₹10each, on Preferential allotment basis at an issue price of ₹127per warrant (Including Premium), to the Promoter/Promoter Group of the Company and certain identified non-promoter persons/entity, upon receipt of 25% of the issue price (i.e.₹31.75 per warrant) as warrant subscription money. Balance 75% of the issue price (i.e.₹95.25 per warrant) shall be payable within 18 months from the date of allotment i.e. 14th February, 2025 at the time of exercising the option to apply for fully paid-upequity share of ₹10 each of the Company, against each warrant held by the warrant holder. The respective allottees have not yet exercised their option for conversion of the warrants into equity shares and accordingly, balance 75% money towards such remaining warrants is yet to be received.

50.51

123.51

358.18 113.51

# Chatha Foods Limited (Formerly Known as Chatha Foods Private Limited)

## CIN-LI5310PB1997PLC020578

## Notes to the financial statements

(All amounts are in Flakhs unless stated otherwise)

								1						T
					,	Tenure of repayment	The loan is payable in 68 equal monthly instalments of ₹4.28 lacs & I last instalmwnts of ₹21.53 lacs		48 equal monthly instalments of ₹4.91 lacs	59 equal monthly instalments of ₹0.18 lacs, and last instalment of	₹0.17 lacs.	59 equal monthly instalments of	₹6.34 lacs, and last instalment of ₹5.99 lacs.	57 equal monthly instalments of ₹2.07 lacs, and last instalment of ₹1.98 lacs.
24		51	51			Interest rate	Repo Rate + 4.5%		Repo Rate + 4.5%	Repo rate + 3.25%			Repo rate + 3.00%	Repo rate + 3.00%
2025   As at 31 March 2024		358.18 123.51	358.18 123.51			Nature of securities	- First and exclusive charge on all present and future current assets and fixed assets of the borrower	<ul> <li>Extension of equitable mortgage of the following properties:</li> </ul>	- Residential property number 273 situated at Master Mota Singh Nagar, Jalandhar owned by Iqbal Singh Chatha and Manjit Singh Chatha s/o Sh. Hari Singh;	- Residential property number 271 situated at Master Mota Singh Nagar, Jalandhar owned by Paramjit Singh Chatha;	- Commercial property SC F number 305, MotorMarket, Manimajra, Chandigarh owned by	Gurcharan Singh Gosal; - Industrial property khata number 35/124 village	Chaudheri, tehsil derabassi owned by the Company, Property owned in Kartarpur and Shadipur by Mr. Paramjit Singh Chatha	- The term loan is also secured by personal guarantee of Iqbal Singh Chatha, Gurpreet Chatha, Paramjit Singh Chatha, Gurcharan Singh Gosal and Manjit Singh Chatha
As at 31 March 2025		ĸ	ĸ		March 2024	Current	37.92		11.02	1.57				,
As at				ıns	As at 31 l	Non- Current	117.25		ı	6.26			ı	1
				f term los	As at 31 March 2025 As at 31 March	Current	41.76			1.73			53.08	16.94
				ayment o	As at 31 P	Non- Current	75.49		ı	4.54			206.16	72.00
secured)		)]		ms of rep		Lender	Kotak Mahindra Bank	Jeto V	Notak Mahindra Bank	Kotak Mahindra	Bank	Kotak	Mahindra Bank	Kotak Mahindra Bank - 194
Secure (secure) Secure (secure)	Term loans	from bank [refernote6(a)]		6(a). Details of security and terms of repayment of term loans	;	Nature of Ioan	Term Ioan from bank (in ₹Lakhs)	Working capital	term loan from Bank (in ₹Lakhs)	Term Ioan from bank (in ₹Lakhs) (Santion Amount - 100 Lakhs)	(Disburse - 8.92 Lakhs)	Term Ioan from bank (in ₹Lakhs)		Term Ioan from bank (in ₹Lakhs) (Santion Amount - 100 Lakhs) (Disburse - 46.94 Lakhs)

### CIN-L15310PB1997PLC020578

### Notes to the financial statements

(All amounts are in ₹lakhs unless stated otherwise)

7	Deferred tax liabilities(net)	As at	As at
		3 l March2025	31 March 2024
7	Deferred tax liabilities (net)		
	Deferred tax liabilities arising on account of:		
	Timing difference on depreciation of property, plant and equipment	356.52	363.80
		356.52	363.80
	Deferred tax assets arising on account of:		
	Provision for employee benefits	82.88	67.76
	Provision for bonus	20.61	10.32
	Expenses to be allowed u/s 35D	40.85	40.85
		144.34	118.93
	Deferred tax liabilities (net)	212.17	244.88
8	Long-term provisions		
	Provision for gratuity [refer note 8 (a)]	163.00	149.14
	Provision for compensated absences [refer note 8 (b)]	62.72	56.33
		225.72	205.47

### 8 (a) Provision for gratuity

The following table set out the status of the plan for gratuity and as required under Accounting Standard (AS) - 15 (R) - Employee benefits and the reconciliation of opening and closing balances of the present value of the defined benefit obligation in respect of gratuity:

### **Particulars**

i) Gratuity Based on actuarial assumptions

### I. Actuarial assumptions

Mortality	IALM 2012-14	IALM 2012-14
Discount rate	6.75%	7.25%
Salary growth rate p.a.	6.00%	6.00%
Expected rate of return on planned assets	0	0
Withdrawal rates p.a.	10.00%	5.00%
II. Funded Status of the plan		
Present value of unfunded obligations	213.21	175.48
Present value of funded obligations		
Fair Value of plan assets	-	-
Unrecognised Past Service Cost	-	-
Net Liability (Asset)	213.21	175.48
	213.21	175.48

III.	Profit	and	loss	for	the	period
------	--------	-----	------	-----	-----	--------

Liabilities extinguished on settlements  Liabilities assumed in an amalgamation in the nature of purchase  Exchange differences on foreign plans  Benefit paid from fund  Benefits paid by company  Closing Defined Benefit Obligation	- (6.94) - - - 213.21	(3.61)
Liabilities assumed in an amalgamation in the nature of purchase  Exchange differences on foreign plans  Benefit paid from fund  Benefits paid by company	- - (6.94) -	(3.61)
Liabilities assumed in an amalgamation in the nature of purchase  Exchange differences on foreign plans  Benefit paid from fund	- - (6.94)	- - (3.61)
Liabilities assumed in an amalgamation in the nature of purchase Exchange differences on foreign plans	- - -	- -
Liabilities assumed in an amalgamation in the nature of purchase	-	-
_	-	-
the following and the first state of the sta		
Loss (gain)oncurtailments	-	-
Past service cost	-	-
Actuarialloss (gain)	5.19	(0.91)
Interestcost	12.72	10.81
Current service cost	26.76	25.02
Transferin/(out) obligation	-	-
Opening Defined Benefit Obligation	175.48	144.17
Reconciliation of defined benefit obligation		
Total included in 'Employee Benefit Expenses'	44.68	34.92
Loss/(gain) on curtailments and settlement	-	-
Recognised Past Service Cost-Unvested	-	-
Recognised Past Service Cost-Vested	-	-
Netactuarialloss/(gain)	5.19	(0.91)
Expected return on plan assets	-	-
Interest on obligations	12.72	10.81
Current service cost*	26.76	25.02
Present value of obligations at beginning of the year	175.48	144.17
	Current service cost* Interest on obligations Expected return on plan assets Netactuarialloss/(gain) Recognised Past Service Cost-Vested Recognised Past Service Cost-Unvested Loss/(gain) on curtailments and settlement Total included in 'Employee Benefit Expenses' Reconciliation of defined benefit obligation Opening Defined Benefit Obligation Transferin/(out) obligation Current service cost Interestcost Actuarialloss (gain) Past service cost Loss (gain)oncurtailments	Current service cost*  Interest on obligations  I2.72  Expected return on plan assets  Netactuarialloss/(gain)  Recognised Past Service Cost-Vested  Recognised Past Service Cost-Unvested  Loss/(gain) on curtailments and settlement  Total included in 'Employee Benefit Expenses'  Reconciliation of defined benefit obligation  Opening Defined Benefit Obligation  Transferin/(out) obligation  Current service cost  Interestcost  Actuarialloss (gain)  Past service cost  Loss (gain)oncurtailments  -  Loss (gain)oncurtailments  -  Loss (gain)oncurtailments  -  26.76  Loss (gain)oncurtailments  -  Loss (gain)oncurtailments

### Notes:

- I) The discount rate is based on the prevailing market yield of Indian Government bonds as at the balance sheet date for the estimated terms of obligations.
- 2) The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Amount of provision for gratuity for the current year and previous years are as follows:

### **Current year**

Defined benefit obligation 213.21 175.48

### CIN-L15310PB1997PLC020578

### Notes to the financial statements

(All amounts are in ₹lakhs unless stated otherwise)

### 8 (b) Provision for compensated absences

v	(b) Provision for compensated absences		
I.	Actuarial assumptions		
	Mortality	IALM 2012-14	IALM 2012-14
	Discount rate	6.75%	7.25%
	Salary growth rate p.a.	6.00%	6.00%
	Expected rate of return on planned assets	-	-
	Withdrawal rates p.a.	10.00%	5.00%
II.	Funded Status of the plan		
	Present value of unfunded obligations	84.71	68.07
	Present value of funded obligations	-	-
	Fair Value of plan assets	-	-
	Unrecognised Past Service Cost	-	-
	Net Liability (Asset)	84.71	68.07
		84.71	68.07
III.	Profit and loss for the period		
	Present value of obligations at beginning of the year	68.07	54.50
	Current service cost*	14.73	13.08
	Interest on obligations	4.94	4.09
	Expected return on plan assets	-	-
	Netactuarialloss/(gain)	0.51	(0.97)
	Recognised Past Service Cost-Vested	-	-
	Recognised Past Service Cost-Unvested	-	-
	Loss/(gain) on curtailments and settlement	-	-
	Total included in 'Employee Benefit Expenses'	20.19	16.20
IV.	Reconciliation of defined benefit obligation		
	Opening Defined Benefit Obligation	68.07	54.50
	Transfer in/(out) obligation	-	-
	Current service cost	14.73	13.08
	Interest cost	4.94	4.09
	Actuarial loss (gain)	0.51	(0.97)
	Past service cost	-	-
	Loss (gain) on curtailments	-	-
	Liabilities extinguished on settlements	-	-
	Liabilities assumed in an amalgamation in the nature of purchase	-	-
	Exchange differences on foreign plans	-	-
	Benefit paid from fund	-	-
	Benefits paid by company	(3.55)	(2.62)
	Closing Defined Benefit Obligation	84.71	68.07

### CIN-L15310PB1997PLC020578

### Notes to the financial statements

(All amounts are in ₹lakhs unless stated otherwise)

9	Short-term borrowings	As at	As at
		31 March 2025	31 March 2024
	Secured		_
	Current maturities of long-term borrowings [refer note6(a)]	113.51	50.51
	Cash credits [refer note (a) and(b)below]	700.45	363.51
	Working capital loan [refer note(b)below]		270.00
		813.96	684.02

### a. Details of security of short-term borrowings

Cash credit facilities and working capital demand loan taken from Kotak Mahindra Bank are secured by first and exclusive charge on all present and future current assets and fixed assets of the borrower, extension of equitable mortgage of the following properties - Residential property number 273 situated at Master Mota Singh Nagar, Jalandhar owned by Iqbal Singh Chatha and Manjit Singh Chatha s/o Sh. Hari Singh; Residential property number 271 situated at Master Mota Singh Nagar, Jalandhar owned by Paramjit Singh Chatha; Commercial property SCF number 305, Motor Market, Manimajra, Chandigarh owned by Gurcharan Singh Gosal; Industrial property khata number 35/124 village Chaudheri, tehsil derabassi owned by the Company, property owned in Kartarpur and Shadipur by Mr. Paramjit Singh Chatha. The cash credit is also secured by personal guarantee of Iqbal Singh Chatha, Paramjit Singh Chatha, Gurcharan Singh Gosal, Gurpreet Chatha and Manjit Singh Chatha.

### b. Terms of repayment and interest rates

Cash credit from Kotak Mahindra bank amoting to ₹0 lakhs (previous year ₹270 lacs) carrying interest rate 3.00% over the Reportate (previous year 8%) repayable in three months.

The quarterly returns/statements, in respect of the working capital limits have been filed by the Company with such banks and statements are in agreement with the books of account of the Company for the respective periods, which were not subject to audit.

10	Tradepayables	As at	As at
		31 March 2025	31 March 2024
	Total outstanding dues of micro enterprises and small enterprises	65.64	73.09
	Total outstanding dues of creditors other than micro enterprises and	1,072.13	946.04
	small enterprises	I,137.77	1,019.13

### Note:

a. Dues to micro and small enterprises pursuant to section 22 of the Micro, Small and Medium Enterprises Development Act (MSMED), 2006unting to ₹7,00.45 lacs (previous year ₹363.51 lacs) carrying interest rate 3.00% over the Repo rate (previous year 4.25% over the Repo rate).

Secured Ioan from Kotak Mahindra Bank amoun

10.01

### 10 Trade payable (Contd.)

Ageing schedule as at 31	March 202	5:	Outstandir	ng for followi	ng periods	from du	e date of pay	yment
	Unbilled	Not	Less than	6 months -	I-2	2-3	More than	Total
Particulars	Dues	due	6 months	l year	years	years	3 years	
Micro and small enterprises	-	65.64	-	_	-	-	-	65.64
Others	-	-	1,068.97	0.03	3.13	-	-	1,072.13
Dispute Dues- Micro and small enterprises	-	-	-	-	-	-	-	-
Disputed Dues- Others	-	-	-	-	-	-	-	_
Total	-	65.64	1,068.97	0.03	3.13	-	-	1,137.77

Ageing schedule as at 31	March 202	4:	Outstandir	ng for followi	ng periods	from du	e date of pay	ment
	Unbilled	Not	Less than	6 months -	I-2	2-3	More than	Total
Particulars	Dues	due	6 months	l year	years	years	3 years	
Micro and small enterprises	-	73.09	-	-	-	-	-	73.09
Others	-	533.72	407.70	3.57	1.05	-	-	964.04
Dispute Dues- Micro and small enterprises	-	-	-	-	-	-	-	-
Disputed Dues- Others	-	-	_	-	-	-	-	-
Total	-	606.81	407.70	3.57	1.05	-	-	1,019.13

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

	As at	As at
	3   March2025	31 March2024
Principal amount remaining unpaid	65.64	73.09
Interest accrued and due there on remaining unpaid	0.51	0.71

Interest paid by the Company in terms of service 16 of MSMED Act 2006, along with the amount of the payment made to the suppliers and service providers beyond the appointed day during the year

Interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year), but without adding the interest specified under MSMED Act, 2006.

Interest accrued and remaining unpaid as at the end of the year

Further interest remaining due and payable even in the succeeding years,
until such date when the interest dues as above are actually paid to the small
enterprise for the purpose of disallowance as a deductible expenditure under
section 23 of the MSMED Act, 2006.

### Chatha Foods Limited (Formerly Known as Chatha Foods Private Limited) CIN-LI5310PB1997PLC020578

### Notes to the financial statements

(All amounts are in ₹lakhs unless stated otherwise)

П	Other current liabilities	As at 31 March	As at 31 March
		2025	2024
	Advance from customers	7.24	2.79
	Creditors for capital expenditure	26.00	34.83
	Statutory dues		
	a) TDS	28.75	42.28
	b) ESIC and PF	11.95	11.10
	c) GST Payable	111.02	25.55
	d) Professional Tax	0.21	0.16
	e) Labour Welfare Fund	0.67	0.48
	Interest accrued but not due on borrowings	7.30	5.65
	Expenses payable	12.24	17.70
	Employee related payables (Also refer note 30 for related party transaction	on) 84.09	81.28
		289.46	221.82
12	Short-term provisions	As at	As at
		31 March 2025	31 March 2024
	Provision for gratuity [refer note 8(a)]	50.21	26.34
	Provision for income tax (net of advance tax)	(7.97)	-
	Provision for compensated absences [refer note 8(b)]	21.99	11.74
	Provision for bonus	74.08	37.10
		138.31	75.18

### Notes to the financial statements CIN-LI5310PB1997PLC020578

(All amounts are in Flakhs unless stated otherwise)

Property, plant and equipment and Intangible Assets <u>~</u>

Froperty, plant and equipment and intangible Assets	intangible Asse	TS.								
As at 31 March 2025		Gross block	block		Accum	Accumulated depreciation	ation		Net block	
	As at	Additions	Sales /	As at	As at	Charges for	Sales /	As at	As at	As at
	I April 2024	during the	adjustment	31 March	April	the year	Adjustment	31 March	31 March	31 March
Particulars		year	during the	2025	2024	•	during the	2025	2025	2024
			year				year			
Property, plant and equipment										
Land	31.76	457.12	ı	488.87				1	488.87	31.76
Building	804.11	21.22	ı	825.32	286.77	25.73		312.50	512.83	517.34
Plant and machinery	4,443.31	209.32	1	4,652.63	2,300.12	248.99	1	2,549.11	2,103.52	2,143.19
Furniture and fixtures	29.81	1.24		31.05	19.92	1.53	•	21.45	09.6	68.6
Office equipments	75.81	16.6	ı	85.72	57.64	6.42		64.06	21.66	18.17
Vehicles	112.51	•	14.83	69'.26	80.18	10.18	7.13	83.22	14.47	32.33
Intangible Assets	09.0	0.15	ı	0.75	0.11	0.24	1	0.35	0.40	0.49
Total	5,497.90	96'869	14.83	6,182.04	2,744.74	293.08	7.13	3,030.69	3,151.35	2,753.16
Capital Work in Progress	-	827.26	•	827.26	•	-	ı	1	827.26	ı
Total	5,497.90	1,526.22	14.83	7,009.30	2,744.74	293.08	7.13	3,030.69	3,978.62	2,753.16
	_									

As at 31 March 2024		Gross block	block		Accum	Accumulated depreciation	ıtion		Net block	
	As at	Additions	Sales /	As at	As at	Charges for	Sales /	As at		As at
	I April 2023	during the	adjustment	31 March	April		Adjustment	31 March	31 March	31 March
Particulars		year	during the	2024	2023		during the	2024		2023
			year				year			
Property, plant and equipment										
Land	31.76			31.76					31.76	31.76
Building	802.43	89·I		804.11	261.27	25.50		286.77	517.34	541.16
Plant and machinery	4,295.85	147.46		4,443.31	2,064.93	235.19		2,300.12	2,143.19	2,230.92
Furniture and fixtures	27.00	2.81	1	29.81	18.39	1.53	1	19.92	68.6	19.8
Office equipments	65.14	10.67		75.81	16:15	5.73		57.64	18.17	13.23
Vehicles	112.51			112.51	12.89	11.47		80.18	32.33	43.81
Intangible Assets		09:0		09:0	•	II.0	•	0.11	0.49	
Total	5,334.69	163.23		5,497.90	2,465.21	279.53		2,744.74	2,753.17	2,869.48

CWIP Ageing Schedule

	Total		467.10	otes:	218.50 (a) Re	0.17	141.28	i (a)	827.26
		•	.94		218		41		- 827
a period of	More than 3 years								
Amount in CWIP for a period of	2-3 years	•						•	•
Am	I-2 years							•	
	6 months -1 year		467.10	0.22	218.50	0.17	141.28	•	827.26
Capital Work in Progress	Particulars	Projects in Progress	Building	Furniture & Fixtures	Plant & Machinery	Office Equipments	Miscellaneous Expenditure	Projects Temporarily Suspended	Total

Refer note 5 for information on PPE pledged as security by the Company.

The Company has not revalued its Property, Plant and Equipment during the year.

### 14 Long-term loans and advances

	(unsecured considered good, unless other wise stated)	As at	As at
		31 March 2025	31 March 2024
	Capital Advances	1,422.11	140.03
	Minimum Alternate Tax (MAT) credit entitlement [refer note (b)below]	100.69	218.26
		1,522.80	358.29
a	Minimum alternate tax (MAT) credit entitlement		
	Balance at beginning of year	218.26	306.09
	Add: Difference inMAT entitlement	1.21	
	Add: MAT credit entitlement created/(set off) during the year	(118.78)	(87.83)
	Balance at end of period	100.69	218.26

**b** The Company does not have any loans and advances due by directors or other officers of the company or any of them either severally or jointly with any other person or amounts due by firms or private companies respectively in which any director is a partner or a director or a member.

15	Other non-current assets	As at	As at
		31 March 2025	31 March 2024
	(unsecured considered good, unless otherwise stated)		
	Security deposits	115.30	35.0 <b>5</b>
		115.30	35.05
16	Inventories	As at	As at
		31 March 2025	31 March 2024
	(Valued at Cost or NRV whichever is less)		
	Raw materials including packaging materials	785.56	622.85
	Work-in-progress	174.33	192.38
	Finished products	365.75	317.62
	Stores, spares and other consumables	46.45	43.69
		1,372.09	1,176.54

### CIN-L15310PB1997PLC020578

### Notes to the financial statements

(All amounts are in ₹lakhs unless stated otherwise)

17 Trade receivables	As at	As at
	31 March 2025	31 March 2024
(unsecured considered good, unless otherwise stated)		
- Considered good	2,280.07	1,128.43
- Considered doubtful	-	-
	2,280.07	1,128.43
Less: Provision for doubtful debts		-
	2,280.07	1,128.43

### 17 Trade receivable (Contd.)

Ageing schedule as at 31 March	Ageing schedule as at 31 March 2025: Outstanding for following periods from due date of payment							
	Unbilled	Not	Less than	6 months -	1-2	2-3	More than	Total
Particulars	Dues	due	6 months	I year	years	years	3 years	
(i) Undisputed Trade receivables -	-	1,648.59	591.44	22.39	17.65	-	-	2,280.07
considered good								
(ii) Undisputed Trade Receivables-	-	-	-	-	-	-	-	-
considered doubtful								
(iii) Disputed Trade Receivables	-	-	-	-	-	-	-	-
considered good								
(iv) Disputed Trade Receivables	-	-	-	-	-	-	-	-
considered doubtful								
Total	-	1,648.59	591.44	22.39	17.65	-	-	2,280.07

	Unbilled N	Not	Not Less than	6 months -	1-2	2-3	More than	Total
Particulars	Dues	due	6 months	l year	years	years	3 years	
(i) Undisputed Trade receivables -	-	766.44	320.63	2.52	38.84	-	_	1,128.43
considered good								
(ii) Undisputed Trade Receivables-	-	-	-	-	-	-	-	_
considered doubtful								
(iii) Disputed Trade Receivables	-	-	-	-	-	-	-	_
considered good								
(iv) Disputed Trade Receivables	-	-	-	-	-	-	-	_
considered doubtful								
Total	-	766.44	320.63	2.52	38.84	-	-	1,128.43

Advances to employees

Other Current Assets

Income tax refundable

Security deposits\*

20.5 I

34.00

0.38

15.50

86.52

18 Cash and Bank Balances	As at	As at
	31 March 2025	31 March 2024
Cash in hand	18.92	9.33
Balances with banks		
incurrent account	67.68	495.36
	86.60	504.69
Other bank balances:		
Deposit with maturity more than 3 months but less than 12 mo	nths* 1,957.54	2,308.06
	2,044.14	2,812.75
*Lien is marked against this FD deposit.		
19 Short-term loans and advances	As at	As at
	31 March2025	31 March 2024
(Unsecured, considered good)		
Advances to suppliers	52.88	11.85
Prepaid expenses	22.10	4.28

42.40

117.39

<sup>\*</sup>Security deposits include security with BSE Limited which is refundable . Hence, the same is considered to be short term.

### Chatha Foods Limited (Formerly Known as Chatha Foods Private Limited) CIN-LI5310PB1997PLC020578

### Notes to the financial statements

(All amounts are in ₹lakhs unless stated otherwise)

		For the year ended	For the year ended
20	Revenue from operations	3   March2025	31 March2024
	Sale of products	15,698.45	13,310.84
	Sale of Service	18.13	69.09
		15,716.59	13,379.93
21	Other income		
	Interest income:		
	- on deposit with electricity department	2.02	1.48
	- bank	111.70	1.78
	Interest on Income Tax	0.75	
		114.47	3.27
22	Cost of materials consumed		
	Opening stock		
	Raw material	622.85	424.31
	Stores, spares and other consumables	43.69	25.74
	Add: Purchases made during the year	11,795.90	9,799.87
		12,462.44	10,249.92
	Less: Closing stock	785.56	622.85
	Raw material	46.45	43.69
		11,630.43	9,583.38
23	Changes in inventories of finished goods and work-in	n-progress	
	Opening stock		
	Work-in-progress	192.38	29.11
	Finished goods	317.62	437.71
	Closing stock		
	Work-in-progress	174.33	192.38
	Finished goods	365.75	317.62
		(30.09)	(43.17)
24	Employee benefits expense		
	Salaries and wages		
	(A) Salaries	384.34	403.59
	(B) Wages	776.36	641.19
	Contribution to provident and other funds		
	Contribution to provident Fund	63.86	56.39
	Contribution to Employee State Insurance Fund	18.87	17.16
	Bonus and Others	95.85	55.22
	Gratuity Expenses	44.68	34.92
	Worker and Staff welfare expenses	42.18	46.76
	·	1,426.13	1,255.23

25	Finance costs		
	Interest on Ioan from Banks	116.89	84.87
	Others	5.82	0.91
		122.70	85.78
26	Depreciation expense		
	Depreciation (refernote13)	293.08	279.53
		293.08	279.53
27	Other expenses		
	Insurance	7.03	7.28
	Rent	24.37	-
	Freight and forwarding	153.20	84.11
	Rates and taxes	11.00	15.93
	Director Sitting Fee	4.20	3.30
	Legal and professional	58.20	41.11
	Advertisement and publicity	76.73	34.11
	Power, fuel and water charges	459.31	424.84
	Repair and maintenance - Plant and machinery	121.40	131.94
	Effluent Treatment Plant- Maintenance Expenses	53.70	44.13
	Travelling and Conveyance	96.24	70.24
	Quality control and quality assurance	171.65	156.19
	Warehousing Expenses	193.25	186.75
	Security Expenses	55.87	61.54
	CSR Expenditure	8.94	-
	Interest On GST/TDS	0.04	0.16
	Interest on Income Tax	-	2.83
	Miscellaneous Expenses	62.73	102.13
		1,557.85	1,366.59

### Chatha Foods Limited (Formerly Known as Chatha Foods Private Limited) CIN-LI5310PB1997PLC020578

### Notes to the financial statements

(All amounts are in ₹lakhs unless stated otherwise)

	For the year ended	For the year ended
	3   March 2025	31 March2024
Note:		
Payment to statutory auditors excluding goods and service tax:		
Statutory Auditor	10.00	10.50
Tax Audit fees	0.50	0.50
Other service cost (Certification cost)	0.00	10.00
	10.50	21.00

### 28 Earnings/(Loss) per share

The calculation of Earning Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Accounting Standard (AS-20) on "Earning Per Share" as specified under section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India. Earnings per Share ('EPS') is determined based on the net profit attributable to the shareholders'. Basic earnings per share is computed using the weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the weighted average number of common and dilutive common equivalent shares outstanding during the year including share options, except where the result would be anti-dilutive.

Profit after tax	606.15	616.68
Total number of Equity shares outstanding	240.82	224.97
Weighted average number of equity shares outstanding	226.97	166.33
Face value per equity share $(\Box)$	10.00	10.00
Earning per share		
Basic 2.67	3.71	
Diluted	2.67	3.71

The company have approved the issuance of 41,33,720 bonus Equity Shares in the ratio of one Equity Share for every three existing fully paid up Equity Share on 13-09-2023. New Bonus Equity Shares have been considered for the computation of both Basic & Diluted EPS in accordance with para 20 of AS 20: Earning Per share issued by ICAI for full year.

Pursuant to the special resolution passed in the extra ordinary general meeting held on 6th January, 2025. The Company has issued and allotted 15,85,000 equity shares of Rs 10 each, on Preferential allotment basis at an issue price of Rs 127 per share (Including Premium of Rs 117), to the Non-Promoter Group of the Company and on the receipt of Rs. 2012.95 lakhs, the company made the allotment of such shares on 14th February, 2025.

### 29 Capital commitments

Capital commitment	1,422.11	140.03
Estimated amount of contracts remaining to be executed on capital	Nil	Nil
account and not provided for (net of advances)		

### Chatha Foods Limited (Formerly Known as Chatha Foods Private Limited) CIN-LI5310PB1997PLC020578

### Notes to the financial statements

(All amounts are in ₹lakhs unless stated otherwise)

### 30 Related party disclosure

In accordance with the requirements of Accounting Standard - 18 'Related Party Disclosures' the names of the related party where control/ability to exercise significant influence exists, along with the aggregate amount of transactions and period end balances with them as identified and certified by the management are given below:

### I Name of the related parties and description of relationship:

	Description of relationship
	Name of the Party
A Key management personnel	Paramjit Singh Chatha
	Gurpreet Chatha Gurcharan Singh Gosal
	Iqbal Singh Chatha (classified as non promoter w.e.f 08/09/2023)
	RaviMathur (resigned w.e.f15.07.2023)
	Navit Kumar (resigned on 31.07.2023)
	Vishal Singh Sirmauria (w.e.f. 15.09.2023)
	Priyanka Oberoi (w.e.f. 15.09.2023)
	Nidhi (From 01.08.2023 to 15.09.2023)
	Purnachand Upadrashta (w.e.f. 11.09.2023)
	Chinmayee Swarup Deulgaonkar (w.e.f. 11.09.2023)
	Sanjiv Swarup (w.e.f. 22.01.2024)
	Irina Chatha (w.e.f. 14.07.2023)
	Namrata Kaur Gurm (w.e.f. 14.07.2023)
<b>B</b> Relatives of Key Managerial Persons	GurpalGosal
	Jaskunwar Chatha
	Umed Singh (w.e.f. 15.09.2023)

### II Transactions during the year

The following transactions were carried out with related parties in the ordinary course of business for the year ended 31 March 2025 & 31 March 2024.

S No. Particulars	For the period ended 31 March, 2025 Key Management Personnel	For the period ended 31 March, 2024 Key Management Personne
Reimbursement of expenses		
Mr. Paramjit Singh Chatha	9.86	4.42
Mr. Gurcharan Singh Gosal	2.27	1.27
Mr. Gurpreet Singh Chatha	2.22	0.46
Mr.Vishal Singh Sirmauria	0.24	0.20
Mr. Jaskunwar Chatha	-	0.04
Ms. Priyanka Oberoi	1.02	1.07
Mr. Umed Singh	1.87	-

S No.	Particulars	For the period ended 31 March, 2025	For the period ended 31 March, 2024
		Key Management Personnel	Key Management Personnel
Remuner	ation		
Mr. Paramji	t Singh Chatha	60.00	60.00
Mr. Gurpre	et Singh Chatha	14.40	14.40
Mr. Gurcha	ran Singh Gosal	9.67	9.67
Mrs. Gurpa	l Gosal	10.86	7.62
Mr.Vishal S	ingh Sirmauria (w.e.f 15/09/2023)	13.23	4.88
Ms. Priyank	a Oberoi	11.43	4.90
Mr. Jaskunv	var Chatha	9.60	9.60
Ms. Nidhi		-	1.39
Mr. Navit K	umar	-	0.14
Mr. Umed S	Singh	8.32	5.81
Director's	s Sitting Fees Paid		
Mr. Purnacl	nand Upadrashta	1.65	1.35
Ms. Chinma	ayee Swarup Deulgaonkar	1.35	1.20
Mr. Sanjiv S	warup	1.20	0.75

### CIN-U15310PB1997PLC020578

### Notes to the financial statements

(All amounts are in ₹ lakhs unless stated otherwise)

### Note No. 31 Corporate Social Responsibility (CSR)

(Rs in Lakhs)

Particulars	F.Y. 2024-25	F.Y. 2023-24
Minimum amount required to be spent in CSR (During the Financial Year)	8.94	Not Applicable
Add/Less: Previous Years Shortfall / Excess	-	-
Amount required to be spent during the F.Y.	8.94	-
Amount of CSR Expenditure incurred during the year	8.94	-
Shortfall at the end of the year	-	-
During the years CSR Expenditure Excess incurred	-	-
Reason for Shortfall	Not Applicable	Not Applicable
Details of Related Party Transactions	Not Applicable	Not Applicable
Where a provision is made with respect to a liability incurred by entering into a contractual	Not Applicable	Not Applicable

The Company has contributed an amount of ₹ 8.94 Lacs to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) as part of its CSR obligations. This contribution is in line with the provisions of Schedule VII of the Companies Act, 2013 and is aimed at supporting efforts towards disaster management, including relief, rehabilitation and reconstruction activities.

### 2 FINANCIAL RATIOS

S O	Ratio	Measurement Numerator unit	Numerator	Denominator	As at 31 March 2025	As at 31 March 2024	Change	As at 31 March 2025	As at 31 March 2024	As at 31 March 2025	As at 31 March 2024
					Ratio	Ratio			Numerator		Denominator
_	Current ratio	Times	Current assets	Current liabilities	2.44	2.60	-6.10%	5,813.73	5,204.25	2,379.51	2,000.15
2	Debt-equity ratio	Times	Total debt [Long-term borrowings + Short-term borrowings]	Total equity	0.14	0.14	1.58%	1,172.15	807.53	8,254.87	5,776.77
٣	Debt service coverage ratio	Times	Net Profit after tax + non-cash operating expenses like depreciation and other amortizations + Interest +other adjustments like loss on sale of fixed assets, etc.	Current Debt Obligation (Interst + Installments)	4.77	9.50	-49.78%	994.06	945.19	208.33	99.49
4	Return on equity ratio	Percentage	Net Profit after taxes - preference dividend (if any)	(Beginning shareholders' equity + Ending shareholders' equity)÷2	7.45%	15.51%	-51.98%	606.15	616.68	8,137.84	3,975.94
2	Inventory turnover ratio	Times	Total revenue from operations	(Opening Stock+Closing Stock)/2	12.33	12.78	-3.52%	15,716.59	13,379.93	1,274.31	1,046.70
9	Trade receivables turnover ratio	Times	Revenue from operations	(Beginning Trade Receivables + Ending Trade Receivables) / 2	9.22	12.82	-28.05%	15,716.59	13,379.93	1,704.25	1,043.84
7	Trade payables turnover ratio	Times	Purchases	(Beginning Trade Payables + Ending Trade Payables)/ 2	10.94	9.13	19.84%	11,795.90	9,799.87	1,078.45	1,073.71
8	Net capital turnover ratio	Times	Total revenue from operations	Current Assets - Current Liability	4.58	4.18	9.59%	15,716.59	13,379.93	3,434.23	3,204.09
6	Net profit ratio	Percentage	Profit after tax	Total revenue from operations	3.86%	4.61%	-16.32%	606.15	89.919	15,716.59	13,379.93
0	Return on capital employed	Percentage	Profit before Interest and Taxes	Capital employed = Net Worth+Total Debt	10.12%	14.30%	-29.27%	953.65	941.65	9,427.02	6,584.30

contribution is in line with the provisions of Schedule VII of the Companies Act, 2013 and is aimed at supporting efforts towards disaster management, including relief, rehabilitation and reconstruction The Company has contributed an amount of ₹ 8.94 Lacs to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) as part of its CSR obligations. This activities.

## Reasons for variation in case of variation > 25%:

- Debt Service Coverage Ratio has decreased due to increased repayment obligation in next year whereas profits have not been increased.
- Decrease in Return on Equity ratio by 36.32% is due to fresh equity share capital issued during the year, which has been deployed for new plant which is yet to be put to use. ∷
- Decrease in Trade Receivable ratio is due to increase in trade receivables due to addition of new clients and increased credit period. (iii)
- Decrease in Return on capital employed is due to increased equity base against which new plant is yet to start commercial production.

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Notes to the financial statements (All amounts are in ₹Lakhs unless stated otherwise)

33. Details of consumption of raw materials:Raw material consumedIndigenous

34.	Leases
	Operating leases

For the period ended 31 March 2025		For the period ended 31 March 2024		
Amount	Percentage	Amount	Percentage	
11,630.43	100.00%	9583.38	100.00%	
11,630.43	100.00%	9583.38	100.00%	

The Company is a lessee under a cancellable operating lease. Rental expense for operating lease for the years ended 31 March 2025 & 31 March 2024 was ₹ 24.37 Lacs & ₹ Nil lacs respectively.

The Company's main business is the manufacturing of ready to eat meat products, Vegetarian and vegan foods which as per Accounting Standard – 17 on "Segment Reporting" as prescribed under Section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021 and other accounting principles generally accepted in India is considered to be the only reportable segment. The Company is primarily operating in India which is considered as a single geographical segment.

The Company has contributed an amount of ₹ 8.94 Lacs to the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES Fund) as part of its CSR obligations. This contribution is in line with the provisions of Schedule VII of the Companies Act, 2013 and is aimed at supporting efforts towards disaster management, including relief, rehabilitation and reconstruction activities. The Company does not have any contingent liability at end of the year as indentified by the management except for table below:

S. No	Particulars	As at 31 March 2025	As at 31 March 2024
1	GST related matter (Refer Note- 36.1)	*	*
2	TDS Demand as per Traces Portal (Refer Note- 36.2)	1.36	0.75

Note 36.1 Good and Service Related, Excise And Taxation Department, Punjab, issued a penalty of Rs 6.95 lakh in the year 2022-23 for the period of year 2017-2018. The Company have made the payment of such demand on 26/09/2023. But such demand is still shown as outstanding on the Goods And Service Tax portal.

Note 36.2 The company received a TDS demand of Rs 1.87 lakh in preceding Financial Years, out of which Rs.0.51 lakh have been paid by the company in the recent years. But the whole amount is shown as outstanding on Traces portal.

- a) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - (b) The Company has not received any funds from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
  - (d) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, I 988 and rules made.
  - (e) The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority.

- (f) The company has not incurred any transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 for the year ended as at 31 March 2024 & 31 March 2025.
- (g) The Company does not have any charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- (h) The Company has no such layers as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017. Hence, the said clause is not applicable to the Company.
- (i) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (j) Money raised by way of term loans were applied for the purposes for which these were obtained.
- (k) The Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as at year ended 31 March 2025 & 31 March 2024.
- (I) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (m) The Company does not have any advances in the nature of loans during the year.
- 38 Previous year figures have been regrouped/recasted, wherever considered necessary to make them comparable with those of the current year.
- The Company raised money 3338.72 lakhs by way of initial public offering in FY 23-24 and, moneys raised by way of initial public offer, have been, prima facie, applied by the Company for the purposes for which they were raised. However, some portion of the amount raised, which remain unutilised amount of Rs. 234.16 lakhs at the year end, have been invested in bank deposits/lying in Bank Account.as on March 31,2025.

  (Amount in lakhs)

S.No	Original Objects	Original Allocation of amount raised	Funds Utilized	Amount invested in bank deposits
I	Setting up of New Facility	2,411.03	2,294.33	116.70
2	General Corporate Purposes	446.98	341.43	105.55
3	IPO Issue Expenses	480.71	468.81	11.90
	Total	3,338.72	3,104.57	234.16

The Company raised money 2164.08 lakhs by way of preferential issue and share warrants in FY 24-25 and, moneys raised by way of preferential issue and share warrants, have been, prima facie, applied by the Company for the purposes for which they were raised. However, some portion of the amount raised i.e. Rs 180 Lakhs is utilised for the purpose of the prefential issue, which remain unutilised amount of Rs.1984.08 lakhs at the year end, have been invested in bank deposits/lying in Bank Account. as on March 31, 2025.

For A Bafna & Co,

Chartered Accountants

Firm's Registration No.:003660C

For and on behalf of the Board of Directors of

Chatha Foods Limited (Formerly Known as Chatha Foods Private Limited)

Sd/-

Vivek Gupta

Partner

Membership No. 400543

(UDIN No: 25400543BMLIGG4738)

Sd/- Sd/-

Paramjit Singh ChathaGurpreet ChathaManaging DirectorWholetime Director(DIN No: 01154225)(DIN No: 01389143)

Sd/-

Priyanka Oberoi

Company Secretary (Membership No: A32400)

Sd/-

Vishal Singh Sirmauria
Chief Financial Officer

Place: Mohali Date: 16/05/2025

NOTES		
	500	 



### **CHATHAFOODSLIMITED**

PROCESSED & FROZEN FOOD

### **REGISTERED OFFICE**

272, Mota Singh Nagar, Jalandhar, Punjab-144001

### **CORPORATE OFFICE**

Village Chaundheri PO Dappar, District Mohali, Dappar Ad, Mohali, Dera Bassi, Punjab, India, 140506