



INNOVATIVE FOODS LIMITED

34TH ANNUAL REPORT 2022-23



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. P Manoj Kumar	(DIN: 03527923)	Whole-Time Director
Mr. Pranav Kumar Suresh	(DIN: 08380082)	Non-Executive and Nominee Director
Mr. Saurabh Vijay Saxena	(DIN: 10098297)	Director (Executive)
Mr. Mohamed Mansoor Ahmed	(DIN: 06992067)	Non-Executive and Independent Director
Dr. Anandavally N	(DIN: 08103463)	Non-Executive and Independent Director

COMPANY SECRETARY

Mr. Suraj Sampatrao Kamble

STATUTORY AUDITORS	INTERNAL AUDITORS	SECRETARIAL AUDITOR
M/s. Deloitte Haskins & Sells LLP Prestige Trade Tower, Level 19 46, Palace Road, High Grounds, Bengaluru – 560 001 Karnataka, India	M/s. FRG Associates No. 55/1739, Club Road, Girinagar, Cochin-682020	Mr. A.S. Narayanan Practicing Company Secretary, VI/331 Aishwaryam, Kottayi, Nedumbassery P.O, Aluva - 683585
REGISTERED OFFICE	CORPORATE OFFICE	FACTORY
Chakolas Habitat, A Block, 1 C, Thevara Ferry Road, Cochin - 682 013	316/3, Second Floor, Mayfair Building, 100 feet road, Indira Nagar, Bangalore, Karnataka 560008.	Ezhupunna.P.O. Alapuzha Dt, Kerala-688 537 Survey No. 20 & 21, Srini Food Park, Mogili Village, Bangarupalem Mandal, Chittoor Dist- 517416, AP

BANKERS

HDFC Bank Limited

Salco Centre, Richmond Road,
Bangalore - 560 025

HDFC Bank Limited

Eramalloor Br, Door No. VIII / 30,
Main Road Eramalloor,
Alleppey - 688 537, Kerala, India

ICICI Bank Limited

1, Shobha Pearl, Commissariat Road, Off MG Road, 1st Floor,
Bangalore – 560025.

REGISTRAR AND SHARE TRANSFER AGENT

Integrated Registry Management Services Private Limited
Kences Towers, 2nd Floor,
No.1, Ramakrishna Street,
Off North Usman Road, T Nagar, Chennai - 600 017.
Ph : 044-28140801-03,
E-mail : csdstd@integratedindia.in

<u>Contents</u>	<u>Page No</u>
Notice to the shareholders	1
Directors' Report	18
Secretarial Audit Report	28
Auditors' Report	32
Balance Sheet	44
Statement of Profit & Loss	45
Cash flow statements	46
Notes to Financial Statements	47



INNOVATIVE FOODS LIMITED

CIN: U51909KL1989PLC005465

Registered Office : Chakolas Habitat, A Block, 1 C, Thevara Ferry Road, Kochi, Kerala - 682013.

Email : cosecy@sumeru.net; Website : www.sumeru.net; Tel : 0478 2872349; Fax : 0478 2874417

NOTICE OF THE 34th ANNUAL GENERAL MEETING

To,

The Members of Innovative Foods Limited

Notice is hereby given that the 34th Annual General Meeting will be held on Friday, 27th October, 2023 at 11.00 AM through video conferencing (VC)/Other Audio Visual Means (OAVM) to be held at the registered office of the Company at Chakolas Habitat, A Block, 1 C, Thevara Ferry Road, Kochi, Kerala - 682013 to transact the following business:

ORDINARY BUSINESS

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

1. To receive, consider and adopt the audited Profit and Loss account for the year ended 31.03.2023 and the Balance Sheet of the company as at 31.03.2023 together with the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. P. Manoj Kumar, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

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

Appointment of Mr. Pranav Kumar Suresh (DIN: 08380082), as Nominee Director of the Company;

"RESOLVED THAT pursuant to provisions of Section 152 read with Rule 8, 9 and 14 of Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and provisions of the Articles of Association of the Company consent of the shareholders of the Company be and is hereby accorded to appoint Mr. Pranav Kumar Suresh, Additional Director (Nominee) of the Company having DIN [10098297] as Nominee Director of the Company for with effect from 27.10.2023 who will not be liable to retire by rotation;

RESOLVED FURTHER THAT Mr. P. Manoj Kumar (DIN: 03527923), Whole-Time Director of the company be and is hereby authorized to do all acts, deeds and things which are necessary to give effect to the above said resolution."

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

Appointment of Mr. Saurabh Vijay Saxena (DIN: 10098297), as Executive Director of the Company;

"RESOLVED THAT pursuant to provisions of Section 152 read with Rule 8, 9 and 14 of Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and provisions of the Articles of Association of the Company consent of the shareholders of the Company be and is hereby accorded to appoint Mr. Saurabh Vijay Saxena, Additional Director of the Company having DIN [10098297] as Executive Director of the Company for with effect from 27.10.2023 who will be liable to retire by rotation;

RESOLVED FURTHER THAT Mr. P. Manoj Kumar (DIN: 03527923), Whole-Time Director of the company be and is hereby authorized to do all acts, deeds and things which are necessary to give effect to the above said resolution."

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

Re-appointment of and remuneration payable to Mr. P Manoj Kumar as Whole-time Director of the Company:

“RESOLVED THAT subject to the provisions of section 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013, read with schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof), consent of the members be and is hereby accorded for re-appointment of Mr. P Manoj Kumar (DIN: 03527923) as Whole-time Director of the Company for a period of five years with effect from April 14, 2023 to April 13, 2028 on such terms and conditions as set out in the explanatory statement annexed to the notice convening this meeting including remuneration to be paid as recommended by the Nomination and Remuneration committee and approved by the Board in the event of loss or in adequacy of profit in any financial year during the period of five years from the date his re-appointment.

RESOLVED FURTHER THAT during such time Mr. P Manoj Kumar holds and continues to hold the office of Whole-time Director of the Company, he shall not be liable to retire by rotation.

RESOLVED FURTHER THAT any of the Directors of the company be and is hereby authorised to do all such acts, deeds, matters and things as may in their absolute discretion deem necessary, expedient, usual and proper for giving effect to the aforesaid resolution.”

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

To approve the revision in remuneration payable to Mr. P Manoj Kumar, Whole time Director of the Company:

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule V to the Act (including any statutory modification or re-enactment thereof, for the time being in force), and subject to such other approvals as may be necessary, consent of the members be and is hereby accorded to the revision in the remuneration of Mr. P Manoj Kumar, Whole time Director of the Company, on the following terms and conditions, as recommended by the Nomination and Remuneration Committee and approved by the Board.

Salary:

Maximum Rs. 98,00,000/- per annum with liberty to the Board of Directors which shall deemed to include the Nomination and Remuneration Committee of the Board, to alter and vary the terms and conditions of the said remuneration as it may deem fit.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the remuneration of Mr. P Manoj Kumar, Whole time Director of the Company, on recommendation of the nomination and remuneration committee from time to time as may be considered appropriate, subject to the applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT any of the Directors of the company be and is hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper in this regard.”

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

To approve the revision in remuneration payable to Mr. Saurabh Vijay Saxena, Executive Director of the Company;

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with Schedule V to the Act (including any statutory modification or re-enactment thereof, for the time being in force), and subject to such other approvals as may be necessary, the consent of the members be and is hereby accorded to the revision in the remuneration of Mr. Saurabh Vijay Saxena, Executive Director of

the Company, on the following terms and conditions, as recommended by the Nomination and Remuneration Committee of the Company, for the remaining period of his tenure.

Salary:

Maximum Rs. 90,00,000/- per annum with liberty to the Board of Directors which shall deemed to include the Nomination and Remuneration Committee of the Board, to alter and vary the terms and conditions of the said remuneration as it may deem fit.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the remuneration of Mr. Saurabh Vijay Saxena, Executive Director of the Company, on recommendation of the nomination and remuneration committee from time to time as may be considered appropriate, subject to the applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper in this regard.”

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

To approve remuneration payable to Mr. Saurabh Vijay Saxena, Executive Director of the Company:

“**RESOLVED THAT** subject to the provisions of section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, read with schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof), the consent of the Company be and hereby accorded to payment of remuneration to Mr. Saurabh Vijay Saxena, Executive Director of the Company, in the event of loss or inadequacy of profits in any financial during the period of three years from the financial year 2023-24 on the terms and conditions, as set out in the Explanatory Statement annexed to the Notice convening this meeting.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things as may in their absolute discretion deem necessary, expedient, usual and proper for giving effect to the aforesaid resolution.”

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

To approve the borrowing limit to the Board of Directors Section as per Section 180(1)(c) of the Companies Act, 2013 to Rs. 50,00,00,000/- (Rupees Fifty Crores).

RESOLVED THAT pursuant to Section 180(1)(c) and all other enabling provisions of the Companies Act, 2013, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) including the rules made thereunder and in terms of Articles of Association of the Company, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board”) for borrowing from time to time any sum or sums of moneys on such terms and conditions, with or without security, as the Board of Directors may deem fit which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) may exceed the aggregate for the time being of the paid up capital of the company and its free reserves, that is to say reserves not set apart for any specific purpose, provided that the total amount of money/ moneys so borrowed shall not exceed Rs. 50,00,00,000/- (Rupees Fifty Crores only).

RESOLVED FURTHER THAT any of the Directors of the Company be and is hereby authorised to do and perform all such acts, deeds and things and to take all steps as may be considered necessary, proper and expedient to carry on the purpose of this resolution.”

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

To approve the increase of the remuneration payable to Mr. Suraj Sampatrao Kamble, Company Secretary of the Company

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) (including any statutory modification or re-enactment thereof, for the time being in force), and subject to such other approvals as may be necessary, the consent of the members be and is hereby accorded to the revision in the remuneration of Mr. Suraj Sampatrao Kamble, Company Secretary of the Company, on the following terms and conditions, as recommended by the Nomination and Remuneration Committee of the Company and approved by the Board, for the remaining period of his tenure.

Salary:

Maximum Rs. 8,54,000/- per annum with liberty to the Board of Directors which shall deemed to include the Nomination and Remuneration Committee of the Board, to alter and vary the terms and conditions of the said remuneration as it may deem fit.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to alter or vary the remuneration of Mr. Suraj Sampatrao Kamble, Company Secretary of the Company, on recommendation of the nomination and remuneration committee from time to time as may be considered appropriate, subject to the applicable provisions of the Companies Act, 2013.

RESOLVED FURTHER THAT any of the Directors of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper in this regard.”

**By Order of the Board of Directors,
For Innovative Foods Limited**

**P. Manoj Kumar
Whole-Time Director
DIN: 03527923
Date: 03.10.2023
Place: Kochi**

Note.

1. Explanatory statement as required under section 102 of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed hereto.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 and Circular dated January 13, 2021 read with circulars dated April 8, 2020 and April 13, 2020, General Circular Numbers 20/2020, 14/2020,17/2020, 02/2021, 02/2022, 10/2022, 09/2023 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM” or “Meeting”) through Video Conferencing / Other Audio Visual Means (VC / OAVM), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”) and MCA circulars, the AGM of the Company is being held through VC /OAVM. The members intending to attend the meeting will be allowed to participate through VC / OAVM details of which are set out hereinafter.
3. As per provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote in the meeting instead of himself / herself. Since this AGM is being held pursuant to the MCA Circulars on AGM 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. However, Corporate Members intending to authorize their representatives for attending the AGM are requested to send a scanned certified copy of the board resolution/authorization from authorized signatory authorizing their representative to attend through VC/OAVM and vote on their behalf in the AGM on cosecy@sumeru.net.
4. Company is providing e –voting facility for the members to cast their votes electronically. A note on the process and procedure of e-voting is annexed in the explanatory statement.
5. In compliance with the aforesaid MCA circular, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report will also be available on the Company’s website www.sumeru.net.
6. Since the AGM will be conducted through VC/OAVM means, to conduct the AGM in a smooth and seamless manner, only those shareholders will be allowed to speak at the AGM who have pre-registered themselves for the same with the Company. The Company hence requests members to opt any one of the following methods for obtaining answers to their queries / making suggestions:
7. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 05.00 P.M. on 20th October, 2023 through email on cosecy@sumeru.net and such email shall mandatorily mention the name of the shareholder, demat account number / folio number, email id and contact number of the shareholder. The same will be replied by the Company suitably.
8. Members who would like to express their views/ask questions as a speaker at the meeting may pre-register themselves by sending a request from their registered email address mentioning their names, DP ID and Client ID/folio number, PAN and mobile number at cosecy@sumeru.net between **Friday, October 20, 2023 (9:00 a.m. IST) and Monday, October 23, 2023 (5:00 P.M. IST)**. The Company will allow only the pre-registered members to speak at the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
9. Members are requested to discuss or ask queries only on the Accounts or business of the Company or any other agenda of the 34th AGM so that effective question answer session can take place and queries posed by majority shareholders are addressed. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM. Queries that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.
10. The Company has appointed its Secretarial Auditor Mr. A.S. Narayanan as the Scrutinizer for scrutiny of votes casted through e-voting mechanism for the ensuing AGM. The scrutinizer will submit his report and voting results within the statutory time limit.
11. The documents referred to in the Notice, if any, will be available for inspection at the Company’s registered office during normal business hours on working days up to the date of the AGM.

12. Since the AGM is conducted through VC/OAVM, Route map for the venue of AGM is not required and hence not enclosed with this notice.
13. Members are requested to register their e- mail address with the company or the registrar, Integrated Registry Management Services Private Limited, 2nd Floor, Kences Towers, No.1, Ramakrishna Street, Off: North Usman Road, T.Nagar, Chennai- 600 017. Ph.No: 044-28140801-03; Fax: 044-28142479, E-mail: csdstd@integratedindia.in
14. In line with the initiatives of the Government on environmental protection, paper communications could be minimised and electronic communication is appreciated. To support this move, members are welcome to register their email address and full bank particulars.
15. Kindly inform the registrar in case there is a change in your address.
16. The record date for ascertaining the eligible shareholders for the purpose of e-voting shall be '20th October, 2023'
17. Shareholders are also requested to submit their physical share certificates for dematerialization at the earliest since physical transfer of shares is no longer permitted under the Companies Act, 2013.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

The following explanatory statement sets out all material facts relating to Ordinary/Special Business of the accompanying Notice of the 34th Annual General Meeting ('AGM') to be held on Friday, 27th October, 2023.

Item No. 3

Mr. Pranav Kumar Suresh was appointed as an Additional Director on the Board of the Company w.e.f. September 18, 2023. Pursuant to the provisions of Section 161 of the Companies Act, 2013, he holds office up to the date of ensuing Annual General Meeting of the Company. The Company has received notice in writing under Section 160 of the Companies Act, 2013, with the deposit of requisite amount, proposing the candidature of Mr. Pranav Kumar Suresh, for the office of the Nominee Director of the Company (representing Peepul Capital III LLC) under the provisions of Section 161 of the Companies Act, 2013. He is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given his consent to act as a Nominee Director. Mr. Pranav Kumar Suresh shall bring rich and varied experience to the Board. The Board of Directors recommends the Ordinary resolution set out in Item No. 3 of the accompanying Notice for approval of the Members.

Except Mr. Pranav Kumar Suresh, none of the Director, Key Managerial Personnel and their relatives are in any way concerned or interested financial or otherwise, in the Resolution.

Item No. 4

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors vide its resolution dated April 18, 2023, had appointed Mr. Saurabh Vijay Saxena (DIN: 10098297), as an Additional Director with effect from April 18 2023 in accordance with the provision of Section 161 of the Companies Act, 2013 and Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Saurabh Vijay Saxena (DIN: 10098297), holds the office up to date of the ensuing Annual General Meeting.

The Company has received from Mr. Saurabh Vijay Saxena, (i) consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under the provisions of sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

Keeping in view his experience and knowledge, it will be beneficial and in the interest of the Company to appoint Mr. Saurabh Vijay Saxena, as an Executive Director of the Company.

Brief profile, expertise/experience, disclosure as required under Secretarial Standards 2 on General Meetings is given as an Annexure to the Notice.

Pursuant to recommendation of Nomination and Remuneration Committee, the Board of Directors accordingly recommends the Resolutions set out in Item No. 4 of the accompanying notice for approval by the members of the Company as an Ordinary Resolution.

Mr. Saurabh Vijay Saxena is not related to any other Director and Key Managerial Personnel of the Company. He does not hold any Equity Share in the Company.

None of the Directors, Key Managerial Personnel and their relatives, except Mr. Saurabh Vijay Saxena and his relatives, to the extent of his appointment are concerned or interested, financially or otherwise, in the said resolution mentioned at Item No.4 of the accompanying Notice.

Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting as required under clause 1.2.5 of Secretarial Standards on General Meetings – (SS-2).

Name of the Director	Mr. Saurabh Vijay Saxena
Date of Birth & Age	02.05.1978, 45 years
Nationality	Indian
Date of first Appointment on Board	18.04.2023
Qualifications	Post Graduate in International Business from Symbiosis Institute of International Business, Pune.
Brief profile, experience and expertise in specific functional area	Mr. Saurabh Vijay Saxena holds Post Graduate in International Business from Symbiosis Institute of International Business, Pune. He has also completed Certificate Program of 'Disruptive Strategy' from Harvard Business School. Mr. Saurabh Vijay Saxena is a seasoned Business Development & Marketing Professional with an experience of over 17 years in the areas such as Sales & Marketing, Business Development, Revenue Generation and Team Management in consumer durables, food and beverage industries. . He was associated with Del Monte as a General Manager (Head of Sales), SAB Miller India as a Trade Marketing Manager – North Region and LG Electronics India Pvt. Ltd. as a Marketing Manager and Sales Manager in various locations in India.
Director of other Indian Companies (as on March 31, 2023)	Nil
Terms and Conditions of appointment or re-appointment along with remuneration and the last drawn remuneration.	Mr. Saurabh Vijay Saxena was appointed as Additional Director at the Board Meeting held on April 18, 2023.
The Number of Meetings of the Board attended during the year.	Nil
Relationships with other Directors, Manager and other Key Managerial Personnel.	None

Item No. 5,6,7,8

As per Section 196 and 197 read with Schedule V of the Companies Act, 2013, where in any financial year during the currency of tenure of a managerial person, the company has no profits or its profits are inadequate, the Company is required to pass a special resolution for payment of remuneration to a managerial person where the proposed remuneration exceeds the remuneration. Therefore, the Company is required to pass a special resolution for item No. 5 and 8 as per the above provisions of the Act.

Looking at the past experiences of Mr. P Manoj Kumar, Whole time Director and Mr. Saurabh Vijay Saxena, Executive Director of the Company and their involvement in the affairs of the Company, the Nomination and Remuneration of Committee and the Board of Directors of the Company had vide resolution passed on 31st May, 2023 approved increase in remuneration of Mr. P Manoj Kumar, Whole time Director and Mr. Saurabh Vijay Saxena, Executive Director of the Company, subject to the approval of the shareholders of the Company.

I. General Information:-

- 1. Nature of Industry:** the Company is engaged in the business of manufacture and marketing of Food Processing business.
- 2. Date of Commencement of Commercial Production:** The Company is in operation from 1989 onwards.
- 3. Financial Performance of the Company based on given indicators**

Financial Highlights		
Particulars	31.03.2023 (Rs. In Million)	31.03.2022 (Rs. In Million)
Turnover	1,218.21	1,207.05
Other Income	9.79	16.35
Total Revenue	1,228.01	1,223.41
Total Expense	1,503.17	1,187.47
Profit/Loss before Tax	(275.16)	35.93
Profit/Loss after Tax	(275.16)	35.93

4. Foreign Investments and Collaborations:

The Company has not made any Foreign Investments and neither entered into any collaboration during the last year.

II. Information about Mr. P Manoj Kumar:

1. Past remuneration: During the financial year ended 31st March, 2023, Rs. 49,11,000/- was paid to Mr. P. Manoj Kumar.

2. Remuneration proposed: Basic Salary of Rs. 34,20,000/- and other Allowances of Rs.34,00,020/-.He is also eligible for performance bonus as per Company policy which would be payable subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board, Provident fund and gratuity are as per the Act subject to a maximum of Rs. 98,00,000/- (Rupees Ninety Eight Lakhs only) which is excluding ESUP Units. Apart from this he is also eligible for Leaves as per Company Policy, Un-availed Leave encashment at the end of the financial year and travel expenses reimbursement for all the official travels.

3. Comparative Remuneration profile with respect to Industry, Size of the Company, profile of the position and Person:

i. Remuneration proposed is comparable with normal salaries that are being paid in the industry and with reference to the size and nature of the industry. The proposed remuneration is optimum for a person with similar profile in food processing industry.

ii. In case of expatriates the relevant details would be w.r.t the country of origin: NA

4. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: No pecuniary relationship either directly or indirectly with the Company.

II. Information about Mr. Saurabh Vijay Saxena:

1. Mr. Saurabh Vijay Saxena was appointed as the Vice President - Sales in 2021 and further appointed as Additional Director (Executive) of the Company with effect from 18th April, 2023. Pursuant to Section 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, read with schedule V of the Companies Act, 2013, the Company has to pass a special resolution for payment of remuneration in accordance with Schedule V of the Act.

2. Background details: Mr. Saurabh Vijay Saxena was born in 1978. He holds Post Graduate in International Business from Symbiosis Institute of International Business, Pune. He has also completed Certificate Program of 'Disruptive Strategy' from Harvard Business School. Mr. Saurabh Vijay Saxena is a seasoned Business Development & Marketing Professional with an experience of over 17 years in the areas such as Sales & Marketing, Business Development, Revenue Generation and Team Management in consumer durables, food and beverage industries. . He was associated with Del Monte as a General Manager (Head of Sales), SAB Miller India as a Trade Marketing Manager – North Region and LG Electronics India Pvt. Ltd. as a Marketing Manager and Sales Manager in various locations in India.

Job Profile: Previously he worked with Del Monte as a General Manager (Head of Sales), SAB Miller India as a Trade Marketing Manager – North Region and LG Electronics India Pvt. Ltd. as a Marketing Manager and Sales Manager in various locations in India.

3. Job profile and his suitability: Mr. Saurabh Vijay Saxena is presently the Additional Director (Executive) of the Company. Since his joining the company has seen year on year growth with decrease in costs. He is an expert with Sales & Marketing, Business Development, Revenue Generation and Team Management in consumer durables, food and beverage industries.

4. Remuneration proposed: Basic Salary of Rs. 24,00,000 /- and other Allowances of Rs.36,01,818/-.He is also eligible for performance bonus as per Company policy which would be payable subject to the achievement of certain performance

criteria and such other parameters as may be considered appropriate from time to time by the Board, Provident fund and gratuity are as per the Act subject to a maximum of Rs. 90,00,000/- (Rupees Ninety Lakhs only) which is excluding ESUP Units. Apart from this he is also eligible for Leaves as per Company Policy and travel expenses reimbursement for all the official travels.

5. Comparative Remuneration profile with respect to Industry, Size of the Company, profile of the position and Person:
- Remuneration proposed is comparable with normal salaries that are being paid in the industry and with reference to the size and nature of the industry. The proposed remuneration is optimum for a person with similar profile in food processing industry.
 - In case of expatriates the relevant details would be w.r.t the country of origin: NA
6. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: Mr. Saurabh Vijay Saxena has no pecuniary relationship either directly or indirectly with the Company.

III. Other Information:

1. Reasons of loss or inadequate profits: : Despite the best efforts of the Senior Management, the financial performance of the Company was not as per the expectation and due to high raw material cost, packing material cost and other input cost, rising power & fuel Cost etc. which the industry is currently passing through, the Company had inadequate profits. We are taking necessary steps to bring additional margin and cost under control and push for profitability.

2. Steps taken or proposed to be taken for improvement: The Company is consistently taking strong steps to reduce the costs and increase margins. Controlling employee costs, marketing spends, fixed expenses, better sales mix is helping us to improve positively. The Company has put systems in place to reduce the losses and to get into the path of being positive returns.

3. Expected increase in productivity and profits in measurable terms: With political clarity emerging, the business and consumer confidence are expected to improve in the coming financial year, geared with a streamlined organizational design, the company intends to grow its businesses. The Company expects that with the improvement in consumer sentiment and increased consumer spending will enable the growth momentum to pick up. The management continuous to be cautiously optimistic towards the external economic environment and expects consumer demand to become more consistent and robust in the current financial year. Further, various policy decisions taken would act as growth channel for the Company which would contribute in increased revenues and higher margins.

In accordance with the provisions of Sections 196, 197 & other applicable provisions of the Act, read with Schedule V to the said Act, item No.5,6,7 and 8 require approval of members by passing special resolution. Hence, the members are requested to pass the item No. 5,6,7 and 8 as special resolution.

The Board recommends the Resolution at Item No. 5,6,7 and 8 for approval of the shareholders.

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned in resolutions set out in item 5,6,7 and 8 except Mr. P Manoj Kumar and Mr. Saurabh Vijay Saxena respectively.

Item No. 9

The Ministry of Corporate Affairs vide its Circular dated September 12, 2013 has notified certain Sections of the Companies Act, 2013. Out of such notified Sections, Section 180 which stipulates following powers/discretions shall be exercised by the Board of Directors of the Company only with assent of the Shareholders by the Special Resolution passed at the General Meeting:- (a) to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking(s) of the company (b) to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business. Keeping in view the funds already borrowed by the Company together with likely borrowing requirements of the Company in next 3-4 years in order to meet funds requirements in respect of the Project(s) undertaken or to be undertaken by the Company which may or will exceed the limit prescribed under Sub Section(1)(c) of section 180, it is hereby proposed to authorize Board to borrow upto a sum of Rs. 50,00,00,000/- (Rupees Fifty Crores only) in any manner as the Board may think necessary or fit do so.

The Board recommends Special Resolutions for approval of the Members. None of the Directors or Key Managerial Personnel of the Company or their relatives are in anyway, concerned or interested in the said Resolutions.

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned in resolutions set out in item 9.

Item No. 10

Looking at the past experience of Mr. Suraj Sampatrao Kamble, Company Secretary of the company and his involvement in the affairs of the Company, the Nomination and Remuneration of Committee recommended and the Board of Directors of the Company had vide resolution passed on 31st May, 2023 approved increase in remuneration of Mr. Suraj Sampatrao Kamble, Company Secretary of the company, subject to the approval of the shareholders of the Company.

Brief remuneration details of Mr. Suraj Sampatrao Kamble are provided.

1. Past remuneration: During the financial year ended 31st March, 2023, Rs. 6,50,000/- was paid to Mr. Suraj Sampatrao Kamble.

2. Remuneration proposed: Basic Salary of Rs. 2,76,000/- and other Allowances of Rs.5,00,648/-.He is also eligible for performance bonus as per Company policy which would be payable subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board, Provident fund and gratuity are as per the Act subject to a maximum of Rs. 8,54,000/- (Rupees Eight Lakh Fifty Four Thousand only). Apart from this he is also eligible for Leaves as per Company Policy and travel expenses reimbursement for all the official travels.

3. Comparative Remuneration profile with respect to Industry, Size of the Company, profile of the position and Person:

i. Remuneration proposed is comparable with normal salaries that are being paid in the industry and with reference to the size and nature of the industry. The proposed remuneration is optimum for a person with similar profile in food processing industry.

ii. In case of expatriates the relevant details would be w.r.t the country of origin: NA

4. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: No pecuniary relationship either directly or indirectly with the Company.

None of the Directors, Key Managerial Personnel of the Company or their relatives are deemed to be interested or concerned in resolutions set out in item 10.

Shareholders Instructions for e-voting

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the General Circular Numbers 20/2020, 14/2020,17/2020, 02/2021, 02/2022, 10/2022, 09/2023 issued by the Ministry of Corporate Affairs and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at <https://sumeru.net/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA General Circular Numbers 20/2020, 14/2020,17/2020, 02/2021, 02/2022, 10/2022, 09/2023.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, 24th October, 2023 at 09:00 A.M. and ends on Thursday, 26th October, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 20th October, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 20th October, 2023.

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are 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 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>  App Store  Google Play </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> 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 Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 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.

	<p>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.</p> <p>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.</p> <p>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on 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.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

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

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

Login type	Helpdesk details
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>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</p>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p>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 22 55 33</p>

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. 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.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as

shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.

b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to narayanan.secretary@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mahtre at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 cosecy@sumeru.net.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cosecy@sumeru.net. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cosecy@sumeru.net. The same will be replied by the company suitably.

**By Order of the Board of Directors,
For Innovative Foods Limited**

**P. Manoj Kumar
Whole-Time Director
DIN: 03527923
Date: 03.10.2023
Place: Kochi**

DIRECTORS REPORT

To,
Members of Innovative Foods Limited

Dear Members,

The Directors have pleasure in presenting the 34th Annual Report of the company together with the audited financial statements of the Company for the Year ended March 31, 2023 ("Year").

1. FINANCIAL HIGHLIGHTS

The financial performance of the company for the year ending 31st March 2023 is given below:

Financial Highlights		
Particulars	31.03.2023 (Rs. In Million)	31.03.2022 (Rs. In Million)
Turnover	1,218.21	1,207.05
Other Income	9.79	16.35
Total Revenue	1,228.01	1,223.41
Total Expense	1,503.17	1,187.47
Profit/Loss before Tax	(275.16)	35.93
Profit/Loss after Tax	(275.16)	35.93

2. STATE OF COMPANY'S AFFAIRS

Brief description of the company's working during the year/state of company's affair

The sales turnover of the Company for the year ended 31st March, 2023 was at Rs. 1,218.21 million as compared to Rs. 1,207.05 million in the previous year. However the Company registered a loss of Rs. 275.16 million for the year ended 31st March, 2023 against a profit of Rs. 35.93 million in the previous year.

3. DIVIDEND

The Board of Directors of your company, since the Company has registered a loss and after considering holistically the relevant circumstances has decided that it would be prudent, not to recommend any Dividend for the year under review.

4. ANNUAL RETURN

Pursuant to the provisions of Section 92(3) and Section 134(3)(a) of Companies Act 2013, Company had placed the copy of Annual Return on the website of the company and the web link for the same is <http://www.sumeru.net/media.php>

5. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE FINANCIAL YEAR UNDER REVIEW

The Company had five Board meetings, during the financial year under review as detailed below:-

Board Meetings & Attendance details of Directors in the meeting

Name of Director	Date of Board Meeting				
	20.04.2022	17.08.2022	29.09.2022	10.12.2022	08.02.2023
Mr. P. Manoj Kumar	P	P	P	P	P
Mr. Mohamed Mansoor Ahmed	P	P	P	LOA	P
Mr. Pranav Kumar Suresh	P	P	P	P	P
Mr. Mithun Appaiah	P	P	P	R	R
Mr. Ravinder Kishen Raina	P	P	P	LOA	LOA
Mrs. Anandavally Narayanan	LOA	P	LOA	P	P

P=Present, LOA=Leave of Absence, R=Resigned, NA=Not Applicable

6. DIRECTORS RESPONSIBILITY STATEMENTS-S.134(3)c

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement:—

(i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(iii) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) The directors had prepared the annual accounts on a going concern basis; and

(v) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

I. Inductions

The following appointment was made during the year: **NA**

II. Re-appointments

- As per the provisions of the Companies Act, 2013, Mr. P Manoj Kumar (DIN: 03527923), retires by rotation at the ensuing Annual General Meeting and being eligible seeks re-appointment. The Board recommends his re-appointment.
- Mr. Saurabh Vijay Saxena as Director at the ensuing Annual General Meeting.
- Mr. Pranav Kumar Suresh as Nominee Director at the ensuing Annual General Meeting.

III. Retirements and Cessation

Mr. Mithun Appaiah has been retired as Director of the Company as he was not re-appointed in the 33rd Annual General Meeting of the Company held on 28th October, 2023.

8. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Auditors have not reported any Fraud under Section 143 (12) of the Companies Act, 2013 for the year ended 31.03.2023.

9. DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (7) OF SECTION 149

Pursuant to Section 149(7) of the Companies Act, 2013, the Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as stipulated under Section 149 of the Companies Act, 2013 and that they have complied with the Code for Independent Directors prescribed in Schedule IV of the Companies Act, 2013.

10. BOARD COMMITTEES

a. Audit Committee

The audit committee of the company constitutes the following members:

As on 01.04.2022	As on 31.03.2023
➤ Mr. Mohamed Mansoor Ahmed	➤ Mr. Mohamed Mansoor Ahmed
➤ Mr. Ravinder Kishen Raina	➤ Mr. Ravinder Kishen Raina
➤ Mr. Pranav Kumar Suresh	➤ Mr. Pranav Kumar Suresh

b. Nomination Remuneration Committee

The Nomination and Remuneration Committee of the company consisted of the following members

As on 01.04.2021	As on 31.03.2023
➤ Mr. Mohamed Mansoor Ahmed	➤ Mr. Mohamed Mansoor Ahmed
➤ Mr. Ravinder Kishen Raina	➤ Mr. Ravinder Kishen Raina
➤ Mr. Pranav Kumar Suresh	➤ Mr. Pranav Kumar Suresh

c. Stakeholder Relationship Committee

The Stakeholders relationship Committee of the company consisted of the following members

As on 01.04.2021	As on 31.03.2023
➤ Mr. P Manoj Kumar	➤ Mr. P Manoj Kumar
➤ Mr. Pranav Kumar Suresh	➤ Mr. Pranav Kumar Suresh
➤ Mr. Mohamed Mansoor Ahamed	➤ Mr. Mohamed Mansoor Ahamed

11. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS.

- A. The qualifications, reservations or adverse remarks made by Statutory Auditors in their report and the comments of the Directors:

The Auditors' Report to the Shareholders for the year under review does not contain any qualification.

- B. The qualifications, reservations or adverse remarks made by Secretarial Auditor in their report and the comments of the Directors:

The Auditors' Report to the Shareholders for the year under review does not contain any qualification.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

During the year under review the Company has not given any loans, guarantees or made investments which fall under the purview of Section 186 of the Companies Act, 2013.

13. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SEC 188(1) COMPANIES ACT 2013:

Form AOC 2 Attached as Annexure 1

14. TRANSFER TO RESERVES

Your Company has transferred the net profit made during the year ended 2021-2022 to the reserves of the Company.

15. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 125(2) of the Companies Act, 2013, no unclaimed or unpaid Dividend relating to the financial year is due for remittance to the Investor Education and Protection Fund established by the Central Government.

16. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this report.

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

The Company continues to strengthen the conservation of energy and putting all its effort to minimize the Consumption of energy wherever possible. 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 2** and is attached to this report.

18. RISK MANAGEMENT POLICY:-

The Company has a proper risk management policy towards operations and administrative affairs of the Company.

19. CORPORATE SOCIAL RESPONSIBILITY U/S 135 OF THE COMPANIES ACT 2013

Provisions of Section 135 of the Companies Act, 2013 pertaining to CSR activities are not applicable to the company. Therefore, disclosure regarding the policy developed, implemented, initiatives taken by the Company and the formation of Committees does not arise.

20. ANNUAL EVALUATION:-

The performance evaluation of individual directors is carried considering factors like execution of specific assignments, effective contribution to the Board discussions and decisions, independence of judgment and steps taken towards proper governance of business and safeguarding interest of stakeholders.

21. DISCLOSURE UNDER OTHER PROVISIONS OF COMPANIES ACT 2013

i) Share Capital –

- A) Issue of equity shares with differential rights – NIL
 - B) Issue of sweat equity shares – NIL
 - C) Issue of employee stock options– NIL
 - D) Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees – NIL
 - E) Private Placement/Preferential Allotment of Equity shares- Nil
- The Company has not issued any sweat equity shares, during the financial year under review.

22. REPORT ON VIGIL MECHANISM. S. 177(9) & (10)

The provisions pertaining to establishment of vigil mechanism is not applicable to the Company.

23. DISCLOSURE S. 197 (14)

Disclosure about receipt of any commission by MD/WTD from the company and also receiving commission/remuneration from its holding or subsidiary: NIL.

24. MANAGERIAL REMUNERATION:

Details of the employee(s) of the Company as required pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Rule 5(1): Not applicable since the company is not listed

Rule 5(2):

- (i) There are no directors or employees who are employed throughout the financial year in the company, were in receipt of remuneration for more than One crore and two lakh rupees per annum; and
- (ii) Employed for a part of the financial year, was in receipt of remuneration for any part of that year, more than eight lakh and fifty thousand rupees per month.

25. STATUTORY AUDITORS

At the Annual General Meeting of the Company held on November, 27, 2020, M/s. Deloitte Haskins & Sells LLP, Chartered Accountants were appointed as the statutory auditors of the Company to hold office till the conclusion of the Thirty Sixth Annual General Meeting of the Company to be held in the year 2025.

The Auditors' Report to the Shareholders for the year under review does not contain any qualification.

26. SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, 2013 and allied rules thereof, the Board of Directors has appointed Mr. A.S. Narayanan, Company Secretary in Practice as the Secretarial Auditor for the financial year 2022-23. The Secretarial Audit report for financial year ended 2022-2023 issued by Mr. A.S Narayanan is appended and forms part of this report. The report is self-explanatory.

27. MATTERS REQUIRED TO BE DISCLOSED IN ACCORDANCE WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014.

a) Financial Performance-Rule 8(1):-Already given

b) Contracts or arrangements with related parties Rule- 8(2) :-ANNEXURE 1

c) Conservation of energy, Technology absorption, Foreign exchange earnings and Outgo- Rule 8(3): ANNEXURE 2

d) Annual evaluation Report made by the Board Rule 8(4) Already given

Rule 8(5)

(i) the financial summary or highlights ; Already given

(ii) the change in the nature of business, if any; There is no change in the nature of the company's business during the financial year under review.

(iii) the details of directors or key managerial personnel who were appointed or have resigned during the year;

There are no changes among the directors or key managerial personnel of the company other than those given under point no.7.

(iiia) a statement regarding opinion of the Board with regards to integrity, expertise and experience (including proficiency) of the independent directors appointed during the year

During the year under review, there were no changes among the independent directors. The expertise and the guidance of the independent directors during the year was considerable.

(iv) the names of companies which have become or ceased to be its subsidiaries, joint ventures or associate companies during the year-The company has no subsidiaries/ joint ventures/ associates

(v)the details relating to deposits, covered under Chapter V of the Act,-

- a) accepted during the year; NIL
- b) remained unpaid or unclaimed as at the end of the year; NIL
- c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-
NIL
 - (i) at the beginning of the year; NIL
 - (ii) maximum during the year; NOT APPLICABLE
 - (iii) at the end of the year; NOT APPLICABLE

(vi) the details of deposits which are not in compliance with the requirements of Chapter V of the Act; NIL

(vii) the 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; There are no significant orders by Regulators impacting the going concern status of the company and company's operations in future.

viii) Details in respect of adequacy of internal controls with reference to the financial statements:

The Company has adequate internal financial controls such as defining authority to authorize financial transactions, Internal Audit and monthly review of financial statement mechanism in vogue. The internal control system is designed to ensure that all the financial and other records are reliable for preparing financial statements and for maintaining accountability of the assets. Further the company is not a listed company hence reporting on this clause does not arise.

ix) 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

28. DISCLOSURES ABOUT CSR POLICY. Rule 9

Provisions of Section 135 of the Companies Act, 2013 pertaining to formulation of CSR policy is not applicable to the company.

29. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PROVISION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company is committed to provide a safe and conducive work environment to its employees. During the year under review, the Company has adequate system for prevention of Sexual Harassment of women at workplace and has set up a cell for the same in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

Your Directors further state that during the year under review, there was no complaint received pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.

30. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards to facilitate good corporate governance. Based on the recommendation of Secretarial Auditor, the company shall strive to improve its secretarial compliance practices in the year ahead.

31. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, vendor, consultants, and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their confidence and Employees for their support and dedicated service extended to your Company during this period.

By order of the Board of Directors

Sd/

P. Manoj Kumar
Whole-time Director
DIN: 03527923

Sd/

Saurabh Vijay Saxena
Director
DIN: 10098297

Date: 18.09.2023

Place: Bangalore

Annexure -1
Form AOC – 2

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

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

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

(a)	Name(s) of the related party and nature of relationship	NIL
(b)	Nature of contracts / arrangements / transactions	NIL
(c)	Duration of the contracts / arrangements/transactions	NIL
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
(e)	Justification for entering into such contracts or arrangements or transactions	NIL
(f)	date(s) of approval by the Board	NIL
(g)	Amount paid as advances, if any	NIL
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NIL

2. Details of Contracts or arrangements or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date(s) of approval by the Board	Volume of Transactions	Outstanding balance (Receivables/(payables)) as on 31.03.2023
Oriental Cuisines Pvt. Ltd. (Entity under Common Control)	Normal Course of business	Revenue from operations	23.08.2019	-	59,47,294/-

By order of the Board of Directors

Sd/

P. Manoj Kumar
Whole-time Director
DIN: 03527923

Sd/

Saurabh Vijay Saxena
Director
DIN: 10098297

Date: 18.09.2023

Place: Bangalore

Annexure -2

	Conservation of energy	
I	the steps taken or impact on reservation of energy;	The operations of the Company are not very power intensive. Nevertheless, the Company continues its efforts to conserve energy wherever practicable by improving efficient use of Power- less power cost, increased productivity - Utilized the maximum capacity of the machines- Maximum output with minimum energy input.
li	the steps taken by the company for utilizing alternate sources of energy;	Nil
lii	the capital investment on energy conservation equipment	Nil
B	Technology absorption-	
I	the efforts made towards technology absorption;	The company has not availed any foreign technology during the period.
li	the benefits derived like product improvement, cost reduction, product development or import substitution;	NIL
lii	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	NA
	(a) the details of technology imported;	NA
	(b) the year of import;	NA
	(c) whether the technology been fully absorbed;	NA
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	NA
Iv	the expenditure incurred on Research and Development.	Rs. 7,60,435/-
C	Foreign exchange earnings and 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: 1. FOB value of exports: Rs. 11,87,68,105.29 (FOB) 2. Foreign Exchange Outgo: Rs. 4,95,33,985.00 (CIF)

By order of the Board of Directors

Sd/

P. Manoj Kumar
Whole-time Director
DIN: 03527923

Sd/

Saurabh Vijay Saxena
Director
DIN: 10098297


Date: 18.09.2023
Place: Bangalore

Annexure to Directors' Report for the year ended March 31, 2023

The Members
Innovative Foods Limited
Thevara
Kochi

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

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


A.S. NARAYANAN
Company Secretary in Practice
ACS M No. 6972
CP No. 8147

A. S. Narayanan
Company Secretary in Practice
Membership No: 6972 & C.P NO: 8147
Date: 28/09/2023

AS NARAYANAN
COMPANY SECRETARY IN PRACTICE
ACS M No. 6972 CPNo.8147

PUNAKKATTIL BUILDING,
GROUND FLOOR, EAST KADUNGALLOOR,
U.C. COLLEGE P O, ALUVA – 683 102

FORM NO. MR -3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31,2023

[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
Imnovative Foods Limited
Thevara
Kochi

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by 3F Industries Limited (herein after called the company). Secretarial Audit was conducted for the financial year ended on 31.03.2023 in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31stMarch, 2023, according to the provisions of:

- i. The Companies Act, 1956 and the rules made there under to the extent applicable;
- ii. The Companies Act, 2013 (the Act) and the rules made there under;

- iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **Not applicable**
- iv. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under to the extent applicable;
- v. Foreign Exchange Management Act 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- vi. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): **Not applicable as this is an unlisted company**
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent as applicable - **Applicable**
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
- vii. The following laws, regulations, directions, orders are applicable specifically to the company:
 1. Environmental Protection Act, 1986
 2. Food Safety and Standards Act 2006
 3. Sale of Goods Act, 1930
 4. Factories Act, 1948

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

Secretarial Standards

The company has generally complied with Secretarial Standards 1 & 2 (pertaining to conduct of Meetings of Board, its Committees and General Meetings), during the

period under review. However, compliance with general meeting standards (SS 2) require further improvement.

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

There have been some lapses in the Notice convening the Annual General Meeting of the company during the year under review. I have separately informed the Management of the Company regarding this matter.

I further report that:

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

Mr. Mithun Appaiah, CEO and Director of the company, retired by rotation and was not re-elected as the director at the Annual General Meeting held on 28/10/2022.

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. In some cases, Board meetings have been held at shorter notice in compliance with the provisions of the Act, Rules and Standards issued in this regard.

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


I 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.

I further report that during the audit period, the company has made the following specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines:

- a. The members at the Annual General Meeting held on 28th October 2022 have approved the re-appointment of Mr. Mohamed Mansoor Ahmed (DIN: 06992067), as the Independent Director of the Company for a period of 5 years from 28th April 2021 for a period of five years and who will not be liable to retire by rotation, as per terms and conditions given in the Explanatory Statement annexed to the notice.
- b. The members at the Annual General Meeting held on 28th October 2022 have approved the revision in remuneration of Mr. P Manoj Kumar, (DIN 03527923),

Whole-time Director of the Company, as per terms and conditions given in the Explanatory Statement annexed to the notice, for the remaining period of his tenure.

- c. In the event of loss or inadequacy of profits, the members at the Annual General Meeting held on 28th October 2022 have approved the remuneration payable to Mr. P Manoj Kumar (DIN03527923), Whole-time Director of the company, as per terms and conditions given in the Explanatory Statement annexed to the notice.
- d. The members at the above said Annual General Meeting have approved the revision in remuneration payable to Mr. Pradeepta Kumar Jena, Chief Financial Officer of the company, as per terms and conditions given in the Explanatory Statement annexed to the notice, for the remaining period of his tenure.


A.S. NARAYANAN
Company Secretary in Practice
ACS M No.6972
CP No.8147

A. S. Narayanan
Company Secretary in Practice
Membership No: 6972&C.P No:8147
UDIN: A006972E001114474

Date: 28/09/2023
Place: Aluva

INDEPENDENT AUDITOR'S REPORT

To the Members of Innovative Foods Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Innovative Foods Limited** ("the Company"), which comprise the Balance Sheet as at March 31 2023, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2006, as amended ("Accounting Standards") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31 2023, and its Loss and its cash flows for the year ended on that date.

Basis for Opinion

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

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report including Annexures to the Director's report but does not include the financial statements and our auditor's report thereon.

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 during the course of our audit or otherwise appears to be materially misstated.



Deloitte Haskins & Sells LLP

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements.

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

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

As part of an audit in accordance with 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has



Deloitte Haskins & Sells LLP

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 the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.



- e. On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls with reference to financial statement of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 28 to the Financial Statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed as disclosed in the Note 44 to the Financial Statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note 44 to the Financial Statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.



Deloitte Haskins & Sells LLP

- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under subclause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Gurvinder Singh
Partner
(Membership No. 110128)
UDIN:23110128BGRDHG7449

Place: Bengaluru
Date: September 18, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

We have audited the internal financial controls with reference to financial statements of Innovative Foods Limited ("the Company") as of March 31, 2023 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 Company's management is responsible for establishing and maintaining internal financial controls with reference to financial statements based on the internal control with reference to financial statements 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.



Deloitte Haskins & Sells LLP

Meaning of Internal Financial Controls with reference to financial statements.

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


Inherent Limitations of Internal Financial Controls with reference to financial statements.

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to financial statements 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 **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)


Gurvinder Singh
Partner
(Membership No. 110128)
UDIN: 23110128BGRDHG7449

Place: Bengaluru
Date: September 18, 2023

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on Companies (Auditor's) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Companies Act, 2013 ("the Act") of Innovative Foods Limited ("the Company")

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 Equipments.
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of verification of Property, Plant and Equipment to cover every item once every three years which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program certain assets were due for physical verification during the year and physically verified by the Management during the year. According to the information and explanation given to us, no material discrepancy was noted on such verification.
 - (c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties of land and buildings (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in (property, plant and equipment and capital work in progress), are held in the name of the Company as at the balance sheet date. Immovable properties of land and buildings whose title deeds have been pledged as security for loans, guarantees, etc. are held in the name of the Company based on the confirmations directly received by us from lenders.
 - (d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder
- (ii) (a) The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10 percent or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.



- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising (stock statements, book debt statements, credit monitoring arrangement reports, statements on ageing analysis of the debtors/other receivables, and other stipulated financial information) filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.
- (iii) Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.
- (iv) The Company has not granted any loans, made investments or provided guarantees or securities. Hence, reporting under clause (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) (a) Undisputed statutory dues, including Goods and Service 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 applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of the statute	Nature of dues	Forum where dispute is pending	Period to which amount relates to	Amount involved (Rs. In Lacs)
The Income Tax Act, 1961	Income Tax	The Assistant Commissioner of Income Tax	2007-08	0.54
The Kerala VAT Tax Act 2003	Sales Tax	Kerala High Court	2009-10	5.21*
The Kerala VAT Tax Act 2003	Sales Tax	Kerala High Court	2011-12	102.27

Name of the statute	Nature of dues	Forum where dispute is pending	Period to which amount relates to	Amount involved (Rs. In Lacs)
The Kerala VAT Tax Act 2003	Sales Tax	The Sales Tax Appellate Tribunal	2012-13	60.15
The Kerala VAT Tax Act 2003	Sales Tax	The Sales Tax Appellate Tribunal	2013-14	13.19**
Central Sales Tax	Central Sales Tax	The Sales Tax Appellate Tribunal	2014-15	0.13***
Maharashtra Value Added Tax Act, 2002	Sales Tax	The Sales Tax Appellate Tribunal	2017-18	4.47#
Andhra Pradesh Value Added Tax Act, 2005	Sales Tax	Telangana VAT Officer	2017-18	1.73
Customs Act 1962	Customs	The Sales Tax Appellate Tribunal	2014-15	22.44##
Service Tax Act 1994	Service Tax	The Commissioner (Appeals) Central Tax and Central Excise	2015-16, 2016-17, 2017-18	5.74\$

* Net of amount paid under protest - Rs. 10.50 Lacs.

** Net of amount paid under protest - Rs. 4.58 Lacs.

*** Net of amount paid under protest- Rs. 0.44 Lacs.

Net of amount paid under protest- Rs. 2.98 Lacs.

Net of amount paid under protest- Rs. 1.82 Lacs.

\$ Net of amount paid under protest- Rs. 3.84 Lacs.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings, or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were applied by the Company during the year for the purposes for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.

(f) The Company has raised loans during the year however it does not have any subsidiary or associate or joint venture and hence reporting under clause (ix)(f) of the Order is not applicable.

- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (x)(a) of the Order is not applicable
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence, reporting under clause (x)(b) of the Order is not applicable to the Company
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and up to the date of this report).
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports issued to the Company covering the period upto March 31, 2023 issued after the balance sheet date.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or director's of its holding company, associate company or persons connected with its directors and hence, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.



Deloitte Haskins & Sells LLP

(d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause (xvi)(d) of the Order is not applicable.

- (xvii) The Company has incurred cash losses amounting to Rs. 2,499.78 Lacs in the financial year covered by our audit but had not incurred cash losses in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3 (xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Gurvinder Singh
Partner
(Membership No. 110128)
UDIN: 23110128BGRDHG7449

Place: Bengaluru
Date: September 18, 2023

Innovative Foods Limited
Balance sheet as at March 31, 2023
(All amounts in Indian Rupees in Lacs, except share data and where otherwise stated)



Particular	Notes	As at March 31, 2023	As at March 31, 2022
Equity and liabilities			
Shareholders' funds			
Share capital	2	10,893.78	10,893.78
Reserves and surplus	3	(10,575.64)	(7,824.04)
		318.14	3,069.74
Non-current liabilities			
Long-term borrowings	4	65.21	359.39
Other long-term liabilities	5	314.29	337.87
Long-term provisions	6	27.31	51.19
		406.81	748.45
Current liabilities			
Short-term borrowings	7	5,339.34	2,720.00
Trade payables	8		
Total outstanding dues of micro enterprises and small enterprises		229.46	97.19
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,716.93	1,434.24
Other current liabilities	9	523.94	488.25
Short-term provisions	10	138.35	124.75
		7,948.02	4,864.43
		8,672.97	8,682.62
Assets			
Non-current assets			
Property, plant and equipment	11	2,587.93	2,326.49
Intangible assets	11	53.39	67.25
Capital work-in progress	11	-	7.10
Long-term loans and advances	12	134.61	191.10
Other non-current assets	13	412.30	497.32
		3,188.23	3,089.27
Current assets			
Fixed assets held for sale, at net book value or estimated net realisable value, whichever is lower			
Inventories	14	2,495.49	2,229.63
Trade receivables	15	2,153.62	2,493.31
Cash and bank balances	16	110.67	129.98
Short-term loans and advances	17	503.06	517.01
Other current assets	18	221.90	223.43
		5,484.75	5,593.36
		8,672.97	8,682.62

Significant accounting policies **1**
See accompanying notes forming part of the financial statements

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm registration number: 117366W/W-100018

for and on behalf of the Board of Directors of
Innovative Foods Limited
CIN : U51909KL1989PLC005465

Gurvinder Singh
Partner
Membership No.: 110128
Bangalore
18.09.2023

P Manoj Kumar **Saurabh Vijay Saxena**
Whole Time Director Director
DIN : 03527923 DIN : 10098297
Bangalore Bangalore
18.09.2023 18.09.2023

Suraj S Kamble
Company Secretary
Bangalore
18.09.2023

Innovative Foods Limited
Statement of profit and loss for the year ended March 31, 2023
(All amounts in Indian Rupees in Lacs, except share data and where otherwise stated)



	Notes	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations			
Sales, net of sales returns	19	12,182.12	12,070.59
Other income	20	97.99	163.56
Total Revenue		12,280.11	12,234.15
Expenses			
Cost of materials consumed	21	5,909.02	6,175.56
Purchase of stock-in-trade	22	1,120.01	1,138.67
Changes in inventories of finished goods, work-in-progress	23	342.08	-1,350.26
Employee benefits expense	24	1,655.82	1,638.69
Finance costs	25	396.76	222.72
Depreciation and amortisation	26	251.81	239.92
Other expenses	27	5,356.20	3,809.49
Total expenses		15,031.71	11,874.79
Profit/(Loss) before taxes		(2,751.59)	359.36
Income tax		-	-
Profit/(Loss) after taxes		(2,751.59)	359.36
Earnings/(Loss) per share (equity share of par value Rs 10 each)			
Basic		(2.53)	0.33
Diluted		(2.53)	0.33

Significant accounting policies

See accompanying notes forming part of the financial statements

1

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm registration number: 117366W/W-100018

for and on behalf of the Board of Directors of
Innovative Foods Limited
CIN : U51909KL1989PLC005465

Gurvinder Singh

Partner
Membership No.: 110128
Bangalore
18.09.2023

P Manoj Kumar

Whole Time Director
DIN : 03527923
Bangalore
18.09.2023

Saurabh Vijay Saxena

Director
DIN : 10098297
Bangalore
18.09.2023

Suraj S Kamble

Company Secretary
Bangalore
18.09.2023

Innovative Foods Limited
Cash flow statement for the year ended 31 March 2023
(All amounts in Indian Rupees in Lacs, except share data and where otherwise stated)



	Year ended 31 March 2023	Year ended 31 March 2022
Cash flows from operating activities		
Profit/(Loss) before taxes	(2,751.59)	359.36
<i>Adjustments for:</i>		
Depreciation and amortisation	251.81	239.92
Finance cost	396.76	222.72
Interest income	(25.37)	(18.27)
Provision for doubtful debts and advances	179.14	62.10
Liabilities no longer required written back	-	0.80
Inventory write down (obsolete, damaged and expired stock)	98.00	96.00
Proceeds from sale of property, plant and equipment	(5.35)	-
Electricity Subsidy	(14.77)	-
Deferred income on government grant	(17.12)	(20.95)
Operating cash flows before working capital changes	(1,888.50)	941.68
Increase in trade receivables	162.62	(814.40)
(Increase)/decrease in inventories	(267.86)	(1,306.09)
(Increase)/decrease in loans and advances, other assets and deposits	155.46	(450.92)
Increase in liabilities and provisions	349.09	612.66
Net cash used in/generated operating activities before taxes	(1,489.19)	(1,017.07)
Income taxes refund (net)	-	7.90
Net cash (used in) / generated from operating activities (A)	(1,489.19)	(1,009.17)
Cash flows from investing activities		
Purchase of property, plant and equipment	(492.28)	(266.82)
Proceeds from sale of property, plant and equipment	5.35	-
Interest received	28.41	(33.12)
Net cash used in investing activities (B)	(458.52)	(299.94)
Cash flows from financing activities		
Re-payment of Long term borrowings	(294.18)	(618.14)
Short term borrowings availed	2,596.68	1,818.84
Interest paid	(374.10)	(225.10)
Net cash generated from financing activities (C)	1,928.40	975.60
Net decrease in cash and cash equivalents (A+B+C)	(19.31)	(333.52)
Cash and cash equivalents at the beginning of year	129.98	463.50
Cash and cash equivalents at the end of the year (refer note 16)	110.67	129.98

See accompanying notes forming part of the financial statements

As per our report of even date attached
for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm registration number: 117366W/W-100018

for and on behalf of the Board of Directors of
Innovative Foods Limited
CIN : U51909KL1989PLC005465

Gurvinder Singh
Partner
Membership No.: 110128
Bangalore
18.09.2023

P Manoj Kumar **Saurabh Vijay Saxena**
Whole Time Director
DIN : 03527923 DIN : 10098297
Bangalore Bangalore
18.09.2023 18.09.2023

Suraj S Kamble
Company Secretary
Bangalore
18.09.2023

1.0 Significant accounting policies

1.1 Background

Innovative Foods Limited ('the Company') was incorporated in 1989 as Innovative Marine Foods Limited and subsequently changed its name to Innovative Foods Limited. The Company is engaged in the business of manufacturing and trading of frozen ready to eat / ready to cook products. The registered office of the Company is at Kochi, Kerala. Peepul Capital Fund III, LLC, Mauritius, is the holding company and ultimate holding company.

1.2 Basis of accounting and preparation of financial statements

Principles (GAAP) under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act, as applicable, Accounting Standards issued by the Institute of Chartered Accountants of India and other generally accepted accounting principles in India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. All amounts included in the financial statements are reported in Indian rupees, except share and per share data, and have been rounded off to nearest rupee.

1.3 Going concern

The paid-up equity share capital and the accumulated losses of the Company as March 31, 2023 were Rs. 10,893.78 and Rs. 13,200.70 respectively. The Current year loss of the Company is Rs. - 2,751.59. The Company has incurred cash profit during the current and previous financial year.

Management, however, believes that the Company will be able to continue its operations on a going concern basis and meet all its liabilities as they fall due for payment in the foreseeable future, at least for a period of twelve months from the balance sheet date based on business strategies and operating plans which will enable the Company to generate positive operating cash flows in the future.

Additionally Company has received the letter of financial support letter from the Investor Peepul. The financial statements have accordingly been prepared on a going concern basis.

1.4 Use of estimates

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes and the useful lives of fixed tangible assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.5 Revenue recognition

Revenue from sale of goods (including sale of scrap) is recognized on transfer of all significant risks and rewards of ownership to the buyer. The amount recognized as sale is exclusive of goods and service tax, discounts and sales returns.

Interest on deployment of surplus funds is recognized using the time proportionate method, based on the transactional interest rates.

1.6 Property, plant and equipment and intangible assets

Property, plant and equipment are carried at the cost of acquisition or construction less accumulated depreciation. The cost of property, plant and equipment includes freight, duties, taxes and other incidental expenses related to the acquisition of those property, plant and equipment. In respect of major projects involving construction, related directly attributable costs form part of the value of assets capitalised. Borrowing cost directly attributable to the acquisition/ construction of those property, plant and equipments which necessarily take a substantial period of time to get ready for their intended use is capitalized. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortisation and impairment.

Advances paid towards the acquisition of property, plant and equipment, outstanding at each balance sheet date are shown under long-term loans and advances. The cost of property, plant and equipment not ready for its intended use at each balance sheet date are disclosed as capital work-in-progress.

1.7 Depreciation and amortisation

Depreciation on property, plant and equipment is provided on the straight-line method over the useful lives of assets estimated by the Management. Depreciation for assets purchased / sold during a period is proportionately charged. Leasehold improvements are amortised over the lease term or useful lives of assets, whichever is lower. Intangible assets are amortised over their estimated useful lives, which range from three (3) years to five (5) years, respectively, from the

The management estimates the useful lives for the property, plant and equipment as under:

Class of Assets	Years
Buildings: Factory	30
Buildings: Others	60
Plant and machinery*	5-15
Computers	3
Servers and networks	6
Office equipment	5
Furniture and fixtures	10
Vehicles	8

Depreciation and amortisation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

**For these class of assets, based on internal assessment, the management believes that the useful lives as given above best represent the period over which management expects to use these assets. Hence, the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.*

1.8 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset forming part of its cash generating units may be impaired. If any such indications exist, the Company estimates the recoverable amount of the asset or the group of assets comprising a cash generating unit. For an asset or a group of assets that does not generate largely independent cash flows, the recoverable amount is determined for the cash generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than the carrying amount, the carrying amount is reduced to its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. The reduction is treated as an impairment

If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of the asset does not exceed the book value that would have been determined; if no impairment loss has been recognized.

1.9 Inventories

Inventories are carried at the lower of cost and net realisable value. Cost comprises purchase price, cost of conversion and other costs incurred in bringing the inventory to its present location and condition. The cost is calculated using the weighted average cost method. Production overheads used for the valuation of finished goods are allocated on the basis of normal capacity of production facilities.

The comparison of cost and net realisable value of inventory is made on an item by item basis. The net realisable value of work in progress is determined with reference to the selling prices of related finished goods. Raw material and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished goods will exceed their net realisable value.

The provision for inventory obsolescence is assessed annually and is provided as considered necessary.

1.10 Foreign currency transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the period are recognized in the statement of profit and loss of the period.

Foreign currency denominated monetary assets and liabilities are translated at exchange rates in effect at the balance sheet date. The gains or losses resulting from such translations are included in the statement of profit or loss. Non-monetary assets and nonmonetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at

1.11 Employee benefits

a) Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

b) Post-employment benefits

(i) Defined contribution plans

Contributions payable to the recognized provident fund, which is a defined contribution scheme, is made monthly at predetermined rates to the appropriate authorities and charged to the statement of profit and loss on an accrual basis. There are no other obligations other than the contribution payable to the respective fund.

(ii) Defined benefit plans

Gratuity, a defined benefit scheme, is accrued based on an actuarial valuation at the balance-sheet date, carried out by an independent actuary. The present value of the obligation under such defined benefit plan is determined based on an actuarial valuation using the projected unit credit method, which recognizes each period of service as giving rise to additional units of employee benefit entitlement and measures each unit separately to build up the final obligation.

The defined benefit plan surplus or deficit on the balance sheet date comprises fair value of plan assets less the present value of the defined benefit liabilities (using a discount rate by reference to market yields on government bonds at the end of the reporting period). The calculation of defined benefit obligation is performed annually at the balance sheet date by a qualified actuary using the projected unit credit method.

(All amounts in Indian rupees lacs, except share data and where otherwise stated)

(iii) Compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is

1.12 Income taxes

The current income tax charge is determined in accordance with the relevant tax regulations applicable to the Company in India.

Deferred tax charge or credit is recognised for the future tax consequences attributable to timing differences that result between the profit offered for income taxes and the profit as per the financial statements. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, when there is a brought forward loss or unabsorbed depreciation under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably/virtually certain to be realised.

The Company offsets, on a year on year basis, the current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

1.13 Earnings per share

The basic and diluted loss per share is computed by dividing the net loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

The number of shares used in computing diluted earnings per share comprises the weighted average number of shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date. In computing dilutive earnings per share, only potential equity shares that are dilutive, i.e. which reduces earnings per share or increases loss per share are included.

1.14 Leases

Assets acquired under leases other than financial leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit, Initial direct costs incurred specifically for an operating lease and charged to the statement of Profit and Loss over the lease term.

1.15 Provisions and contingencies

The Company recognises a provision 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. 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 the likelihood of outflow of resources, in case of a possible obligation or a present obligation is remote no provision or disclosure is made. Provision for onerous contracts i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is possible that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

1.16 Cash flow statement

Cash flows are reported using the indirect method, whereby net profit / (loss) before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

1.17 Cash and cash equivalents

Cash and cash equivalents comprise cash balance and deposits with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.18 Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. Grants related to specific fixed assets are treated as deferred income which is recognised in the statement of profit or loss on a systematic and rational basis over the useful life of the asset. against the deferred grant liabilities

(This Space left intently blank)

2 Share capital	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
Authorised				
Equity shares of Rs. 10 each *	11,50,00,000	11,500	11,50,00,000	11,500
	<u>11,50,00,000</u>	<u>11,500</u>	<u>11,50,00,000</u>	<u>11,500</u>
Issued, subscribed and paid-up				
Equity shares of Rs. 10 each fully paid-up *				
At the beginning and end of the year	10,89,37,780	10,893.78	10,89,37,780	10,893.78
Issued during the year	-	-	-	-
At the end of the year	<u>10,89,37,780</u>	<u>10,894</u>	<u>10,89,37,780</u>	<u>10,894</u>

* The Company has only one class of shares referred to as equity shares having a par value of Rs.10. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

**(a) Shares held by ultimate holding company/
holding company and their subsidiaries/
associates**

	As at March 31, 2023		As at March 31, 2022	
	Number of shares	Amount	Number of shares	Amount
<i>Equity shares of Rs. 10 each fully paid up held by:</i>				
Peepul Capital Fund III, LLC, Mauritius (Ultimate Holding Company)	10,81,68,586	10,816.86	10,81,68,586	10,816.86

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

	As at March 31, 2023		As at March 31, 2022	
	Number of	% holding	Number of	% holding
Peepul Capital Fund III, LLC, Mauritius (Ultimate Holding Company)	10,81,68,586	99.29%	10,81,68,586	99.29%

(c) Details of buyback, bonus shares issued, issue of shares for consideration other than for cash for past 5 year:

The Company has not allotted any fully paid-up equity shares by way of bonus shares nor has bought back any class of equity shares nor has there been any issue of shares for consideration other than for cash during the period of five years immediately preceding the balance sheet date.

(d) Other matters

Note 1: 9,758,262 shares of Rs.10 each have been allotted to the erstwhile members of Amalgam Foods and Beverages Limited pursuant to the scheme of amalgamation approved by the Board of Industrial and Financial Reconstruction, by its order dated 8 December 2006 . In addition, 111 shares were issued to certain shareholders of the Company to round off fractional entitlements.

Note 2: The issued, subscribed and paid-up share capital of the Company was reduced by 90% from the share capital Rs.185,000,000 as per the scheme approved by the Board for Industrial and Financial Reconstruction, during the year 2006-07 and effective from 30 March 2007.

3 Reserves and surplus	As at	As at
	March 31, 2023	March 31, 2022
<i>Securities premium</i>		
Balance at the beginning of the year	2,625.07	2,625.07
Add: additions during the year	-	-
Balance at the end of the year	<u>2,625.07</u>	<u>2,625.07</u>
<i>Deficit in the statement of profit and loss</i>		
Balance at the beginning of the year	(10,449.11)	(10,808.47)
Add: net loss for the year	(2,751.59)	359.36
Balance at the end of the year	<u>(13,200.70)</u>	<u>(10,449.11)</u>
	<u>(10,575.64)</u>	<u>(7,824.04)</u>

(This Space left intentionally blank)

	As at 31 March 2023	As at 31 March 2022
4 Long-term borrowings		
Secured		
Vehicle loans	-	7.26
Term loan from banks	<u>65.21</u>	<u>352.13</u>
	<u>65.21</u>	<u>359.39</u>
Details of securities, terms and conditions on term loans		
Note 1: Term loans from banks in Indian rupees are secured by exclusive charge on factory land and building located at Sy no 287/29 & 288/1, 2 & 3 at Ezhupunna village, Sy no 287/17A, 20 at Ezhupunna village, all movable Property, plant & equipments of the company (present and future) and stock and receivables of the Company and Secured by exclusive charge on factory building located at Sy no 20 and 21(part), Srinivasa Food Park, Mogili village, all movable property plant and equipments for the projects and of Chittoor factory and current assets of Chittoor factory. The rate of interest ranges between 9% - 9.50% per annum. Loans are repayable in monthly/ quarterly instalments over a period of 44 to 72 months.		
Note 2: Vehicle loans from banks are secured by hypothecation of the respective motor vehicles and the interest rate of 9% - 9.5% per annum. Loan is repayable in 55- 60 monthly instalments starting from November 2018 and April 2019.		
5 Other long-term liabilities		
Deferred grant	212.93	226.23
Security deposits from customers	<u>101.36</u>	<u>111.64</u>
	<u>314.29</u>	<u>337.87</u>
6 Long-term provisions		
Provision for employee benefits		
Compensated absences	9.95	43.34
Gratuity	<u>17.36</u>	<u>7.85</u>
	<u>27.31</u>	<u>51.19</u>
7 Short term borrowings		
Secured		
Cash credit	3,472.49	2,410.53
Current maturities of long term borrowings	294.19	309.47
Unsecured		
Loans & Advances from Related Party repayable on demand	1,318.11	-
Loans & Advances from Other Parties repayable on demand	<u>101.71</u>	-
Other Loans	152.84	-
	<u>5,339.34</u>	<u>2,720.00</u>

1) The cash credit from HDFC Bank carries interest rate of 8.66% per annum and is repayable on demand. Cash credit is secured by :

- exclusive charge on stock, receivables and movable fixed assets of the Company, both present and future; and
- equitable mortgage of factory land and building of the Company located at Ezhupunna.

	As at March 31, 2023	As at March 31, 2022
8 Trade payables		
Total outstanding dues of micro enterprises and small enterprises*	229.46	97.19
Dues to Other than MSME	<u>1,716.93</u>	<u>1,434.24</u>
	<u>1,946.39</u>	<u>1,531.43</u>

* Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") based on the information available with the Company are given below:

The principal amount remaining unpaid to any supplier as at the end of the year	229.46	97.19
The interest due on the principal remaining outstanding as at the end of the year	4.83	0.60
The amount of interest paid under the Act, along with the amounts of the payment made beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Act	-	-
The amount of interest accrued and remaining unpaid at the end of the year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Act	Interest due up to March 31, 2023 has been accrued	Interest due up to March 31, 2022 has been accrued

Details of Trade payable as on 31 Mar 2023	Not Dues	Less than 1 Year	1 to 2 years	2 to 3 Years	> 3 Years	Total
(i) MSME	-	229.46				229.46
(ii) Others						-
(a) Trade Payable	454.71	823.83	12.23			1,290.77
(b) Others	426.16					426.16
(iii) Disputed Dues- MSME						-
(iv) Disputed Dues- Others						-
Total	880.87	1,053.29	12.23	-	-	1,946.39

(To be Conti....)

As at
31 March 2023

As at
31 March 2022

Details of Trade payable as on 31 Mar 2022	Not Dues	Less than 1 Year	1 to 2 years	2 to 3 Years	> 3 Years	Total
(i) MSME	-	97.19	-	-	-	97.19
(ii) Others						-
(a) Trade Payable	672.59	441.69	21.39	-	-	1,135.67
(b) Others	298.57	-	-	-	-	298.57
(iii) Disputed Dues- MSME						-
(iv) Disputed Dues- Others						-
Total	971.16	538.87	21.39	-	-	1,531.43

9 Other current liabilities

	As at 31 March 2023	As at 31 March 2022
Interest accrued and due on borrowings	14.40	4.34
Employee Benefit Liability	436.81	411.38
Deferred grant	17.12	20.95
Withholding taxes and statutory dues	55.61	51.58
	523.94	488.25

10 Short-term provisions

	As at 31 March 2023	As at 31 March 2022
<i>Provision for employee benefits</i>		
Compensated absences	7.56	17.58
Gratuity	32.78	29.04
Provision for rebate/claims (refer note-41)	98.00	78.13
	138.35	124.75

11. The changes in the carrying value of Property, Plant and Equipment' for the year ended March 31, 2023 are as follows :

Particulars	Property Plant & Equipment										In-Tangible Fixed Assets			Total Fixed Assets
	Freehold Land	Leasehold Land	Buildings: Factory	Buildings: Others	Plant and Machinery	Computer	Office Equipments	Furniture & Fittings	Vehicles	Total Property Plant & Equipment	Software	Brand	Total In-Tangible	
Cost as at April 01, 2022	66.79	87.72	1,005.15	8.26	3,224.70	91.71	221.20	111.74	83.46	4,900.73	110.23	406.60	516.83	5,417.56
Additions	127.47	-	15.84	0.13	349.26	6.49	0.20	-	-	499.38	-	-	-	499.38
Disposals	-	-	-	-	20.68	-	-	-	-	20.68	-	-	-	20.68
Cost as at March 31, 2023	194.26	87.72	1,020.99	8.38	3,553.27	98.20	221.40	111.74	83.46	5,379.43	110.23	406.60	516.83	5,896.26
Acc. Dep as at April 01, 2022	-	4.46	299.75	1.07	1,952.76	79.22	141.84	48.11	47.04	2,574.23	42.98	406.60	449.58	3,023.81
Depreciation for the year	-	0.84	32.00	0.26	169.70	6.15	15.03	7.23	6.74	237.95	13.87	-	13.87	251.82
Deduction/Adjustments during the period	-	-	-	-	20.68	-	-	-	-	20.68	-	-	-	20.68
Acc. Dep as at March 31, 2023	-	5.30	331.75	1.33	2,101.78	85.37	156.87	55.33	53.78	2,791.50	56.84	406.60	463.44	3,254.95
Net Block As at March 31, 2023	194.26	82.42	689.24	7.05	1,451.50	12.83	64.54	56.41	29.69	2,587.93	53.39	-	53.39	2,641.32

The changes in the carrying value of Property Plant & Equipment' for the year ended March 31, 2022 are as follows :

Particulars	Property Plant & Equipment										In-Tangible Fixed Assets			Total Fixed Assets
	Freehold Land	Leasehold Land	Buildings: Factory	Buildings: Others	Plant and Machinery	Computer	Office Equipments	Furniture & Fittings	Vehicles	Total Property Plant & Equipment	Software	Brand	Total In-Tangible	
Cost as at April 01, 2021	66.79	87.72	978.34	8.26	3,104.48	79.08	212.36	76.95	83.46	4,697.43	46.71	406.60	453.31	5,150.74
Additions	-	-	26.81	-	120.22	12.63	8.85	34.80	-	203.30	63.52	-	63.52	266.82
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Cost as at March 31, 2022	66.79	87.72	1,005.15	8.26	3,224.70	91.71	221.20	111.74	83.46	4,900.73	110.23	406.60	516.83	5,417.56
Acc. Dep as at April 01, 2021	-	3.62	268.20	0.81	1,780.97	74.47	127.52	41.72	40.02	2,337.33	39.96	406.60	446.56	2,783.89
Depreciation for the year	-	0.84	31.55	0.26	171.79	4.75	14.31	6.38	7.01	236.90	3.02	-	3.02	239.92
Deduction/Adjustments during the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Acc. Dep as at March 31, 2022	-	4.46	299.75	1.07	1,952.76	79.22	141.84	48.11	47.04	2,574.23	42.98	406.60	449.58	3,023.81
Net Block As at March 31, 2022	66.79	83.26	705.40	7.19	1,271.94	12.50	79.37	63.64	36.43	2,326.50	67.25	-	67.25	2,393.75

Capital Work-in-progress	Less than 1Yr	1 to 2 Years	2 to 3 Years	Total
Project in Progress March 31, 2023	-	-	-	-
Projects temporarily suspended	-	-	-	-
Total	-	-	-	-

Capital Work-in-progress	Less than 1Yr	1 to 2 Years	2 to 3 Years	Total
Project in Progress March 31, 2022	7.10	-	-	7.10
Projects temporarily suspended	-	-	-	-
Total	7.10	-	-	7.10

	As at 31 March 2023	As at 31 March 2022
12 Long-term loans and advances		
<i>Unsecured, considered good</i>		
Rent and other deposits	108.35	171.64
Income taxes deducted at source	26.25	19.46
	134.61	191.10
13 Other non-current assets		
<i>Secured, considered good</i>		
Balance in banks as margin money deposits	412.30	497.32
	412.30	497.32
14 Inventories		
Raw materials and packing materials		
Crumbs	32.95	10.77
Chicken Item	74.81	29.84
Others *	566.88	108.62
Packing materials	238.81	150.36
	913.45	299.59
Work-in-progress		
Marine products	-	10.95
Others *	4.66	126.32
	4.66	137.27
Finished goods		
Marine products	55.53	77.26
Parathas	168.10	588.10
Curry & Sausage	160.53	91.75
Breaded Item	189.42	151.90
Others *	1,056.23	881.83
	1,629.81	1,790.83
Less : provision for obsolete inventory	(98.00)	(96.00)
	1,531.81	1,694.83
Stores and spares	45.57	54.15
Stock-in-trade	-	43.78
	2,495.49	2,229.63
* Do not individually exceed 10% of the total value of inventory		
15 Trade receivables		
<i>Unsecured</i>		
Debts outstanding for a period exceeding six months from the day they are due for payment		
considered good	265.00	309.36
considered doubtful	512.60	335.53
Provision for doubtful trade receivables	(512.60)	(335.53)
	265.00	309.36
Other receivables		
considered good	1,888.62	2,183.95
- considered doubtful	-	-
	2,153.62	2,493.31

Details of Trade Receivable as on March 31, 2023	Not Due	Less than 6 Months	6 Months to 1 Year	1 to 2 Year	Above 02 Year	Total
Undisputed Trade receivables – considered good	974.78	913.85	265.00	-	-	2,153.62
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	230.02	282.58	512.60
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-

				As at 31 March 2023	As at 31 March 2022	As at 31 March 2022
Less: <i>Provision for doubtful trade receivables</i>			-	(230.02)	(282.58)	(512.60)
Total	974.78	913.85	265.00	-	-	2,153.62

Details of Trade Receivable as on March 31, 2022	Not Due	Less than 6 Months	6 Months to 1 Year	1 to 2 Year	Above 02 Years	Total
Undisputed Trade receivables – considered good	1,578.93	603.12	311.26	-	-	2,493.31
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	84.93	197.65	282.58
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
Disputed Trade Receivables - credit impaired	-	-	-	-	-	-
Less: <i>Provision for doubtful trade receivables</i>			-	(84.93)	(197.65)	(282.58)
Total	1,578.93	603.12	311.26	-	-	2,493.31

16 Cash and bank balances

	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalents		
Cash on hand	0.37	0.79
Balances with banks		
In current accounts	6.16	4.85
In deposit accounts	104.14	124.33
	110.67	129.98

17 Short-term loans and advances

<i>Unsecured, considered good</i>		
Advance for supply of goods and rendering of services	273.15	329.10
Prepaid expenses	37.75	8.24
Balance with government authorities	192.16	179.67
	503.06	517.01

18 Other current assets

<i>Unsecured, considered good</i>		
Interest accrued on fixed deposits	1.47	4.50
Electricity Subsidy Receivable	89.06	74.29
Interest Subvention Receivable (APFPS)	131.37	144.64
	221.90	223.44



	Year ended March 31, 2023	Year ended March 31, 2022
19 Revenue from operations		
Sale of products		
Own manufactured	8,364.21	8,064.75
Traded	3,783.49	3,913.48
	12,147.71	11,978.23
<i>Other operating income</i>		
Export incentives	17.28	71.41
Deferred income on government grant	17.12	20.95
	34.41	92.36
Revenue from operations	12,182.12	12,070.59
<i>Own manufactured</i>		
Marine products	847.94	645.51
Parathas	1,658.05	1,668.88
Chicken Products	1,135.14	1,671.05
Others *	4,728.20	4,079.31
	8,369.32	8,064.75
<i>Traded</i>		
Sausages	867.77	1,045.44
Others *	2,915.73	2,868.04
	3,783.49	3,913.48
	12,152.82	11,978.23
* Do not individually exceed 10% of the total sales		
20 Other income		
Interest income on bank deposits	25.37	18.27
Interest on Subvention (APFPS)	-	59.51
Profit on sale of property, plant and equipment, net	5.35	-
Electricity Subsidy	14.77	74.28
Miscellaneous income	52.50	11.50
	97.99	163.56
21 Inventory of materials at the beginning of the year	299.59	360.36
Purchase		
Marine Products	477.11	317.63
Meat products	1,801.82	1,974.86
Parathas	252.15	242.86
Others *	3,991.80	3,579.46
Inventory of materials at the end of the year	(913.45)	(299.59)
	5,909.02	6,175.56
22 Purchase of stock-in-trade		
Sausages	393.73	345.29
Others *	726.27	793.38
	1,120.01	1,138.67
* Do not individually exceed 10% of the total purchases		



	Year ended March 31, 2023	Year ended March 31, 2022
23 Changes in inventories of finished goods, work-in-		
Opening stock		
Finished goods	1,790.82	419.70
Work-in-progress	137.27	53.45
Stock-in-trade	43.78	148.47
	1,971.88	621.63
Closing stock		
Finished goods	1,624.87	1,790.83
Work-in-progress	0.28	137.27
Stock-in-trade	4.66	43.78
	1,629.81	1,971.89
Net (increase)/decrease in inventories of finished goods, work-in-progress and stock-in-trade	342.08	-1,350.26
24 Employee benefits expense		
Salaries, wages and bonus	1,529.41	1,503.93
Contribution to provident and other funds	101.07	82.10
Staff welfare expenses	25.35	52.66
	1,655.82	1,638.69
25 Finance costs		
Interest on borrowings from Bank	374.10	222.72
Interest on borrowings from others	22.66	-
	396.76	222.72
26 Depreciation and amortisation		
Depreciation on property, plant and equipment	251.80	239.92
	251.80	239.92
27 Other expenses		
Contract manufacturing	821.13	765.01
Security Charges	19.47	18.09
Power and fuel	323.81	293.11
Storage and freezing	285.90	151.46
Freight, transport and distribution	984.11	1,022.90
Rent	44.78	60.72
Repairs and maintenance	87.68	111.49
Insurance	37.88	21.85
Rates and taxes	18.31	18.97
Marketing and sales promotion	1,983.10	885.19
Travelling and conveyance	213.91	103.90
Legal, professional and consultancy	37.09	44.84
Statutory Audit Fees	12.00	8.25
Communication expenses	6.44	10.31
Inventory write down (obsolete, damaged and expired)	98.00	96.00
Bank charges	39.15	26.26
Provision for doubtful debts	179.14	62.10
Provision for doubtful debts and advances	42.60	-
Miscellaneous expenses	121.69	109.04
	5,356.20	3,809.50

28 Capital commitments and contingent liabilities

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Estimated amount of contracts remaining to be executed on capital account (net of capital advances) and not provided for	128.48	19.00
Income tax demand under appeal (see note 1 below)	0.54	0.54
Indirect Tax (Sales tax, Customs and Service Tax) demand under appeal (see note 1 below)	255.34	222.33
Commitment under Export Promotion Capital Goods (EPCG) scheme (see note 2 below)	586.04	895.75
Guarantees issued by banks	9.37	9.37
Claims against the Company not acknowledged as debts		
Employee state insurance (see note 3 below)	4.07	4.07
Employee provident fund (see note 4 below)	21.76	21.76
Severance compensation (see note 5 below)	457.19	457.19

Notes:

- Management believes that the position taken by it on the above matters are tenable and hence, no adjustment has been made to the financial statements. Future cash flows relating to above are determinable only on the receipt of judgment decision from relevant forum/authorities.
- The Company had obtained duty free/ concessional duty licenses for import of capital goods by undertaking export obligations under the EPCG scheme. As at March 31, 2023, export obligations remaining to the fulfilled amounts to Rs 586.04 Lacs (Previous year: Rs 895.75 Lacs). In the event that export obligations are not fulfilled, the Company would be liable to levies and liquidated damages.
- The Company had received a notice from the Employees State Insurance Appellate Tribunal (Period 2002-03 to 2005-06) wherein a demand of Rs. 4.07 Lacs (including interest estimated) has been raised against the Company on account of non - deduction of ESI on wages paid to factory workers under the heads repair and maintenance of building, others, transportation charges, staff welfare etc.
- The Company had received a notice from the Employees Provident Fund Appellate Tribunal wherein a demand of Rs. 21.76L has been raised against the Company on account of the non-deduction of provident fund on wages paid to the employees working in the peeling section in the factory. The tribunal has directed the provident fund authorities to find out the beneficiaries for the Company to remit the amount in their names. The Employee Provident Fund authorities have not taken any steps in this regard.
- V.S.Sitaram who ceased to be the CEO & Managing Director with effect from July 25, 2017, has filed an arbitration application against the Company before the Hon'ble City Civil Court at Bangalore and also filed Civil Miscellaneous Petition before the Hon'ble High Court of Karnataka, seeking for appointment of an Arbitrator. The Hon'ble High Court of Karnataka passed an order to appoint an arbitrator to settle the dispute between the parties vide the order no. dated 7 December 2018. The dispute pertains to the amount of severance compensation payable upon his termination.
- On February 28, 2019, the Hon'ble Supreme Court of India has delivered a judgment clarifying the principles that need to be applied in determining the components of salaries and wages on which Provident Fund (PF) contributions need to be made by establishments. Basis this judgment, the Company has re-computed its liability towards PF for the month of March 2019. In respect of the earlier periods/years, the Company has been legally advised that there are numerous interpretative challenges on the application of the judgment retrospectively. Based on such legal advice, the management believes that it is impracticable at this stage to reliably measure the provision required, if any, and accordingly, no provision has been made towards the same.
- The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

29 Earnings per share

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
Net profit attributable to equity share holders	(2,751.59)	359.36
Weighted average number of equity shares of Rs. 10 each	1,089.38	1,089.38
Earnings per equity share of face value Rs. 10 each	(2.53)	0.33

The Company has no potentially dilutive equity shares as at the year end.

30 Auditors' remuneration (included in legal and professional fees, excluding applicable taxes)

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
Statutory audit	12.00	8.25
Tax audit	0.50	0.75
Total	12.50	9.00

31 Expenditure in foreign currency

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
Travelling and conveyance	1.14	Nil
Consultancy/Audit fee	0.36	0.60
Total	1.50	0.60

32 Earnings in foreign currency

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
FOB value of exports	1,347.05	1,518.55
Total	1,347.05	1,518.55

33 Value of imports on C.I.F. basis

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
Raw material, packing materials and traded goods	495.34	414.09
Components and spare parts	-	-
Total	495.34	414.09

34 Consumption of imported and indigenous raw materials and packing materials

Particulars	Year ended March 31, 2023		Year ended March 31, 2022	
	%	Value (Rs)	%	Value (Rs)
Raw materials and packing materials				
- Imported	7%	495.34	7%	414.09
- Indigenous	93%	6,875.77	93%	5,549.88
Total		7,371.11		5,963.97

35 Segmental information

The Company's operations pre-dominantly relate to manufacture and sale of frozen ready to eat / ready to cook foods. Accordingly, there are no separate reportable business segments.

However, the Company operates both in the India and also exports its products. Accordingly, secondary segment reporting has been disclosed based on the geographical location of the customers. All of the Company's assets other than trade receivables are located in India.

Revenue	Year ended	Year ended
	March 31, 2023	March 31, 2022
India	10,835.06	10,552.04
Rest of the world	1,347.05	1,518.55
Total	12,182.12	12,070.59
Trade receivables	Year ended	Year ended
	March 31, 2023	March 31, 2022
India	2,276.47	2,493.31
Rest of the world	386.41	0.00
Total	2,662.88	2,493.31
Capital Expenditure	504.90	266.82

36 Leases

The Company is also obligated under cancellable operating leases for office and residential space. Total rental expense under cancellable operating leases during the year was Rs 44.78L (Previous year: Rs 60.72L).

37 Employee benefits

(a) Defined contribution plans

The Company makes contribution towards provident fund which is a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. An amount of Rs.73.08L (previous year: Rs. 70.91L) has been recognised and included in "Contribution to provident and other funds" in the statement of profit and loss on account of provident fund, superannuation and other retirement benefits.

(b) Gratuity

The following tables set out the status of the gratuity plan as required under Accounting Standard-15.

Particulars	Year ended	Year ended
	March 31, 2023	March 31, 2022
Obligations at the beginning of the year	100.89	95.70
Current service cost	16.03	16.43
Interest cost	6.29	5.70
Actuarial (gain) / loss	(7.96)	(9.48)
Past service cost		
Benefits paid	(16.39)	(7.46)
Obligations at the end of the year	98.87	100.89
Change in plan assets		
Plans assets at the beginning of the year, at fair value	64.00	64.44
Expected return on plan assets	3.80	3.76
Actuarial gain / (loss)	(2.95)	3.26
Contributions	0.27	-
Benefits paid	(16.39)	(7.46)
Plans assets at the end of the year, at fair value	48.73	64.00
Reconciliation of present value of the obligation and the fair value of the plan assets:		
Fair value of plan assets at the end of the year	48.73	64.00
Present value of the defined benefit obligations at the end of the year	98.87	100.89
Net liability / (asset) recognized in the balance sheet	50.13	36.89
Gratuity cost for the year ended		
Current service cost	16.03	16.43
Interest cost	6.29	5.70
Expected return on plan assets	(3.80)	(3.76)
Actuarial (gain) / loss	(5.00)	(12.74)
Past service cost		
Net gratuity cost	13.52	5.63
Discount rate	7.31%	6.79%
Expected rate of return on plan assets	6.79%	6.20%
Expected rate of salary increase	4.00%	4.00%
Retirement age	55 or 58 years	55 or 58 years
Attrition	Age 35 - 32.50%, From Age 40 - 21.67%, From Age 45 - 10.83%, From Age 50 - 2% . .	Age 35 - 25.00%, From Age 40 - 16.67%, From Age 45 - 8.33%, From Age 50 - 2% . .

The estimates of future salary increases, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

Details of experience adjustments – gratuity

Particulars	As at March 31				
	2023	2022	2021	2020	2019
Defined benefit obligation	98.87	100.89	95.70	91.81	73.95
Plan assets	48.73	64.00	64.44	70.79	65.60
Surplus/(deficit)	(50.13)	(36.89)	(31.26)	(21.02)	(8.34)
Experience adjustment on plan liabilities	(13.43)	(10.72)	(5.33)	8.81	22.09
Experience adjustment on plan assets	(2.95)	3.26	2.27	0.22	(1.42)

(c) Compensated absences

Assumptions:	31 March 2023	31 March 2022
Discount rate	7.31%	6.79%
Expected rate of salary increase	4%	4%
Retirement age	55 or 58 years	55 or 58 years
Maximum accumulation of leave	90 days	90 days
Attrition rate	Age 35 - 25%, From Age 40 - 16.67%, From Age 45 - 8.33%, From Age 50 - 2% . .	Age 35 - 25%, From Age 40 - 16.67%, From Age 45 - 8.33%, From Age 50 - 2% . .

38 Derivatives

- a) The Company has not entered into any derivative contract during the year.
b) Particulars of un-hedged foreign currency exposure as at the balance sheet date.

Particulars	Un-hedged payables *		Un-hedged receivables **	
	Foreign currency	Rs	Foreign currency	Rs
USD and Rupee equivalent	4.80	386.41	6.19	470.44
Previous Year	6.19	470.44	4.69	344.77

* Un-hedged payables includes trade payables

** Un-hedged receivables includes trade receivables

39 Related parties

Names of related parties and description of relationship with the Company

I) Enterprises where control exists

Holding and ultimate holding company Peepul Capital Fund III, LLC, Mauritius

II) Other related parties with whom the group had transactions during the year**(a) Entities under common control**

Cura Healthcare Private Limited
Sportell India Private Limited
Oriental Cuisines Private Limited

(b) Key management personnel

Chief Executive Officer

Mithun Appaiah
Cessation Date: 17-Nov-2022

Whole time Director
Chief Financial Officer
Company Secretary

P Manoj Kumar
Pradeepta Kumar Jena
Suraj S Kamble

Name of related party	Nature of transaction	Volume of transactions		Outstanding balance (receivable / payable)	
		Year ended March 31, 2023	Year ended March 31, 2022	Year ended March 31, 2023	Year ended March 31, 2022
Remuneration paid					
Manoj Kumar	Remuneration paid	49.11	53.32		(0.09)
Mithun Appaiah	Remuneration paid	81.42	70.98		(0.05)
Date of Cessation: November 17, 2022	Remuneration paid	39.48	22.74		-
Pradeepta Kumar Jena	Advance	-	-	-	6.00
Muhammed Rishwan	Remuneration paid	-	2.03	-	-
Date of Cessation: October 31, 2021	Remuneration paid	6.50	2.63	-	-
Date of Joining: November 01, 2021	Revenue from operation	-	-	59.47	59.47
Oriental Cuisines Private Limited**	Loan	1,300.00	-	1,318.11	-
Sportell India Private Limited	Interest accrued till 31.03.23	18.11	-	-	-
Sportell India Private Limited	Advance	-	-	12.39	12.39
Cura Healthcare Private Limited*					

*The Company has advanced an amount of Rs. 12.39 Lacs to Cura Healthcare Limited on October 18, 2019. This entity under corporate insolvency resolution process and accordingly the amount has been provided in statement of profit and loss account on a conservative basis

**The amount is outstanding for more than one year as on March 31, 2023. These are considered recoverable, but on a prudent basis, provision is made against outstanding balance in the books of accounts.

Note: Managerial remuneration does not include cost of retirement benefit such as gratuity and compensated absences since provision for the same are based on actuarial valuations carried out for the Company as a whole.

40 Deferred taxes

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Deferred tax liability		
Arising from timing difference in respect of: Property, plant and equipment and intangible assets	259.43	293.23
Arising from timing difference in respect of: Gratuity & Earned Leave	4.52	4.52
Deferred tax assets		
Unabsorbed depreciation and business loss	2,722.62	2,722.62
Net deferred tax asset / (liability)	2,467.72	2,433.91

In accordance with AS 22 - "Accounting for taxes on income" prescribed by the Companies (Accounting Standards) Rules, 2006, deferred tax assets on unabsorbed depreciation and carry forward losses have been recognised on the basis of prudence, only to the extent of above mentioned net deferred tax liability.

41 Provision for rebate/claim

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening balance	78.13	39.73
Charge for the year	98.00	96.00
Amount written back/ utilised	78.13	57.59
Closing balance	98.00	78.13

Note: Provision for rebate/ claims represents provisions created against certain claims where the outflow of economic benefits is considered as probable and the measurement has been done using a substantial degree of estimation.

42 The Statement as submitted to the Banks/ Financial Institutions

Quarter Ended	Name of Bank	Particulars of Security provided	Amount as per Books of Accounts	Amount as Reported in the Quarterly Statement	Difference, if any	Reason for material discrepancies
June,2022	HDFC, ICICI	Stock	2,648.36	2,648.36	-	
June,2022	HDFC, ICICI	Receivable	3,475.54	3,475.54	-	
June,2022	HDFC, ICICI	Payable	823.00	823.00	-	
September,2022	HDFC, ICICI	Stock	2,425.19	2,425.19	-	
September,2022	HDFC, ICICI	Receivable	2,907.78	2,907.78	-	
September,2022	HDFC, ICICI	Payable	682.00	682.00	-	
December,2022	HDFC, ICICI	Stock	3,565.68	3,565.68	-	
December,2022	HDFC, ICICI	Receivable	2,636.84	2,636.84	-	
December,2022	HDFC, ICICI	Payable	624.00	624.00	-	
March,2023	HDFC, ICICI	Stock	2,495.49	2,410.76	85	
March,2023	HDFC, ICICI	Receivable	2,153.62	1,965.73	188	
March,2023	HDFC, ICICI	Payable	1,256.94	1,814.41	(557.47)	

The quarterly returns or statements of current assets filed by the Company with Banks and Financial Institutions are in agreement with the books of account. The Company is required to comply with certain covenants under the facility agreements executed for its borrowings, which were either complied or consent obtained for continuing the facility.

43 Analytical Ratios:

Ratio	Numerator	Denominator	Current Period	Previous Period	Movement (In Percentage)
Current ratio	Current Assets	Current Liabilities	0.69	1.15	-40%
Debt Equity ratio*	Total Debt	Shareholder's Equity	16.99	1.00	1599%
Debt service coverage ratio #	Earning available for Debt Service	Debt Service (Interest and Repayments)	(2.29)	2.29	-200%
Return on equity ratio *	Net Profit after Tax	Average Shareholder's equity	(1.62)	0.03	-4989%
Inventory turnover ratio**	Cost of Goods Sold	Average Inventories	3.12	3.82	-18%
Trade receivables turnover ratio	Net Credit sales	Average Accounts Receivables	5.24	4.88	7%
Trade payable turnover ratio***	Net Credit Purchase	Average Trade Payable	3.12	2.83	10%
Net profit ratio*	Net Profit after Tax	Net Sales	-23%	2.96%	-859%
Net Capital Turnover Ratio%	Net Sales	Working Capital (Current Asset: Current Liability)	(4.95)	16.56	-130%
Return on Capital Employed*	Earning before Interest and tax	Capital Employed (Net Worth+Total Debt)	(0.48)	0.12	-511%

- * **Debt Equity** : On account of decrease on profitability during the year ended March 31, 2023.
- * **Return on equity** : On account of decrease on profitability during year ended March 31, 2023.
- * **Net profit ratio** : On account of decrease on profitability during the year ended March 31, 2023.
- * **Return on Investment** : On account of decrease on profitability during the year ended March 31, 2023.
- # **Debt service coverage ratio** : On account of decrease on earning before income tax (EBIT) during March 31, 2023.
- ** **Inventory turnover ratio** : Inventory turnover ratio has decreased on account of rationalisation of stock holding at factory & depot level to meet the sales requirement.
- *** **Trade payable turnover ratio** : Improved in creditors days as better negotiation with suppliers.
- % **Net Capital Turnover Ratio** : Decrease on account of negative Working capital during the current year

44 a) To the best of our knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities.

(b) To the best of our knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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")

45 Relationship with Struck off Companies

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding	Relationship with the struck off company if any, to
Future Retail Limited	Receivables	49.73	Customer
Cura Health Care Limited	Other outstanding balances	12.39	Related Party
Malabaries Galleria - Sanjapurahobli	Other outstanding balances	0.02	Customer
Staple Stores Pvt Ltd	Other outstanding balances	(0.00)	Customer

46 Loans or Advances

Type of Borrower	Name	Amount of Loan Outstanding	Percentage to the total Loans & Advances
NA	NA	NIL	NIL

47 Previous year figures have been regrouped/ reclassified wherever necessary to confirm to the current year's presentation.

for **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm registration number: 117366W/W-100018

for and on behalf of the Board of Directors of
Innovative Foods Limited
CIN : U51909KL1989PLC005465

Gurvinder Singh
Partner
Membership No.: 110128
Bangalore
18.09.2023

P Manoj Kumar **Saurabh Vijay Saxena**
Whole Time Director Director
DIN : 03527923 DIN : 10098297
Bangalore Bangalore
18.09.2023 18.09.2023

Suraj S Kamble
Company Secretary
Bangalore 18.09.2023



INNOVATIVE FOODS LIMITED

Registered Office:

Chakolas Habitat, A Block, 1 C Thevara Ferry Road Cochin Kerala, India- 682013

Tel: 04782872349, E-mail: cosecy@sumeru.net

Website: www.sumeru.net