INDEPENDENT AUDITORS` REPORT

To the Members of
Avanti Frozen Foods Private Limited

Report on the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Avanti Frozen Foods Private Limited** ('the Company') which comprise the Balance Sheet as at 31stMarch, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (herein after referred to as "Financial Statements").

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31stMarch, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 Companies Act, 2013 and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Key Audit Matters

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

S. No	Key Audit Matters	Auditor's Response
1.	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of Ind AS 115 "Revenue from Contracts with Customers" (revenue accounting standard) The application of the revenue accounting standard involves certain key judgements relating to identification of the contract with a customer, identification of distinct performance obligations, determination of	<u>Principal Audit Procedures</u> We assessed the Company's process to identify the impact of revenue accounting standard. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • We assessed the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification

	transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized when a performance obligation is satisfied. Additionally, revenue accounting standard contains disclosures which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer Note 2.4c and 22 to the Financial Statements	of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls. • Tested the relevant information technology systems' access and change management controls relating to contracts and related information used in recording and disclosing revenue in accordance with the revenue accounting standard. • Selected a sample of continuing and new contracts and performed the following procedures: - Read, analyzed and identified the distinct performance obligations in these contracts. - Compared these performance obligations with that identified and recorded by the Company. - Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration. - Samples in respect of revenue recorded upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services, were tested using a combination of sales orders, gate-in and gate-out passes, shipping bills including packing lists, subsequent customs invoicing, bills of lading, customer acceptances and historical trend of collections and disputes. • Performed analytical procedures for reasonableness of revenues disclosed by type and service offerings. • We reviewed the collation of information and the logic of the report generated from the IT system used to prepare the disclosure relating to the periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.
3.	The Company enters into various financial instruments such as derivative financial instruments to hedge the Company's exposure to variability in foreign exchange movements, including investments in quoted mutual funds. As at 31st March, 2021, financial instruments carried at fair value through profit and loss totaled Rs. 10,961.49 lakhs (current investments)	Our procedures included but were not limited to: • Obtaining an understanding of the internal risk management procedures and the systems and controls associated with the origination and maintenance of complete and accurate information relating to financial instruments; • Utilizing our treasury experts, we also tested on a sample basis the existence and valuation of derivative contracts as at 31st March, 2021. Our

	as disclosed in Note 9 to the Financial Statements and derivative financial Assets totaled Rs. 93.89 lakhs (financial Asset) as disclosed in Note 7 to the Financial Statements. These financial instruments are recorded at fair value as required by the relevant accounting standard. We have focused on this area due to the complexities associated with the valuation and accounting for these financial instruments.	audit procedures focused on the integrity of the valuation models and the incorporation of the contract terms and the key assumptions, including future price assumptions and discount rates; and • Obtaining an understanding of key financial instrument contract terms to assess the appropriateness of accounting reflected in the financial report. We have also assessed the appropriateness of the disclosures included in Note 35 to the Financial Statements.
4.	**Inventory valuation and existence** At the balance sheet date the value of inventory amounted to Rs.23,989.70 lakhs representing 39.09% of total assets. Inventories were considered as key audit matter due to the size of the balance and because inventory valuation involves management judgment. As described in note 2.4.j of the financial statements , inventories are carried at the lower of cost and net realizable value on a weighted average basis The company has segment specific procedures for identifying risk for obsolescence and measuring inventories at the lower of cost or net realizable value	To address the risk for material error on inventories, our audit procedures included amongst other: • Assessing the compliance of company's accounting policies over inventory with applicable accounting standards. • Observed the stock take process at Factory locations during the year and at the end of the year and undertook our test counts where ever necessary. • Compared the Quantities we counted with Quantities recorded. • Analyzing the Inventory Ageing reports and Net realizable value of inventories • Tested that inventory on hand at the end of the period was recorded at the lower of cost and net realizable value by testing a sample of inventory items to the most recent retail price.

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

The Company's Board of Directors responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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.

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performanceincluding other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are 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 these 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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.

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

Report on Other Legal and Regulatory Requirements

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

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The balance sheet, the statement of profit and loss including other comprehensive income, the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure-B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The Company has no pending litigations on its financial position in its Financial Statements

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

For KARVY & CO.
Chartered Accountants
ICAI Firm Registration No: 01757S

(AJAYKUMAR KOSARAJU)
Partner
Membership No. 021989
UDIN:

Place: Hyderabad
Date: 19/06/2021

"Annexure – A" to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the Financial Statements for the year ended 31stMarch, 2021, we report that:

Re: Avanti Frozen Foods Private Limited ('the Company')

i. In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, the management has physically verified a substantial portion of the fixed assets during the year and in our opinion frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. The discrepancies noticed on physical verification of fixed assets as compared to the books of account were not material and have been properly dealt with in the books of accounts.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company. In respect of immovable properties taken on lease and disclosed as right-of-use-assets in the standalone financial statements, the lease agreements are in the name of the Company.

ii. According to the information and explanations given to us, the inventories have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to the books of account were not material and have been properly dealt with in the books of accounts.

iii. According to the information and explanations given to us, the Company has granted an unsecured loan, to its wholly owned subsidiary company which covered in the register maintained under section 189 of the Act. In respect of which :

(a) In our opinion, the rate of interest and other terms and conditions on which the unsecured loan has been granted is not, prima facie prejudicial to the interest of the Company.

(b) The schedule of repayment of principal and payment of interest has been stipulated for the loans granted and the repayment/receipts are regular.

(c) There is no amount overdue for more than ninety days in respect of said unsecured loan.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v. According to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of Section 73 and 76 or any other relevant provisions of the Act and the rules framed there under.

vi. In respect of the Company, maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Act in respect of activities of the company.

vii. In respect of Statutory dues:

(a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees state insurance, income-tax, goods and service tax, duty of customs, cess and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income-tax, goods and service tax, duty of customs, cess that have not been deposited by the Company on account of any disputes.

viii. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to banks, governments and financial institutions. The Company did not have any debentures outstanding as at the year end.

ix. Based on the information and explanations given to us by the management, the Company has not raised any moneys by way of initial public offer or further public offer of equity shares, convertible securities and debt securities. No term loans were taken during the year by the Company.

x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and as per the information and explanations given by the management, we report that no material fraud, by the Company or on the Company by its officers or employees, has been noticed or reported during the course of our audit.

xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph3(xv) of the Order is not applicable.

xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For KARVY & CO.
Chartered Accountants
ICAI Firm Registration No: 01757S

(AJAYKUMAR KOSARAJU)
Partner
Membership No. 021989
UDIN:

Place: Hyderabad
Date: 19/06/2021

Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of **Avanti Frozen Foods Private Limited** ("the Company") as of 31stMarch,2021 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 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For KARVY & CO.
Chartered Accountants
ICAI Firm Registration No: 01757S

(AJAYKUMAR KOSARAJU)
Partner
Membership No. 021989
UDIN:

Place: Hyderabad
Date: 19/06/2021

AVANTI FROZEN FOODS PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2021
(All amounts in lakhs in Indian Rupees, unless otherwise stated)

		Particulars	Note	As at March 31, 2021	As at March 31, 2020
A	**ASSETS**				
1	**Non-current Assets**				
	a	Property, plant and equipment	3	12,749.62	12,273.00
	b	Capital work in progress	3	591.84	253.51
	c	Goodwill	4	45.51	45.51
	d	Other intangible assets	4	11.01	9.42
	e	Right of use assets	5	519.99	382.57
	f	Financial assets			
		Investments	9 (a)	209.25	7.21
		Loans	6 (a)	638.41	20.50
		Other financial assets	7	307.87	287.26
	g	Deferred tax asset (net)	21 (a)	1,916.98	1,371.23
	h	Non-current tax assets	21 (b)	758.98	590.72
	i	Other non-current assets	8 (a)	190.42	482.63
				17,939.88	**15,723.56**
2	**Current Assets**				
	a	Inventories	10 (a)	23,989.69	17,314.40
	b	Biological assets	10 (b)	123.07	-
	c	Financial assets			
		Investments	9 (b)	12,103.82	9,894.69
		Trade receivables	11	4,641.36	5,855.07
		Cash and cash equivalents	12 (a)	1,246.28	936.09
		Other bank balances	12 (b)	33.86	47.11
		Loans	6 (b)	23.22	22.91
		Other financial assets	7 (b)	93.90	-
	d	Other current assets	8 (b)	1,171.27	2,675.07
				43,426.47	**36,745.34**
		Total Assets		**61,366.35**	**52,468.90**
B	**EQUITY AND LIABILITIES**				
1	**Equity**				
	a	Equity share capital	13	1,001.67	1,001.67
	b	Other equity	14	56,037.44	46,769.30
				57,039.11	**47,770.97**
2	**Non-current Liabilities**				
	a	Financial liabilities			
		Borrowings	15	-	15.98
		Lease liabilities	5 (b)	202.96	16.53
	b	Provisions	19	58.72	85.11
	c	Other non-current liabilities	20 (a)	1,266.67	1,144.36
				1,528.35	**1,261.98**

AVANTI FROZEN FOODS PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2021
(All amounts in lakhs in Indian Rupees, unless otherwise stated)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
3 Current Liabilities			
a Financial liabilities			
Borrowings	16	-	0.02
Trade payables			
i) Total oustanding dues of micro enterprises and small enterprises	17	147.98	31.69
ii) Total oustanding dues of trade payables other than micro enterprises and small enterprises	17	2,425.69	2,124.60
Lease liabilities		44.69	5.40
Other financial liabilities	18	16.13	1,103.24
b Other current liabilities	20 (b)	164.40	171.00
		2,798.89	**3,435.95**
Total Equity and Liabilities		**61,366.35**	**52,468.90**
C Notes forming part of the Financial Statements	1-39		

The accompanying notes are an integral part of the Financial Statements.

As per our attached report of even date

For Karvy & Co.,
Chartered Accountants
ICAI Firm Registration No. : 001757S

For and on behalf of the Board of Directors

Ajaykumar Kosaraju
Partner
Membership No. :021989

A.Indra Kumar
Chairman and Managing Director

C.Ramachandra Rao
Director

Place : Hyderabad
Date : 19.06.2021

A.Anand
Chief Financial Officer

Lakshmi Sharma
Company Secretary

AVANTI FROZEN FOODS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in lakhs in Indian Rupees, unless otherwise stated)

	Particulars	Note No.	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
A	**INCOME**			
	Revenue from operations	22	85,688.66	95,490.43
	Other income	23	3,075.44	1,142.97
	Total Income		**88,764.10**	**96,633.40**
B	**EXPENSES**			
	Cost of materials consumed	24	65,268.93	69,771.08
	Changes in inventories of finished goods, stock-in-trade, work-in-progress and biological assets	25	(6,415.98)	(1,934.15)
	Employee benefits expense	26	2,248.64	2,011.56
	Finance costs	27	127.50	115.16
	Depreciation and amortisation expense	28	1,789.54	1,711.48
	Other expenses	29	14,919.54	14,190.86
	Total Expenses		**77,938.17**	**85,865.99**
	Profit before exceptional items and tax		10,825.93	10,767.41
	Exceptional items	30	-	-
	Profit before tax		**10,825.93**	**10,767.41**
	Tax expense			
	Current tax	21 (c)	1,892.95	1,855.93
	Deferred tax	21 (a)	(545.75)	(1,038.31)
	Profit for the year		**9,478.73**	**9,949.79**
	Other comprehensive income/ (loss)			
	Items that will not be reclassified subsequently to profit or loss			
	Remeasurements of the defined benefit plans		(10.26)	(15.77)
	Income tax relating to above item		-	-
			(10.26)	**(15.77)**
	Total comprehensive income for the year		**9,468.47**	**9,934.02**
	Earnings per equity share (Equity shares of par value ₹10 each)			
	Basic and diluted (₹)	31	**94.63**	**99.33**
C	**Notes forming part of the Financial Statements**	1-39		

The accompanying notes are an integral part of the Financial Statements.

As per our attached report of even date

For Karvy & Co.,
Chartered Accountants
Firm Registration No. : 001757S

Ajaykumar Kosaraju
Partner
Membership No. :021989

Place : Hyderabad
Date : 19.06.2021

For and on behalf of the Board of Directors

A.Indra Kumar
Chairman and Managing Director

C.Ramachandra Rao
Director

A.Anand
Chief Financial Officer

Lakshmi Sharma
Company Secretary

AVANTI FROZEN FOODS PRIVATE LIMITED
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in lakhs in Indian Rupees, unless otherwise stated)

	Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
A	**CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES**		
	Net Profit before Tax and Extraordinary Items	10,825.93	10,767.41
	Adjustments for:		
	Depreciation and amortisation expense	1,789.54	1,711.47
	Amortisation of government grants	(205.90)	(190.97)
	Interest income and dividend on mutual funds	(5.49)	(132.91)
	Shor-term capital gain on sale of mutual funds	(421.20)	(0.81)
	Interest on borrowings	127.51	115.17
	Exchange difference (net)	(1,229.20)	(1,638.14)
	Provision for employee benefits	48.38	70.23
	(Gain)/loss on Financial assets measured at fair value through profit and loss	(268.48)	(30.56)
	(Gain)/loss on derivative insturments imeasured at fair value through profit and loss	(93.90)	1,013.65
	Liabilities no longer required written back	(0.03)	(2.82)
	(Profit)/loss on sale of property, plant and equipment	-	6.03
	Operating Profit before Working Capital Changes	**10,567.16**	**11,687.75**
	Adjustments for (increase)/decrease in operating assets:		
	Inventories	(6,675.30)	(1,891.23)
	Biological assets	(123.07)	-
	Trade receivables	934.89	(1,758.82)
	Loans	(618.23)	(29.90)
	Other bank balances	13.25	(26.44)
	Other financial assets	(18.29)	(20.67)
	Other assets	1,516.88	52.05
	Adjustments for increase/(decrease) in operating liabilities:		
	Trade payables	417.52	(338.74)
	Other current liabilities	(6.60)	139.22
	Provisions	(85.11)	(62.99)
	Cash generated from operation	**5,923.10**	**7,750.23**
	Adjustments for income tax (paid)/refund	(2,061.20)	(1,970.18)
	Net Cash from/(used in) Operating Activities A	**3,861.90**	**5,780.05**
B	**CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES**		
	Purchase of property, plant and equipment	(1,889.03)	(1,185.35)
	Proceeds from sale of property, plant and equipment	-	3.71
	Interest received and dividend on mutual funds	3.18	131.78
	(Investment in)/withdrawal from units of mutual funds	(1,721.49)	(8,644.26)
	(Investment in) equity shares of subsidiary	-	(7.21)
	Net Cash from/(used in) Investing Activities B	**(3,607.34)**	**(9,701.33)**

	Particulars		For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
C	**CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES**			
	Interest paid on borrowings		(113.68)	(111.94)
	Payment of lease liabilities		(35.28)	(6.40)
	Dividends paid		(200.33)	-
	Profit on exchange fluctuations		494.38	1,200.68
	Proceeds/(repayment) of borrowings		(89.46)	(825.21)
	Net Cash from/(used in) Financing Activities	C	**55.63**	**257.13**
	Net Increase/(Decrease) in Cash and Cash Equivalents	A+B+C	**310.19**	**(3,664.15)**
	Cash and cash equivalents			
	At the beginning of the year		936.09	4,600.24
	At the end of the year (refer note (i) below)		**1,246.28**	**936.09**
	Note (i):			
	Cash in hand		11.21	16.27
	Balances with banks		1,235.07	919.82
			1,246.28	**936.09**

The above Statement of Cash Flows has been prepared under the 'Indirect Method' set out in Ind As -7, 'Statement of Cash Flows' specified under section 133 of the Companies Act, 2013.

Purchase of property, plant and equipment includes movements of capital work-in-progress (including capital advance) during the year.

As per our attached report of even date

For and on behalf of the Board of Directors

For Karvy & Co.,
Chartered Accountants
Firm Registration No. : 001757S

Ajaykumar Kosaraju
Partner
Membership No. :021989

A.Indra Kumar
Chairman and Managing Director

C.Ramachandra Rao
Director

Place : Hyderabad
Date : 19.06.2021

A.Anand
Chief Financial Officer

Lakshmi Sharma
Company Secretary

AVANTI FROZEN FOODS PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in lakhs in Indian Rupees, unless otherwise stated)

a) Equity

	Number of Shares	Amount
Balance as at April 01, 2019	1,00,16,667	1,001.67
Changes in equity share capital during the year	-	-
Balance as at March 31, 2020	**1,00,16,667**	**1,001.67**
Changes in equity share capital during the year	-	-
Balance as at March 31, 2021	**1,00,16,667**	**1,001.67**

b) Other Equity

Particulars	Reserves and Surplus			
	General reserve	Securities premium reserve	Retained earnings	Total
Balance as at April 01, 2019	-	20,000.20	16,831.38	**36,831.58**
Adjustment on adoption of Ind AS116	-	-	3.70	**3.70**
Profit for the year	-	-	9,949.79	**9,949.79**
Other comprehensive income	-	-	(15.77)	**(15.77)**
Transfer from retained earnings to general reserve	-	-	-	**-**
Dividends	-	-	-	**-**
Issue of shares	-	-	-	**-**
Balance as at March 31, 2020	**-**	**20,000.20**	**26,769.10**	**46,769.30**
Profit for the year	-	-	9,478.73	**9,478.73**
Other Comprehensive Income	-	-	(10.26)	**(10.26)**
Transfer from retained earnings to general reserve	1,000.00	-	(1,000.00)	**-**
Dividends	-	-	(200.33)	**(200.33)**
Issue of shares	-	-	-	-
Balance as at March 31, 2021	**1,000.00**	**20,000.20**	**35,037.24**	**56,037.44**

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

For Karvy & Co.,
Chartered Accountants
Firm Registration No. : 001757S

Ajaykumar Kosaraju
Partner
Membership No. :021989

Place : Hyderabad
Date : 19.06.2021

For and on behalf of the Board of Directors

A.Indra Kumar
Chairman and Managing Director

C.Ramachandra Rao
Director

A.Anand
Chief Financial Officer

Lakshmi Sharma
Company Secretary

(iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 36 details how the Company determines whether there has been a significant increase in credit risk.

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

(iv) Derecognition of financial assets

A financial asset is derecognised only when;

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

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

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

(v) Income recognition

Interest income:

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

Dividends:

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

M. Derivatives

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

N. Offsetting financial instruments

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

O. Property, plant and equipment

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

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

Depreciation methods, estimated useful lives and residual value

Depreciation on tangible assets is calculated on a straight-line basis as per the useful life prescribed and in the manner laid down under Schedule II to the Companies Act, 2013. The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. Assets costing individually rupee equivalent of ₹5,000 or less are fully charged off on purchase. Depreciation for assets purchased / sold during the period is proportionately charged.

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

P. Intangible assets

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

Computer software

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

Goodwill

Goodwill on account of demerger is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Amortisation methods and periods

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

Q. Trade and other payables

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

R. Borrowings

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

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

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

S. Borrowing Cost

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

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

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

T. Provisions

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

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

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

U. Employee benefits

i) Short-term employee benefit obligations

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

ii) Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

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

iii) Post- employment obligations

The Company operates the following post-employment schemes:
(a) defined benefit plans such as gratuity; and
(b) defined contribution plans such as provident fund and employee state insurance

Gratuity obligations

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

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

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

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

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

Defined contribution plans

The Company pays provident fund contributions to publicly administered provident funds and Employee State Insurance funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefits expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

iv) Bonus plans

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

V. Contributed Equity

Equity shares are classified as equity.

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

W. Dividends

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

X. Earnings per share

i Basic earnings per share

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

ii Diluted earnings per share

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

The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Y. Rounding of amounts

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

2.5 Recent accounting pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

• Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.

• Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.

• Specified format for disclosure of shareholding of promoters.

• Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.

• If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.

• Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

• Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

AVANTI FROZEN FOODS PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in lakhs in Indian Rupees, unless otherwise stated)

3 Property, Plant and Equipment and capital work -in-progress

	Land - free hold	Buildings	Plant and machinery	Electrical installation	Office equipment	Computers	Furniture and fixtures	Motor vehicles	Lab equipments	Total tangible assets	Capital work - in - progress	Grand Total
Gross block												
As at April 01, 2019	**1,722.50**	**3,308.95**	**9,365.62**	**1,029.99**	**65.16**	**34.56**	**129.94**	**822.87**	**136.26**	**16,615.85**	**108.50**	**16,724.35**
Additions	50.08	32.98	148.13	8.74	6.13	5.03	72.24	206.18	-	**529.51**	166.16	**695.67**
Re-classification on adoption of Ind AS 116	-	15.19	386.25	158.70	-	-	-	-	-	**560.14**	-	**560.14**
Disposals	-	-	66.22	-	0.64	-	-	16.77	-	**83.63**	21.15	**104.78**
As at March 31, 2020	**1,772.58**	**3,326.74**	**9,061.28**	**880.03**	**70.65**	**39.59**	**202.18**	**1,012.28**	**136.26**	**16,501.59**	**253.51**	**16,755.10**
Additions	284.84	47.62	1,473.05	22.47	0.45	10.26	35.64	254.26	35.01	**2,163.60**	468.61	2,632.21
Disposals	-	-	-	-	6.82	9.69	16.21	0.18	-	**32.90**	130.28	163.18
As at March 31, 2021	**2,057.42**	**3,374.36**	**10,534.33**	**902.50**	**64.28**	**40.16**	**221.61**	**1,266.36**	**171.27**	**18,632.29**	**591.84**	**19,224.13**
Depreciation												
Up to April 01, 2019	**-**	**274.17**	**1,983.35**	**185.64**	**19.46**	**17.09**	**22.32**	**216.32**	**19.92**	**2,738.27**	-	**2,738.27**
Charge for the year	-	218.23	1,138.03	90.35	13.32	10.30	16.26	116.29	13.79	**1,616.57**	-	**1,616.57**
Re-classification on adoption of Ind AS 116	-	1.62	90.45	27.34	-	-	-	-	-	**119.41**	-	**119.41**
Disposals	-	-	-	-	0.55	-	-	6.29	-	**6.84**	-	**6.84**
Up to March 31, 2020	**-**	**490.78**	**3,030.93**	**248.65**	**32.23**	**27.39**	**38.58**	**326.32**	**33.71**	**4,228.59**	**-**	**4,228.59**
Charge for the year	-	203.23	1,182.98	91.24	12.80	9.55	22.21	135.48	16.20	**1,673.69**	-	**1,673.69**
Disposals	-	-	-	-	5.46	5.45	8.70	-	-	**19.61**	-	**19.61**
Up to March 31, 2021	**-**	**694.01**	**4,213.91**	**339.89**	**39.57**	**31.49**	**52.09**	**461.80**	**49.91**	**5,882.67**	**-**	**5,882.67**
Net block												
As at March 31, 2020	**1,772.58**	**2,835.96**	**6,030.35**	**631.38**	**38.42**	**12.20**	**163.60**	**685.96**	**102.55**	**12,273.00**	**253.51**	**12,526.50**
As at March 31, 2021	**2,057.42**	**2,680.35**	**6,320.42**	**562.61**	**24.71**	**8.67**	**169.52**	**804.56**	**121.36**	**12,749.62**	**591.84**	**13,341.46**

Notes:

i) Refer note 16 for information on property, plant and equipment pledged as security.

ii) Gross value of assets as at March 31, 2021 includes ₹1,458.72 lakhs of government grant availed under the scheme of Export Promotion Capital Goods Scheme (March 31, 2020: ₹1,130.52 lakhs). (refer note 20)

AVANTI FROZEN FOODS PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in lakhs in Indian Rupees, unless otherwise stated)

4 Intangible assets

	Good will	Computer software	Total
Gross block			
As at April 01, 2019	**45.51**	**13.85**	**59.36**
Additions	-	4.20	**4.20**
Disposals	-	-	-
As at March 31, 2020	**45.51**	**18.05**	**63.56**
Additions	-	5.42	**5.42**
Disposals	-	-	-
As at March 31, 2021	**45.51**	**23.47**	**68.98**
Depreciation			
Up to April 01, 2019	**-**	**5.61**	**5.61**
Charge for the year	-	3.02	**3.02**
Disposals	-	-	-
Up to March 31, 2020	**-**	**8.63**	**8.63**
Charge for the year	-	3.83	**3.83**
Disposals	-	-	-
Up to March 31, 2021	**-**	**12.46**	**12.46**
Net block			
As at March 31, 2020	**45.51**	**9.42**	**54.93**
As at March 31, 2021	**45.51**	**11.01**	**56.52**

5 Lease

a) Right of use assets

Particulars	Category of ROU asset		Total
	Land	Buildings	
Balance as at April 01, 2019	**19.48**	**10.49**	**29.97**
Re-classification on adoption of Ind AS 116	440.73	-	440.73
Additions	3.77	-	3.77
Deletions	-	-	-
Depreciation	89.33	2.57	91.90
Balance as at March 31, 2020	**374.65**	**7.92**	**382.57**
Additions	230.08	19.37	249.45
Deletions	-	-	-
Depreciation	105.59	6.44	112.03
Balance as at March 31, 2021	**499.14**	**20.85**	**519.99**

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

b) Lease liabilities as at end of the year

Particulars	As at March 31, 2021	As at March 31, 2020
Current lease liabilities	44.69	5.40
Non-current lease liabilities	202.96	16.53
Total	**247.65**	**21.93**

The movement in lease liabilities during the year is as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Balance as at the beginning of the year	21.93	26.28
Additions	247.18	-
Finance cost accrued during the year	13.82	2.05
Deletions	-	-
Payment of lease liabilities	35.28	6.40
Balance as at the end of the year	**247.65**	**21.93**

Rental expenses recorded on short-term leases was ₹16.59 Lakhs

The details of the contractual maturities of lease liabilities as at end of the year on an undiscounted basis are as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Less than one year	47.05	6.80
One year to three years	92.91	14.32
More than three years	215.09	4.09
Total	**355.05**	**25.21**

AVANTI FROZEN FOODS PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in lakhs in Indian Rupees, unless otherwise stated)

6 Loans

	As at March 31, 2021	As at March 31, 2020
a) Non-current		
Unsecured, considered good		
Loans to subsidiaries	624.79	-
Loans to employees	13.62	20.50
Total	**638.41**	**20.50**
b) Current		
Unsecured, considered good		
Loans to employees	23.22	22.91
Total	**23.22**	**22.91**

7 Other financial assets

	As at March 31, 2021	As at March 31, 2020
Non-current		
Unsecured, considered good		
Margin money deposits	41.25	24.32
Security deposits	266.62	262.94
Total	**307.87**	**287.26**
Current		
Unsecured, considered good		
Term deposits	-	-
Derivative financial asset	93.90	-
Total	**93.90**	**-**

8 Other assets

	As at March 31, 2021	As at March 31, 2020
a) Non-current		
Unsecured, considered good		
Capital advances	190.42	482.63
Total	**190.42**	**482.63**
b) Current		
Prepaid expenses	170.89	97.44
Advance for purchases	171.71	184.12
Export incentives receivable and balance with Governemnt authorities	796.23	1,374.60
MEIS licences on hand	-	995.09
Other advances	21.58	9.14
Interest accrued on electricity deposits	10.86	14.68
Total	**1,171.27**	**2,675.07**

AVANTI FROZEN FOODS PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in lakhs in Indian Rupees, unless otherwise stated)

9 Current investments

	As at March 31, 2021	As at March 31, 2020
a) Non-current		
Investment carried at cost (refer note i below)		
Equity instruments of subsidiaries (unquoted)	7.21	7.21
Investment carried at fair value through profit and loss (refer note below)		
Investments in Debentures (unquoted)	202.04	-
Total	**209.25**	**7.21**

Note: Details of non-current investments

	As at March 31, 2021	As at March 31, 2020
Equity instruments of subsidiaries (unquoted)		
Avanti Frozen Foods Inc., 10,000 (Previous year: 10,000) equity shares of USD0.01 each fully paid-up	7.21	7.21
Total	**7.21**	**7.21**
ii) Investments in Non-convertible Debentures - quoted		
Shriram City Union Finance - 20 units of ₹10,00,000 face value each (March 31, 2020: Nil units)	202.04	-
	202.04	**-**
b) Current		
Investment carried at amortised cost		
Term Deposits with LIC Hosing Finance Limited	1,142.32	-
Investment carried at fair value through profit and loss (refer note below)		
Investments in Mutual Funds	10,961.50	9,894.69
Total	**12,103.82**	**9,894.69**

Note: Details of current investments

	As at March 31, 2021	As at March 31, 2020
i) Investments in Mutual Funds - Quoted		
SBI - Magnum Ultra Short-term Duration Fund - Growth - 82291.253 units of ₹4,718.9734 each (March 31, 2020: Nil units)	3,883.32	-
Axis Banking and PSU Debt Fund - 29423.674 units of ₹2097.7900 each (March 31, 2020: 29423.674 units of ₹1940.9982 each)	617.25	571.11
IDFC Banking and PSU Debt Fund - 11972889.325 units of ₹19.5405 each (March 31, 2020: 1453522.175 units of ₹17.9641 each)	2,339.56	261.11
HDFC Corp Bond Fund (G) - Direct Plan - 8181691.752 units of ₹25.1835 each (March 31, 2020: Nil units)	2,060.44	-
Nippon India Banking and PSU Debt Fund (G) - Direct Plan - 6263427.911 units of ₹16.4212 each (March 31, 2020: Nil units)	1,028.53	-
Nippon India Floating Rate Fund (G) - Direct Plan - 2868753.701 units of ₹35.9880 each (March 31, 2020: Nil units)	1,032.41	-
SBI - Magnum Ultra Short-term Duration Fund - Daily Dividend - Nil units (March 31, 2020: 541032.569 units of ₹1,675.03 each)	-	9,062.46
Total	**10,961.51**	**9,894.68**

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

10 Inventories

a)

	As at March 31, 2021	As at March 31, 2020
Packing materials	294.05	128.77
Work-in-process	175.84	72.50
Finished goods		
Finished goods	12,598.88	8,933.35
Stock-in-transit	10,156.35	7,632.31
Stores and spares	764.57	547.47
Total	**23,989.69**	**17,314.40**

b) **Biological assets**

	As at March 31, 2021	As at March 31, 2020
Consumable biological assets - unmatured	123.07	-
Total	**123.07**	**-**

i) **Reconciliation of changes in the carrying amount of biological assets:**

	2020-21	2019-20
Measurement basis: (Fair value less cost to sell)		
At the beginning of the year	-	-
Increase due to purchases/production/ physical change	1,325.73	251.64
Decrease due to harvest /physical change /sale	(1,202.66)	(251.64)
Fair value adjustment recorded in the statement of profit and loss	-	-
At the end of the year	**123.07**	**-**

ii) **Non-financial measures of physical quantities of biological assets**

		As at March 31, 2021	As at March 31, 2020
Biological assets at the end of the period			
Live shrimps	MTs	74.45	-
Output of agricultural produce during the year			
Raw shrimps	MTs	352.99	120.78

11 Trade receivables

	As at March 31, 2021	As at March 31, 2020
Unsecured :		
Considered good	4,641.36	5,855.07
Considered doubtful	147.63	147.63
Total	**4,788.99**	**6,002.70**
Less: Provisions for doubtful trade receivables	(147.63)	(147.63)
Total	**4,641.36**	**5,855.07**

12 Cash and bank balances

a Cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
Balances with banks :		
In current accounts	1,235.07	269.61
In Fixed Deposit Accounts (Maturity less than 3 months)	-	650.21
Cash in hand	11.21	16.27
Total	**1,246.28**	**936.09**

b Other bank balances

	As at March 31, 2021	As at March 31, 2020
Margin money accounts *	33.86	47.11
Total	**33.86**	**47.11**

* Margin money deposits with banks of a carrying amount of ₹33.86 lakhs (March 31, 2020: ₹47.11 lakhs) are lien marked for Bank Guarantees issued.

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

13 Share capital

	As at March 31, 2021	As at March 31, 2020
Authorised capital		
1,01,00,000 (Previous year: 1,01,00,000) Equity share of ₹10 each	**1,010.00**	**1,010.00**
Issued, subscribed and paid up capital		
1,00,16,667 (Previous year: 1,00,16,667) Equity shares of ₹10 each fully paid up	1,001.67	1,001.67
	1,001.67	**1,001.67**

(a) Reconciliation of shares outstanding at the beginning and at the end of the year

	Number of shares	Value
Equity shares of ₹10 each fully paid		
Balance as at April 01, 2019	1,00,16,667	1,001.67
Issued during the year	-	-
Balance as at March 31, 2020	**1,00,16,667**	**1,001.67**
Issued during the year	-	-
Balance as at March 31, 2021	**1,00,16,667**	**1,001.67**

(b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

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

(c) Details of shares held by holding company :

	As at March 31, 2021	As at March 31, 2020
Equity shares of ₹10 each fully paid		
Avanti Feeds Limited		
Number of shares held	60,10,000	60,10,000
% of holding	60%	60%

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

Name of the shareholder	As at March 31, 2021	As at March 31, 2020
Equity shares of ₹10 each fully paid		
Avanti Feeds Limited		
Number of shares held	60,10,000	60,10,000
% of holding	60%	60%
Thai Union Group PCL, Thailand		
Number of shares held	40,06,667	40,06,667
% of holding	40%	40%

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

14 Other equity

	As at March 31, 2021	As at March 31, 2020
General reserve	1,000.00	-
Securities premium account	20,000.20	20,000.20
Retained earnings	35,037.24	26,769.10
Total	**56,037.44**	**46,769.30**

	As at March 31, 2021	As at March 31, 2020
Securities premium account		
Opening balance	20,000.20	20,000.20
Addition during the year	-	-
Closing balance	**20,000.20**	**20,000.20**

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings		
Opening balance	26,769.10	16,831.38
Add/(less): Profit for the year	9,478.73	9,949.79
Adjustment on adoption of Ind AS116	-	3.70
Other comprehensive income	(10.26)	(15.77)
Transfer to general reserve	(1,000.00)	-
Dividend	(200.33)	-
Closing balance	**35,037.24**	**26,769.10**

15 Non-current borrowings

	As at March 31, 2021	As at March 31, 2020
Secured loans - at amortised cost		
Vehicle loans (refer note i below)		
a) From Axis Bank Limited	-	15.98
Total	**-**	**15.98**

Note: Current maturities on long-term borrowings have been disclosed under the head 'Other current financial liabilities'.

i) **Vehicle loans:**
Vehicle loans secured by hypothecation of respective vehicles and are payable in equal monthly instalments as stipulated in the agreements with the lenders.

16 Current borrowings

	As at March 31, 2021	As at March 31, 2020
Loans from banks		
Working capital loan from State Bank India	-	-
Working capital loan from Axis Bank	-	0.02
Total	**-**	**0.02**

Working capital loan
The working capital limits, sanctioned by State Bank of India and Axis Bank as at March 31, 2021, are ₹8,000.00 lakhs and ₹4,000.00 lakhs, respectively (March 31, 2020: ₹8,000.00 lakhs and ₹4,000.00 lakhs, respectively).

The loans are secured by way of first charge on all chargeable current assets of the Company and second charge on fixed assets of shrimp processing Plants at Yerravaram and Gopalapuram, Andhra Pradesh. The working capital loans are repayable on demand and carries interest rate of LIBOR+55bps p.a. and LIBOR+50bps p.a. on pre-shipment credit in foreign currency from State Bank of India and Axis Bank, respectively. In case of cash credit facility the interest rates are 7.20% p.a. and 7.95% p.a. from State Bank of India and Axis Bank, respectively.

Note: Debit balance in cash credit accounts as at March 31, 2021 and March 31, 2020 have been grouped under the head "Cash and cash equivalents"

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

17 Trade payables

	As at March 31, 2021	As at March 31, 2020
Dues to micro enterprises and small enterprises	147.98	31.69
Dues to creditors other than micro enterprises and small enterprises	2,425.69	2,124.60
Total	**2,573.67**	**2,156.29**

With the promulgation of the Micro, Small and Medium Enterprises Development Act, 2006, the Company is required to identify Micro, Small and Medium Suppliers and pay them interest on overdue beyond the specified period irrespective of the terms with the suppliers. The Company has circulated letter to all suppliers seeking their status. Response from few suppliers has been received and is still awaited from other suppliers. In view of this, the liability of interest calculated and the required disclosures made, in the below table, to the extent of information available with the Company.

	As at March 31, 2021	As at March 31, 2020
Principal amount remaining unpaid to any supplier as at the end of the accounting year	147.98	31.69
Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	0.06
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

18 Other current financial liabilities

	As at March 31, 2021	As at March 31, 2020
Current maturities of long term debt		
ICICI Bank Limited	-	9.84
HDFC Bank Limited	-	16.75
Axis Bank Limited	16.13	63.00
Derivative financial liabilities	-	1,013.65
Total	**16.13**	**1,103.24**

19 Provisions

	As at March 31, 2021	As at March 31, 2020
Non-current		
Provision for employee benefits:		
Gratuity	42.75	46.81
Leave encashment	15.97	38.30
Total	**58.72**	**85.11**

20 Other liabilities

	As at March 31, 2021	As at March 31, 2020
a) Non-current		
Unamortised government grants (refer note (i) and (ii) below)	1,266.67	1,144.36
Total	**1,266.67**	**1,144.36**
b) Current		
Statutory dues	69.96	45.85
Advance from customers	94.44	125.15
Total	**164.40**	**171.00**

i) Investment subsidy of ₹500.00 lakhs received from Andhra Pradesh Food Processing Society, Government of Andhra Pradesh for setting up of new shrimp processing unit at Yerravaram, East Godavari District, Andhra Pradesh. There are no unfulfilled conditions or other contingencies attaching to these grants. As these grants are in relation to property, plant and equipment and buildings, the same has been capitalised and amortised on a systematic basis over the useful life of respect assets. The carrying value of the grant as at March 31, 2021 is ₹321.84 lakhs (March 31, 2020: ₹370.91 lakhs).

ii) Waiver of duties of ₹1,458.72 lakhs (March 31, 2020: ₹1,130.52 lakhs) on import of or domestically sourced property, plant and equipment, availed under Export Promotion Capital Goods Scheme. There are no unfulfilled conditions or other contingencies attaching to these grants. As these grants are in relation to property, plant and equipment, the same has been capitalised and amortised over the useful life of respect assets. The carrying value of the grant as at March 31, 2021 is ₹944.82 lakhs (March 31, 2020: ₹773.45 lakhs).

AVANTI FROZEN FOODS PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in lakhs in Indian Rupees, unless otherwise stated)

21 Income Taxes

a) Deferred tax balance

For the year ended March 31, 2021

	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities/ (assets) in relation to				
Unabsorbed depreciation losses carry forward	686.11	(7.84)	-	678.27
Fair valuation of derivatives	(354.21)	387.02	-	32.81
Fair valuation of investments in mutal funds	10.88	93.82	-	104.70
Lease liabilities	(7.66)	(78.88)	-	(86.54)
MAT credit entitlement	(1,654.76)	(939.87)	-	(2,594.63)
Provision for doubtful debts	(51.59)	-	-	(51.59)
Total	**(1,371.23)**	**(545.75)**	**-**	**(1,916.98)**

For the year ended March 31, 2020

	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Deferred tax liabilities/ (assets) in relation to				
Unabsorbed depreciation losses carry forward	637.44	48.67	-	686.11
Fair valuation of derivatives	(4.64)	(349.57)	-	(354.21)
Fair valuation of investments in mutal funds	0.17	10.71	-	10.88
Lease liabilities	-	(7.66)	-	(7.66)
MAT credit entitlement	(920.46)	(734.30)	-	(1,654.76)
Provision for doubtful debts	(45.43)	(6.16)	-	(51.59)
Total	**(332.92)**	**(1,038.31)**	**-**	**(1,371.23)**

b) Tax assets

	As at March 31, 2021	As at March 31, 2020
Non-current tax assets (net of provision for tax)	758.98	590.72
Total	**758.98**	**590.72**

c) Tax expense

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Current tax expense/ (credit)		
In respect of the current year	1,890.72	1,855.93
In respect of the earlier years	2.23	-
	1,892.95	**1,855.93**
Deferred tax expense/ (credit)		
In respect of the current year	(545.75)	(1,038.31)
	(545.75)	**(1,038.31)**
Total	**1,347.20**	**817.62**

d) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Profit before tax from continuing operations	10,815.72	10,751.62
Income tax expense calculated at 34.944% (2019-20: 34.944%)	3,779.45	3,757.04
Deduction u/s 80IB of Income Tax Act, 1961 *	(2,498.02)	(3,071.55)
Income not taxable	-	(45.18)
Expenses not deductible	37.24	35.16
Disallowance u/s 14A of Income Tax Act, 1961	-	10.71
Impact of on opening deferred tax liability due to change in effect tax rate/MAT adjustment of earlier years	30.94	117.51
Tax expenses/reversals of earlier years	2.23	-
Others	(4.65)	13.93
Total	**1,347.19**	**817.62**

* The Company has been availing deduction under section 80IB of the Income Tax Act, 1961 for the new shrimp processing Plant at Yerravaram, East Godavari, Andhra Pradesh, from the financial year 2017-18. The tax benefit on account deduction 80IB for the year ended March 31, 2021 is ₹2,498.02 lakhs (year ended March 31, 2020: ₹3,071.55 lakhs).

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

22 Revenue from operations

		For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
a)	**Sale of products**		
	Export sales	82,349.02	86,773.56
	Domestic sales	320.39	949.99
b)	**Other operating revenues**		
	Export incentives *	3,019.25	7,766.88
	Total	**85,688.66**	**95,490.43**

* Export incentives represents Government grants received under the Duty Drawback Scheme and Merchandise Export from India Scheme.

23 Other income

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Interest on :		
Bank deposits	5.49	3.62
Others	58.94	13.42
Dividend income from investments measured at fair value through profit or loss	-	129.29
Foreign Exchange gain/ (loss)	1,229.20	1,638.14
Fair value gain/(loss) on derivative instruments measured at fair value through profit and loss	93.90	(1,013.65)
Fair value gain/(loss) on financial instruments measured at fair value through profit and loss	268.48	30.56
Short-term capital gains on investments	421.20	0.81
Amortisation of government grants	205.90	190.97
Miscellaneous income	792.33	149.81
Total	**3,075.44**	**1,142.97**

24 Cost of materials consumed

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Shrimp	63,441.29	68,057.62
Packing Material	1,827.64	1,713.46
Total	**65,268.93**	**69,771.08**

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

25 Changes in inventories of finished goods, stock-in-trade, work-in-progress and biological assets

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Inventories (at close)		
Finished Goods	12,598.88	8,933.35
Stock-in-transit	10,156.35	7,632.31
Work-in-process	175.84	72.50
Biological assets	123.07	-
Total Inventories (at close)	**23,054.14**	**16,638.16**
Inventories (at commencement)		
Finished Goods	8,933.35	6,805.65
Stock-in-transit	7,632.31	7,690.41
Work-in-process	72.50	207.95
Biological assets	-	-
Total Inventories (at commencement)	**16,638.16**	**14,704.01**
Net (Increase)/Decrease	**(6,415.98)**	**(1,934.15)**

26 Employee benefits expense

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Salaries and wages	1,929.40	1,730.04
Contribution to provident fund and other funds	203.15	179.94
Gratuity expense (refer note 35)	32.48	31.04
Staff welfare expenses	83.61	70.54
Total	**2,248.64**	**2,011.56**

27 Finance costs

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Interest	46.30	56.08
Interest on lease liabilities	13.82	2.05
Other borrowing costs	67.38	57.03
Total	**127.50**	**115.16**

28 Depreciation and amortisation expense

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Depreciation on property, plant and equipment	1,673.68	1,616.56
Depreciation on ROU asset	112.03	91.90
Amortisation of intangible assets	3.83	3.02
Total	**1,789.54**	**1,711.48**

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

29 Other expenses

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Rent	255.88	122.49
Power and fuel	1,817.46	1,854.67
Repairs and maintenance;		
- Buildings	27.39	42.66
- Plant and machinery	231.65	226.95
- Others	3.38	4.15
Consumable stores	1,770.21	1,248.56
Other manufacturing expenses	4,118.05	3,907.22
Rates and taxes	43.85	31.34
Insurance	464.53	306.34
Travelling and conveyance	21.32	74.90
Vehicle maintenance	28.56	37.37
Communication expenses	15.21	14.84
Printing and stationery	17.57	18.25
Directors' sitting fee	7.90	2.00
Auditors remuneration;		
As auditors	10.00	10.00
Tax matters	3.50	6.71
Other matters	7.00	-
Reimbursement of expenses	0.55	0.88
Professional charges	169.63	26.23
Bank charges	42.62	180.69
General expenses	224.35	398.85
Loss on exchange fluctuation	-	-
Donation	20.00	78.00
Corporate social responsibility (refer note below i)	189.04	211.72
Loss on sale of fixed assets	-	6.03
Provision for doubtful debts	-	-
Advertisement	0.27	0.83
Carriage outward	319.55	338.97
Ocean freight and export expenses	3,838.18	3,586.30
Marketing expenses	1,271.89	1,453.91
Total	**14,919.54**	**14,190.86**
i. Details of corporate social responsibility expenditure:		
A. Amount required to be spent during year	189.04	136.86
B. Amount spent during the year		
1. Construction/acquisition of any asset	-	-
2. Purpose other than (1) above	189.04	211.72
	189.04	**211.72**

30 Exceptional items

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Loss of property, plant and equipment due to fire	13.12	-
Less: minimum insurance claim expected	(13.12)	-
Total	**-**	**-**

Pursuant to a minor fire accident on March 30, 2021 at Ravulapalem Plant admin building, certain property, plant and equipment and other contents in admin building was damaged. The Company lodged an initial estimate of loss with insurance company. During the year ended March 31, 2021, the Company has written off net book value of assets aggregating Rs.13.12 lakhs and recognised a minimum insurance claim receivable for equivalent amount.

31 Earnings per share ("EPS")

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Profit for the year (a)	9,478.73	9,949.79
Weighted average number of equity shares outstanding during the year (b)	1,00,16,667	1,00,16,667
Basic and diluted EPS (Face value ₹10 each) (a)/(b)	**94.63**	**99.33**

There is no dilution to the Basic Earnings per Share as there are no dilutive potential equity shares.

32 Additional notes to the financial statements

a Contingent liabilities:

Contingent liabilities as at March 31, 2021 is ₹ Nil (Previous year: ₹ Nil)

b Capital commitments:

Estimated amount of contracts remaining to be executed on capital account is ₹287.70 lakhs (net of capital advances of ₹190.42 lakhs) [March 31, 2020: ₹578.87 lakhs (net of capital advances of ₹482.62 lakhs)].

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

33 Segmental information

Business segment

The Company is predominantly engaged in the business of processing and export of shrimps. The Chairman and Managing Director (CMD) has been identified as the Chief Operating Decision maker (CODM). There is only one segment in the Company.

In the current year there are two customers (Previous year: one customer), revenue from whom accounts for more than 10% of the Company's total revenue.

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

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Segment Revenue		
India *	3,339.64	8,716.87
USA	73,775.03	74,962.91
Rest of the world	8,573.99	11,810.65
Total	**85,688.66**	**95,490.43**

* Segment revenue form India includes export incentives accrued and realised on exports effected to various countries.

	As at March 31, 2021	As at March 31, 2020
Segment Assets		
India	41,512.11	34,796.58
USA	3,056.14	4,136.23
Rest of the world	1,531.00	1,334.03
Total	**46,099.25**	**40,266.84**
Segment Liabilities		
India	3,899.45	4,180.91
USA	427.79	517.03
Rest of the world	-	-
Total	**4,327.24**	**4,697.94**
Capital expenditure		
India	2,507.36	678.73
USA	-	-
Rest of the world	-	-
Total	**2,507.36**	**678.73**

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

34 Related party disclosures:

(i) Names of related parties and description of relationship

Holding company	Avanti Feeds Limited
Entities having significant influence over the Company	Thai Union Group PCL, Thailand ("TUG") Tri-union Frozen Products Inc. (Chicken of the Sea Frozen Foods) (a subsidiary of TUG) Thai Union China Co. Ltd (a subsidiary of TUG)
Subsidiary company	Avanti Frozen Foods Inc. USA
Key management personnel ("KMP")	A.Indra Kumar, Chairman and Managing Director C.Ramachandra Rao, Director A.Nikhilesh Chowdary, Executive Director
Relatives of KMP	A.Nikhilesh Chowdary
Entities over which KMP have significant influence	Srinivasa Cystine Private Limited Sanjeev Agro-Vet Private Limited Avanti Foundation Sakuntala Professional Associates LLP

(ii) Transactions with related parties;

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Key management personnel		
Rent paid	4.80	-
Remuneration paid	96.37	64.45
Holding company		
Purchase of goods	512.46	218.43
Lab services received	1.27	0.44
Commission on corporate guarantee	32.97	37.60
Sale of MEIS licences	1,070.74	2,842.76
Sale of goods	83.50	143.68
Dividend paid	120.20	-
Subsidiay company		
Unsecured loans given	620.51	-
Interest received on unsecured loans given	1.38	-
Entities having significant influence over the Company		
Sales of Products	29,944.48	33,713.24
Dividend paid	80.13	-
Entities over which KMP have significant influence		
Purchase of goods	76.57	39.07
Legal services received	5.31	-
Contributions towards Coroprate Social Responsibility	184.95	175.67

AVANTI FROZEN FOODS PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in lakhs in Indian Rupees, unless otherwise stated)

(iii) Year end balances;

	As at March 31, 2021	As at March 31, 2020
Holding company		
Trade receivable	-	150.87
Advance for purchase	20.47	-
Subsidiay company		
Unsecured loans given	620.51	-
Interest received on unsecured loans given	1.38	-
Entities having significant influence over the Company		
Trade receivables	1,341.23	1,022.42
Entities over which KMP have significant influence		
Advance for purchase	2.11	2.34
Trade payables	0.55	-

35 Employee Benefits

i) Leave obligations

The leave obligations cover the Company's liability earned leave. Based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is expected to be taken or paid within the next 12

	As at March 31, 2021	As at March 31, 2020
Current leave obligations expected to be settled within the next 12 months	-	-

ii) Defined Contribution Plans

The Company also has certain defined contribution plans. Contributions are made to provident fund (at the rate of 12% of basic salary) and Employee State Insurance in India for employees as per regulations. The contributions are made to registered funds administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is ₹172.12 lakhs (Previous year: ₹133.06 lakhs).

iii) Post employment benefit obligation

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan. The Company does not fully fund the liability and maintains a target level of funding to be maintained over a period of time based on estimations of expected gratuity payments.

a) The amounts recognised in the balance sheet and the movements in the defined benefit obligation over the year are as follows:

As at March 31, 2021	Present value of obligation	Fair value of plan assets	Net amount
Opening balance	193.80	146.99	46.81
Current Service Cost	29.42	-	29.42
Interest expense	12.69	-	12.69
Interest income	-	9.62	(9.62)
Contributions	-	-	-
Total amount recognised in profit or loss	**42.11**	**9.62**	**32.49**
Remeasurements			
Return on plan assets, excluding amounts included in interest income	-	1.69	(1.69)
(Gain)/loss from change in demographic	-	-	-
(Gain)/loss from change in financial assumptions	1.87	-	1.87
Past Service Cost	-	-	-
Experience (gains)/losses	10.09	-	10.09
Total amount recognised in other comprehensive	**11.96**	**1.69**	**10.27**
Employer contributions	-	46.81	(46.81)
Benefit payments	(6.90)	(6.90)	-
Closing Balance	**240.97**	**198.21**	**42.76**

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

As at March 31, 2020	Present value of obligation	Fair value of plan assets	Net amount
Opening balance	137.94	108.76	29.18
Current Service Cost	28.83	-	28.83
Interest expense	10.44	-	10.44
Interest income	-	8.23	(8.23)
Contributions	-	-	-
Total amount recognised in profit or loss	**39.27**	**8.23**	**31.04**
Remeasurements			
Return on plan assets, excluding amounts included in interest income	-	1.10	(1.10)
(Gain)/loss from change in demographic	(1.63)	-	(1.63)
(Gain)/loss from change in financial assumptions	15.17	-	15.17
Past Service Cost	-	-	-
Experience (gains)/losses	3.33	-	3.33
Total amount recognised in other comprehensive	**16.87**	**1.10**	**15.77**
Employer contributions	-	29.19	(29.19)
Benefit payments	(0.28)	(0.28)	-
Closing Balance	**193.80**	**147.00**	**46.80**

The net liability disclosed above relates to funded and unfunded plans are as follows:

	As at March 31, 2021	As at March 31, 2020
Present value of funded obligations	240.97	193.80
Fair value of plan assets	198.21	147.00
Deficit of funded plan	**42.76**	**46.80**
Unfunded plans	-	-
Deficit of gratuity plan	**42.76**	**46.80**

b) Significant estimates: actuarial assumptions

The significant actuarial assumptions for defined benefit obligation are as follows:

	As at March 31, 2021	As at March 31, 2020
Discount rate	6.45%	6.55%
Salary escalation rate	10.00%	10.00%
Attrition rate	10.00%	10.00%

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

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

c) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Impact on defined benefit obligation on account of increase in assumption

	Change in assumption As at March 31,		Impact for the Year Ended March 31,		
	2021	2020		2021	2020
Discount rate	1.00%	1.00%	Decrease by	17.61	14.34
Attrition rate	50.00%	50.00%	Decrease by	14.85	12.79
Salary escalation rate	1.00%	1.00%	Increase by	18.03	14.87

Impact on defined benefit obligation on account of decrease in assumption

	Change in assumption As at March 31,		Impact for the Year Ended March 31,		
	2021	2020		2021	2020
Discount rate	1.00%	1.00%	Increase by	20.15	16.45
Attrition rate	50.00%	50.00%	Increase by	25.30	21.74
Salary escalation rate	1.00%	1.00%	Decrease by	16.21	13.28

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

d) The major categories of plan assets are as follows

	As at March 31, 2021	As at March 31, 2020
Funds managed by SBI Life Insurance Company Ltd.	198.21	146.99
Total	**198.21**	**146.99**

e) Risk exposure

Through its defined benefit plan, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility: The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. The company's plan assets are insurer managed funds and are subject to less material risk.

Changes in bond yields: A decrease in bond yields will increase plan liabilities and the Company ensures that it has enough reserves to fund the liability.

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

f) Defined benefit liability and employer contributions

Expected contributions to post-employment benefit plans for the year ending March 31, 2021 are ₹75.43

The weighted average duration of the defined benefit obligation is 8 years. The expected maturity analysis of gratuity on an undiscounted basis is as follows:

	Less than a year	**Between 2-5 years**	**Between 6-10 years**	**10 years and beyond**
As at March 31, 2021				
Gratuity	34.39	78.69	115.50	215.54
Total	**34.39**	**78.69**	**115.50**	**215.54**
As at March 31, 2020				
Gratuity	30.08	61.37	92.45	180.99
Total	**30.08**	**61.37**	**92.45**	**180.99**

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

36 Fair value measurements

	As at March 31, 2021		As at March 31, 2020	
Financial instruments by category	**Amortised Cost**	**FVPL**	**Amortised Cost**	**FVPL**
Financial Assets				
Investments				
- in mutual funds	-	10,961.50	-	9,894.69
- in deposits	1,142.32	-	-	-
Trade receivables	4,641.36	-	5,855.07	-
Cash and cash equivalents	1,246.28	-	936.09	-
Other bank balances	33.86	-	47.11	-
Bank deposits	41.25	-	24.32	-
Loans	661.63	-	43.40	-
Derivative financial assets	-	93.90	-	-
Security deposits	266.62	-	262.94	-
Total Financial Assets	**8,033.32**	**11,055.40**	**7,168.93**	**9,894.69**
Financial Liabilities				
Borrowings	-	-	16.00	-
Current maturities of long term debt from banks	16.13	-	89.59	-
Lease liabilities	247.65	-	21.93	-
Trade payables	2,573.68	-	2,156.29	-
Derivative financial instrument	-	-	-	1,013.65
Total Financial Liabilities	**2,837.46**	**-**	**2,283.81**	**1,013.65**

Fair value hierarchy

The carrying amount of the current financial assets and current financial liabilities are considered to be same as their fair values, due to their short term nature. In absence of specified maturity period, the carrying amount of the non-current financial assets and non-current financial liabilities such as security deposits (assets) are considered to be same as their fair values.

The fair value of mutual funds is classified as Level 2 in the fair value hierarchy as the fair value has been determined on the basis of Net Assets Value (NAV) declared by the mutual fund. The fair value of Financial derivative contracts has been classified as Level 2 in the fair value hierarchy as the fair value has been determined on the basis of mark-to-market valuation provided by the bank, The corresponding changes in fair value of investment is disclosed as 'Other Income'.

37 Financial Risk Management

The Company activities expose it to market risk, liquidity risk and credit risk. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit Risk	Cash and cash equivalents, trade receivables, security deposits, other bank deposits and loans	Ageing analysis Credit ratings of customers.	Credit monitoring for customers. Diversification of bank deposits.
Liquidity Risk	Borrowings	Cash flow forecasts managed by finance team under the overview of Chairman and Managing Director (CMD).	Working capital management by Chairman and Managing Director (CMD). The excess liquidity is channelised through mutual funds and bank deposits.
Market Risk - interest rate	Long term borrowings at variable rate	Sensitivity analysis	Capital is managed by CMD. The capital requirements are managed by analyzing the funds requirement and budgets in conjunction with the strategic plan.
Market Risk - foreign exchange rate	Future commercial transactions (receivable/payables)	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts

The Company's risk management is carried out by the CMD under policies approved by the board of directors. The Board provides guiding principles for overall risk management, as well as policies covering specific areas such as interest rate risk, credit risk and investment of excess liquidity.

Credit Risk

(i) Credit Risk Management

Credit risk arises from cash and cash equivalents, loans, security deposits and deposits with banks and financial institutions, as well as credit exposures to customers including outstanding receivables.

Credit risk is managed by the Executive Director and Chief Operating Officer of the Company. The company has few customer with most of them being foreign customers. The company provides a credit period of 60-90 days which is in line with the normal industry practice. The Marketing GM undertakes the credit analysis of each customer before transacting. The finance team under the guidance of Marketing GM also periodically review the credit rating of the customers and follow up on long outstanding invoices.

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an on going basis through out each reporting period. To assess whether there is a significant increase in credit risk the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. The below factors are considered:

- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations.
- actual or expected significant changes in the operating results of the borrower.
- significant increase in credit risk on other financial instruments of the same borrower.
- Significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of the borrower in the Company and changes in operating results of the borrower.

Macro economic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 180 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments within 365 days of when they fall due. This definition of default is determined by considering the business environment in which the entity operates and other macro-economic factors.

AVANTI FROZEN FOODS PRIVATE LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021
(All amounts in lakhs in Indian Rupees, unless otherwise stated)

(ii) Provision for expected credit losses

The Company provides for expected credit loss based on the following:

Category	Description of category	Basis for recognition of expected credit loss provision		
		Investments	Loans and deposits	Trade receivables
High quality assets, low credit risk	Assets where there is low risk of default and where the counter party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past	12-month expected credit losses	12-month expected credit losses	Life time expected credit losses
Medium risk, moderate credit risk	Assets where the probability of default is considered moderate, counter party where the capacity to meet the obligation is not strong	12-month expected credit losses	12-month expected credit losses	Life time expected credit losses
Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debt or declaring bankruptcy or failing to engage in are payment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss	Asset is written off		

Expected credit losses for loans, bank deposits and security deposits, excluding trade receivables

Loss allowance measured at 12 month expected credit losses - Financial assets for which credit risk has not increased significantly since initial recognition.

Year ended March 31, 2021

Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Other bank balances	75.11	0%	-	75.11
Loans and advances	661.63	0%	-	661.63
Security deposits	266.62	0%	-	266.62

Year ended March 31, 2020

Asset Group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Other bank balances	71.43	0%	-	71.43
Loans and advances	43.40	0%		43.40
Security deposits	262.94	0%	-	262.94

Expected credit loss for trade receivables under simplified approach

Year ended March 31, 2021

Ageing	Not due	1-90 days	91-180 days	181 - 365 days	More than 365 days	Total
Gross carrying amount	2,521.11	2,098.14	-	-	169.74	4,788.99
Expected loss rate	0%	0%	0%	0%	87%	3%
Expected credit loss	-	-	-	-	147.63	147.63
Net Carrying amount	**2,521.11**	**2,098.14**	**-**	**-**	**22.11**	**4,641.36**

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

Year ended March 31, 2020

Ageing	Not due	1-90 days	91-180 days	181 - 365 days	More than 365 days	Total
Gross carrying amount	3,003.17	2,721.94	117.29	9.66	150.65	6,002.71
Expected loss rate	0%	0%	0%	0%	98%	2%
Expected credit loss	-	-	-	-	147.63	148
Net Carrying amount	**3,003.17**	**2,721.94**	**117.29**	**9.66**	**3.02**	**5,855.08**

Reconciliation of expected credit loss - Trade receivables

Expected credit loss on April 01, 2019	147.63
Changes in loss allowance	-
Expected credit loss on March 31, 2020	**147.63**
Changes in loss allowance	-
Expected credit loss on March 31, 2021	**147.63**

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The finance team monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows and any excess/short liquidity is managed in the form of current borrowings, bank deposits and investment in mutual funds.

(i) Maturities of financial liabilities

The following are the remaining undiscounted contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and exclude the impact of netting agreements.

As at March 31, 2021	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Borrowings	16.13	16.13	16.13	-	-	-
Trade payables	2,573.68	2,573.68	2,573.68	-	-	-
Capital creditors	-	-	-	-	-	-
Total	**2,589.81**	**2,589.81**	**2,589.81**	**-**	**-**	**-**

As at March 31, 2020	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
Borrowings	105.59	105.58	89.45	16.13	-	-
Trade payables	2,156.29	2,156.29	2,156.29	-	-	-
Capital creditors	-	-	-	-	-	-
Total	**2,261.88**	**2,261.87**	**2,245.74**	**16.13**	**-**	**-**

Market Risk - Interest Risk

The Company's main interest rate risk arises from long term and short term borrowings with variable rates, which exposes the Company to cash flow interest rate risk.

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

The exposure of the Company to interest rate changes at the end of the reporting period are as follows:

	March 31, 2021	March 31, 2020
Variable rate borrowings	-	-
Total	**-**	**-**

At the end of the reporting period, the Company had the following variable rate borrowings and receivables:

	As at March 31, 2021			As at March 31, 2020		
	Weighted Average Interest rate %	Balance	% of total outstanding payable/ receivable	Weighted Average Interest rate %	Balance	% of total outstanding payable/ receivable
Financial Liabilities						
Long term borrowings		-			-	
Total		**-**			**-**	

Sensitivity
The profit or loss is sensitive to higher/lower interest expense as a result of changes in interest rates.

	Impact on profit after tax	
	March 31, 2021	March 31, 2020
Interest rate - Increases by 100 basis points	-	-
Interest rate - Decreases by 100 basis points	-	-

Market risk - Price risk
The Company does not have any quoted equity securities, hence there is no exposure to price risk.

Foreign currency risk
The Company is exposed to foreign exchange risk arising from foreign currency transactions, mainly in the nature of sales denominated in foreign currencies and other expenditures. The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

	As at March 31, 2021		As at March 31, 2020	
	Amount in Foreign Currency	Amount	Amount in Foreign Currency	Amount
Trade and other payables				
USD	5,81,993	427.79	6,85,843	517.03
Working Capital loans				
USD	-	-	25	0.02
Balance in EEFC account				
USD	6,76,414	497.20	-	-
Trade receivables				
USD	63,44,471	4,515.85	71,77,392	5,263.11
Euro	82,800	71.29	2,57,580	207.14
Unsecured loans given				
USD	8,50,000	624.79	-	-
Derivatives outstanding				
Forward contracts				
To buy USD	-	-	2,57,560	207.50
To sell USD	2,90,91,402	21,581.10	3,33,16,639	23,273.15
Net exposure (receivable/(payable))	**(2,34,19,709)**	**(17,549.34)**	**(2,68,25,095)**	**(18,527.45)**

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

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments, as detailed below;

	As at March 31, 2021	As at March 31, 2020
Increase in exchange rate by 1%	(175.49)	(185.27)
Decrease in exchange rate by 1%	175.49	185.27

38 Capital management

(a) Risk Management

The Company's objectives when managing capital are to;

safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and

maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company's capital structure is largely equity based. It monitors capital on the basis of the following gearing ratio: Net debt divided by total 'equity' (as shown in the balance sheet).

	March 31, 2021	March 31, 2020
Net debt	16.13	105.59
Total equity	57,039.11	47,770.97
Net debt to equity ratio	**0.03%**	**0.22%**

(b) Dividends

		As at March 31, 2021	As at March 31, 2020
i)	Final dividend for the year ended March 31, 2020 of ₹2 (March 31, 2019: ₹Nil) per fully paid share.	200.33	-
ii)	Interim dividend for the year ended March 31, 2021 of ₹Nil (March 31, 2020: ₹Nil) per fully paid share.	-	-
iii)	In addition to the above dividends, since year end the directors have recommended the payment of a final dividend of ₹5 per fully paid equity share (March 31, 2020: ₹2).	500.83	200.33

This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

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

As per our attached report of even date

For Karvy & Co.,
Chartered Accountants
Firm Registration No. : 001757S

Ajaykumar Kosaraju
Partner
Membership No. :021989

Place : Hyderabad
Date : 19.06.2021

For and on behalf of the Board of Directors

A.Indra Kumar
Chairman and Managing Director

C.Ramachandra Rao
Director

A.Anand
Chief Financial Officer

Lakshmi Sharma
Company Secretary